

September 03, 2022

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
MUMBAI - 400 051
Symbol: MAXHEALTH

Listing Department,
BSE Limited
25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001
Scrip Code: 543220

Sub: Notice of 21st Annual General Meeting along with Annual Report for FY 2021-22

Dear Sir/Ma'am,

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following documents:

1. Notice of the 21st Annual General Meeting ("**AGM**") of the Company (including e-voting instructions);
2. Annual Report for FY 2021-22

The important information w.r.t. the 21st AGM and e-voting are as follows:

- The 21st AGM of Max Healthcare Institute Limited ("**the Company**") is scheduled to be held on Monday, 26th September 2022 at 12:00 Noon (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).
- The Notice of 21st AGM and Annual Report for FY 2021-22 are also available on the Company's website at <https://www.maxhealthcare.in/investors> and are being sent to all eligible shareholders electronically, whose email IDs are registered with the Company/ Depositories.
- The Company has provided the e-voting facility (remote e-voting and e-voting at the AGM) to its shareholders to exercise their right to vote on the resolutions proposed to be passed at the AGM.
- Only those members, whose name are recorded in the register of members/beneficial owners, as maintained with the depositories, as on the cut-off date i.e. Monday, September 19, 2022, will be entitled to cast vote on the resolutions.
- The remote e-voting facility will commence on Friday, September 23, 2022 at 9.00 a.m. (IST) and will end on Sunday, September 25, 2022 at 5.00 p.m. (IST).
- The e-voting facility will also be available during the AGM. Shareholders attending the AGM through VC / OAVM facility who could not cast their vote by remote e-voting will be able to vote during the AGM.

- Other important information including detailed procedure for remote e-voting before and during the AGM have been provided in the notes to the Notice of the AGM.

You are requested to take the above on records.

Thanking you

For Max Healthcare Institute Limited

RUCHI
MAHAJA
N

Digitally signed
by RUCHI
MAHAJAN
Date: 2022.09.03
16:44:38 +05'30'

Ruchi Mahajan

SVP – Company Secretary & Compliance Officer

Encl: a/a

Max Healthcare Institute Ltd.

21ST AGM NOTICE



MAX
Healthcare

MAX HEALTHCARE INSTITUTE LIMITED**CIN L72200MH2001PLC322854**Regd. Office: 401, 4th Floor, Man Excellenza, S.V. Road, Vile Parle (West), Mumbai-400056Corporate Office: 2nd Floor Capital Cyberscape, Sector-59, Gurugram, Haryana - 122011Email Id- secretarial@maxhealthcare.com; investors@maxhealthcare.com;Phone: 022-26101035 Website: www.maxhealthcare.in

NOTICE

NOTICE is hereby given that the **21st Annual General Meeting ("AGM")** of the members of **Max Healthcare Institute Limited** ("the Company") will be held on **Monday, September 26, 2022, at 12:00 Noon (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** to transact the following businesses:

ORDINARY BUSINESS(ES):

1. To receive, consider and adopt (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2022 together with the reports of Board of Directors and Auditor's thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 together with the report of the Auditor's thereon.

To consider and if thought fit, to pass, with or without modification(s) the following resolutions as **Ordinary Resolutions**:

- a) **"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2022 and the reports of Board of Directors and Auditor's thereon, as circulated to the members with the notice of this Annual General Meeting, be and are hereby received, considered and adopted."
 - b) **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 and the report of Auditor's thereon, as circulated to the members with the notice of this Annual General Meeting, be and are hereby received, considered and adopted."
2. To note that Mr. Prashant Kumar (DIN-08342577), Non-Executive Non Independent Director, liable to retire by rotation, does not seek re-election as a Director of the Company.

SPECIAL BUSINESS(ES):

3. **Appointment of Mr. Anil Bhatnagar (DIN-09716726) as Non-Executive Non Independent Director in place of Mr. Prashant Kumar (DIN-08342577), liable to retire by rotation**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Prashant Kumar (DIN-08342577), Non-Executive Non Independent Director, who retires by rotation at the 21st AGM of the Company, has not offered himself for re-appointment, Mr. Prashant Kumar be not re-appointed as a Director of the Company."

"RESOLVED FURTHER THAT in terms of Sections 149, 152, 160 and 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant provisions of Articles of Association of the Company and based on the recommendation of Nomination & Remuneration Committee ("NRC") and the Board of Directors, Mr. Anil Bhatnagar (DIN-09716726) who was appointed as an Additional Director (Non-Executive Non-Independent) by the Board of Directors of the Company with effect from August 31, 2022 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director of the Company, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, liable to retire by rotation."

“RESOLVED FURTHER THAT the vacancy caused due to retirement by rotation of Mr. Prashant Kumar be filled with the appointment of Mr. Anil Bhatnagar as Non-Executive Non-Independent Director, liable to retire by rotation.”

4. **Payment of Remuneration to Mr. Anil Bhatnagar (DIN-09716726) on appointment as Non-Executive Non-Independent Director of the Company**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198, and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder read with schedule V of the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee, Audit and Risk Management Committee and the Board of Directors, consent of members of the Company be and is hereby accorded for payment of remuneration of INR 26 Lakh (Indian Rupees Twenty Six Lakh) per annum (subject to applicable tax deductions) to Mr. Anil Bhatnagar (DIN 09716726) in his capacity as Non-Executive Non-Independent Director, liable to retire by rotation, w.e.f October 1, 2022.”

“RESOLVED FURTHER THAT Mr. Anil Bhatnagar shall also be entitled for sitting fees and reimbursement of the expenses for attending meetings of the Board and its Committee thereof, as permissible under the Act.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee(s) thereof) and the Company Secretary, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

5. **Ratification of remuneration of Cost Auditor for the financial year 2022-23**

To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to M/s. Chandra Wadhwa & Co., Cost Accountants (Firm Registration Number - 000239), appointed by the Board of Directors on the recommendation of Audit & Risk Management Committee as Cost Auditor, to conduct audit of cost records of the Company for the financial year 2022-23 amounting to INR 6.01 Lakh (Indian Rupees Six lakh and One Thousand) plus applicable taxes and

reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and approved.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee(s) thereof) and the Company Secretary, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

6. **Re-appointment of Mr. Abhay Soi (DIN-00203597) as Chairman and Managing Director of the Company**

To consider and if thought fit, to pass the following resolution with or without modification(s), as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 2(51), 2(54), 196, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant provisions of Articles of Association of the Company and based on the recommendation of Nomination & Remuneration Committee (“NRC”) and the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include, unless the context otherwise requires, any Committees of the Board for this purpose to exercise the powers conferred on the Board under this resolution), consent of the members of the Company be and is hereby accorded to re-appoint Mr. Abhay Soi (DIN: 00203597) as the Chairman and Managing Director (“CMD”) of the Company, who shall not be liable to retire by rotation, for a further period of 5 (five) years with effect from June 19, 2023 on such terms and conditions as mentioned in his employment agreement or any amendment thereto.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to undertake all such acts, deeds, matters, and things and to execute all such deeds, documents, and writing including any modifications thereof as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty, or doubt that may arise in this regard including but not limited to delegation of all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or Officer(s) of the Company in order to give effect to this resolution.”

7. **Payment of remuneration to Mr. Abhay Soi (DIN-00203597) on re-appointment as Chairman and Managing Director of the Company**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196(4), 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Nomination & Remuneration Committee (“NRC”), Audit and Risk Management Committee and the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include, unless the context otherwise requires, any Committees of the Board for this purpose to exercise the powers conferred on the Board under this resolution), consent of members of the Company be and is hereby accorded for payment of following remuneration to Mr. Abhay Soi (DIN: 00203597) for a further period of 3 (three) years on re-appointment as Chairman and Managing Director (CMD) of the Company w.e.f. June 19, 2023:

- (i) **Annual Remuneration:** In consideration of performance of his duties, Mr. Abhay Soi shall be entitled to receive an annual fixed remuneration of INR 21.30 Crore (Indian Rupees Twenty One Crore Thirty Lakh) effective from June 19, 2023 (“Annual Fixed Remuneration”), which shall be paid by the Company to Mr. Abhay Soi in equal monthly installments (pro-rated for any partial month of employment) at the end of each calendar month. He shall also be eligible to annual increments in accordance with the Company’s policy. It is clarified that till June 18, 2023, Mr. Abhay Soi shall continue to receive the same remuneration as payable under the MD Employment Agreement dated July 13, 2020 (“MD Employment Agreement”).
- (ii) **Variable Pay:** In addition, he shall be entitled to a Variable Pay upto 36% of Annual Fixed Remuneration for the relevant financial year as determined by the NRC, based on his performance rating in accordance with the Company’s policy (as may be applicable from time to time).
- (iii) **Other benefits / perquisites:** Mr. Abhay Soi shall be entitled to receive the following perquisites / benefits:
 - (a) 1 (one) car (or any replacement thereof) each in Delhi and Mumbai with driver(s), the entire expenditure of which shall be borne by the Company;
 - (b) Provision of telecommunication facilities at the residences of Mr. Abhay Soi as may be necessary to discharge his duties towards the Company;
 - (c) Leave and leave encashment as per the applicable rules framed by the Company;
 - (d) A medical insurance policy of INR 2,00,00,000

(Indian Rupees Two Crore Only) per annum or as per industry standards for Mr. Abhay Soi and his immediate family;

- (e) Allowance of INR 30,00,000 (Indian Rupees Thirty Lakh) per annum towards membership of club(s) that Mr. Abhay Soi elects. The club membership shall be used primarily for business purposes; and
- (f) Allowance for membership of business and leadership organizations/ associations etc. (other than allowance mentioned in (e) above).

The Annual Remuneration and perquisites payable to Mr. Abhay Soi shall be subject to: (a) Applicable Laws including the provisions of the Act; and/ or (b) any withholding taxes required to be deducted at source by the Company as per Indian Income Tax Act, 1961.

- (iv) **Reimbursement:** The Company shall continue to reimburse all expenses incurred by Mr. Abhay Soi on actual basis for performing his duties and responsibilities as CMD for and on behalf of the Company, including reimbursement of cost incurred for setting up a home office, business entertainment expenses and expenses incurred for business travel in terms of Company’s policy.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to regulate the payment of remuneration to Mr. Abhay Soi, within the aforesaid limits, from time to time.”

“RESOLVED FURTHER THAT the terms and conditions of re-appointment of Mr. Abhay Soi shall be governed by the MD Employment Agreement and/or amendments thereto and all personnel policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to him, unless specifically provided otherwise.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to undertake all such acts, deeds, matters, and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty, or doubt that may arise in this regard including but not limited to delegation of all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company in order to give effect to this resolution and any one of the Director be and is hereby authorized to execute all such deeds, documents, and writing including any modifications thereof.”

8. Appointment of Mr. Pranav Amin (DIN-00245099) as Non-Executive Independent Director of the Company

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160, 161 and other applicable provisions, if any, of the Act read with Schedule IV of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination & Remuneration Committee, consent of members of the Company be and is hereby accorded to appoint Mr. Pranav Amin (DIN-00245099) as Non-Executive Independent Director of the Company, not liable to retire by rotation, who was appointed as an Additional Director (Independent director) w.e.f. August 10, 2022 by the Board of Directors and entitled to hold office as such up to this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act, proposing his candidature for the office of Director, for a term of five years commencing from August 10, 2022 to August 09, 2027.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and are hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

9. **Payment of remuneration to Mr. Pranav Amin (DIN-00245099) on appointment as Non-Executive Independent Director of the Company**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act and the rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee, Audit and Risk Management Committee and the Board of Directors, Mr. Pranav Amin shall receive the remuneration of INR 26 Lakh (Indian Rupees Twenty Six Lakh) per annum (subject to applicable taxes)], in the capacity as Non-Executive Independent Director of the Company w.e.f. October 1, 2022.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof), be and are hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

10. **Approval of ‘Max Healthcare Institute Limited - Employee Stock Option Plan 2022’ and grant of employee stock options to the eligible employees of the Company**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with the rules framed thereunder, including the Companies (Share Capital and Debentures) Rules, 2014, and in accordance with the applicable provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the relevant circular(s)/ notification(s)/clarification(s) etc. issued by SEBI in this regard (collectively referred to as the “SEBI SBEB Regulations”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Foreign Exchange Management Act, 1999, read with the relevant rules, regulations, directions, notifications and clarifications issued thereunder (“FEMA”), and other applicable laws, rules and regulations, including in each case any modifications thereof or supplements thereto (collectively, “Applicable Laws”), and the provisions of Memorandum and Articles of Association of the Company and subject to such approvals, permissions and sanctions of any regulatory or other authorities as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee, including the Nomination & Remuneration Committee (“NRC”), which the Board has constituted or may hereafter constitute to act as the “Compensation Committee” under the SEBI SBEB Regulations, to exercise its powers including the powers conferred by this Resolution), the consent of members of the Company be and is hereby accorded to the Board to introduce and implement the “Max Healthcare Institute Limited - Employee Stock Options Plan 2022” (“MHIL ESOP-2022”), the salient features of which are detailed in the Explanatory Statement to this resolution, and to create, grant, vest, offer, issue and allot, from time to time, in one or more tranches, to or for the benefit of such person(s) who are employees as designated by the Company, exclusively working in India or outside India and to such other person(s) as may be decided by the Board and/ or permitted under the SEBI SBEB Regulations and other Applicable Laws (other than promoters or persons belonging to the promoter group of the Company, Independent Directors, and Directors who either himself or through his relative or through any

body corporate, holding directly or indirectly more than 10% of the outstanding equity shares of the Company) selected on the basis of criteria decided by the Board in terms of the MHIL ESOP-2022 (hereinafter collectively referred to as the “Eligible Employees”), up to 1,06,65,978 (One Crore Six Lakh Sixty Five Thousand Nine Hundred and Seventy Eight) stock options exercisable into equity shares of the Company (such stock options, the “Options”) under the MHIL ESOP-2022, in one or more tranches, not exceeding 1,06,65,978 (One Crore Six Lakh Sixty Five Thousand Nine Hundred and Seventy Eight) equity shares of face value of INR 10/- each of the Company, at such price or prices, and on such terms and conditions as may be fixed or determined by the Board in accordance with the MHIL ESOP-2022 and in compliance with the SEBI SBEB Regulations and other Applicable Laws.”

“RESOLVED FURTHER THAT the Board and/or NRC, as the case may be, be and is hereby authorized to issue and allot equity shares of the Company directly to the Eligible Employees upon exercise of Options from time to time in accordance with the MHIL ESOP-2022, and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.”

“RESOLVED FURTHER THAT the Company shall conform to the Accounting Standards prescribed by the Central Government in terms of Section 133 of the Act including any ‘Guidance Note on Accounting for employee share-based payments’ issued in that regard from time to time or any amendment(s)/modification(s) thereafter and any other Applicable Laws to the extent relevant and applicable to the MHIL ESOP-2022.”

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organization of the capital structure of the Company, as applicable from time to time, the number, class and kind of equity shares and/or the number of Options and/or the exercise price under the MHIL ESOP-2022 shall be appropriately adjusted by the Board, along with such approvals as may be necessary to preserve the benefits or potential benefits intended to be made available under the MHIL ESOP-2022 or with respect to any outstanding Options or otherwise necessary to reflect any such change, in a manner that the Board deems fit and accordingly, if any additional Options are granted by the Company for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling of 1,06,65,978 (One Crore Six Lakhs Sixty Five Thousand Nine Hundred and Seventy Eight) shall be deemed to be increased to the extent of such additional number of Options granted.”

“RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be issued and allotted on exercise of Options granted under the MHIL ESOP 2022 and the exercise price of Options granted under the MHIL ESOP-2022 shall automatically stand augmented or reduced, as the case may be, in the

same proportion as the present face value of INR 10/- per equity share bears to their revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Eligible Employees who have been granted Options under the MHIL ESOP-2022.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the Board be and is hereby authorized on behalf of the Company, to formulate, evolve, decide upon and implement the MHIL ESOP-2022, determine the detailed terms and conditions of the MHIL ESOP-2022 including but not limited to the quantum of the Options to be granted per Eligible Employee, the number of Options to be granted in each tranche, the terms or combination of terms subject to which the said Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse and to grant such number of Options, to such Eligible Employees of the Company, at such price, at such time and on such terms and conditions as set out in the MHIL ESOP-2022 and as the Board may in its absolute discretion think fit.”

“RESOLVED FURTHER THAT the NRC be designated as the Compensation Committee in accordance with the proviso to Regulation 5(2) of the SEBI SBEB Regulations for the purposes of administration of MHIL ESOP-2022.”

“RESOLVED FURTHER THAT the Board shall take necessary steps for listing of the equity shares allotted under the MHIL ESOP-2022 on the Stock Exchanges where the equity shares of the Company are listed in accordance with the provisions of the SEBI SBEB Regulations, the Listing Regulations and other Applicable Laws.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend, withdraw, terminate or revive the MHIL ESOP-2022, subject to compliance with Applicable Laws and to do all such acts, deeds, matters and things, as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension, withdrawal, termination or revival of the MHIL ESOP-2022 and to do all other things incidental and ancillary thereof in conformity with the provisions of the Act, Memorandum and Articles of Association of the Company, the SEBI SBEB Regulations, the Listing Regulations and any other Applicable Laws in force.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may, at its absolute discretion, deems necessary to give effect to this Resolution without being required to seek any further consent or approval

of the members, including authorizing or directing the appointment of intermediaries, professionals, experts, independent agencies, any other advisors, consultants or representatives, being incidental to the effective implementation and administration of the MHIL ESOP-2022, as also to make applications to the appropriate authorities, parties and institutions for their requisite approvals and all other documents required to be filed in connection with the above, further to settle all such questions, difficulties or doubts whatsoever which may arise, to give such directions and/or instructions as may be necessary or expedient and to delegate all or any of its powers herein conferred to the NRC and/or any other committee of directors and/or any director(s) and/or officer(s) of the Company.”

11. **Grant of employee stock options under the ‘Max Healthcare Institute Limited - Employee Stock Option Plan 2022’ to the employees of the Holding Company, if any, and/or Subsidiary Company (ies) of the Company**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules framed thereunder, including the Companies (Share Capital and Debentures) Rules, 2014 (the “Companies Act”), and in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the relevant circular(s)/notification(s)/clarification(s) etc. issued by the Securities and Exchange Board of India from time to time (collectively referred to as the “SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Foreign Exchange Management Act, 1999, read with the relevant rules, regulations, directions, notifications and clarifications issued thereunder (“FEMA”) and other applicable laws, rules and regulations, including in each case any modifications thereof or supplements thereto (collectively, “Applicable Laws”), and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, permissions and sanctions of any regulatory or other authorities as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee, including the Nomination & Remuneration Committee (“NRC”), which the Board has constituted or may hereafter constitute to act as the “Compensation Committee” under the SEBI SBEB Regulations, to exercise its powers including the powers conferred by this Resolution), the consent of the members of the Company be and is hereby accorded to the Board to

extend the scope and coverage of ‘Max Healthcare Institute Limited - Employee Stock Option Plan 2022’ (“MHIL ESOP-2022”) to or for the benefit of such person(s) who are employees as designated by the subsidiary company(ies) and Holding Company, if any, exclusively working in India or outside India and to such other person(s) as may be decided by the Board and/or permitted under the SEBI SBEB Regulations and other Applicable Laws, selected on the basis of criteria decided by the Board in terms of the MHIL ESOP-2022 (hereinafter collectively referred to as “Eligible Holdco/Subsidiary Employees”), and to create, grant, offer, issue and allot at any time, in one or more tranches to or for the benefit of such Eligible Holdco/Subsidiary Employees, stock options exercisable into equity shares of the Company (such stock options, the “Options”), in one or more tranches, at such price or prices, and on such terms and conditions, as may be fixed or determined by the Board in accordance with the MHIL ESOP-2022 and in compliance with the SEBI SBEB Regulations and other Applicable Laws.”

“RESOLVED FURTHER THAT the total number of Options granted to Eligible Employees of the Company and/ or the Eligible Holdco/Subsidiary Employees, and the number of underlying equity shares of the Company issued upon exercise of the Options, in aggregate, shall not exceed the overall ceiling of 1,06,65,978 (One Crore Six Lakh Sixty Five Thousand Nine Hundred and Seventy-Eight).”

“RESOLVED FURTHER THAT the terms, powers and provisions of the MHIL ESOP-2022 shall be applicable in relation to the Eligible Holdco/Subsidiary Employees to the extent relevant, with any variation as the Board thinks fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may, at its absolute discretion, deems necessary to give effect to this Resolution without being required to seek any further consent or approval of the members, including authorizing or directing the appointment of intermediaries, professionals, experts, independent agencies, any other advisors, consultants or representatives, being incidental to the effective implementation and administration of the MHIL ESOP-2022, as also to make applications to the appropriate authorities, parties and institutions for their requisite approvals and all other documents required to be filed in connection with the above, further to settle all such questions, difficulties or doubts whatsoever which may arise, to give such directions and/or instructions as may be necessary or expedient and to delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company.”

12. **Revise the limit to make loan(s) or give guarantee(s) or provide security (ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Companies Act, 2013 read with the rules made thereunder**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT in supersession of earlier resolution passed by the members of the Company at their Extraordinary General Meeting held on February 25, 2020 and pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), subject to such approvals, consents, sanctions and permissions, as may be necessary, and in terms of Memorandum & Articles of Association of the Company, as amended or restated, from time to time and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of such loans, investments etc. so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of INR 1,000 Crore (India Rupees One Thousand Crore) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act or as amended from time to time.”

“RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

13. **Revise borrowing limit under Section 180(1)(c) of the Companies Act, 2013**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT in supersession of earlier resolution passed by the members of the Company at their Extraordinary General Meeting held on February 25, 2020 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act,

2013 (“the Act”) and the Rules made thereunder and all other applicable provisions, if any, of any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Memorandum & Articles of Association of the Company, as amended or restated, from time to time, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency (including external commercial borrowings in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more bankers or consortium of bankers and /or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable source whether by way of advances, deposits, letter of credit, loans, debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company’s Bankers in the ordinary course of business or as permitted, from time to time, under the applicable laws) will or may exceed the aggregate of paid-up share capital, free reserves and securities premium of the Company, subject however that the total amount up to which the money may be borrowed as above by the Board and outstanding at any point of time shall not exceed a sum of INR 1,000 Crore (Indian Rupees One Thousand Crore only) over and above the limit of paid-up share capital, free reserves and securities premium account of the Company as prescribed under Section 180(1)(c) of the Act or as amended from time to time.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

14. **Revise limit under Section 180(1)(a) of the Companies Act, 2013, for creation of charge on the assets of the Company, both present and future, in respect of its borrowings**

To consider and if thought fit, to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT in supersession of earlier resolution passed by the members of the Company at its Extraordinary General Meeting held on February 25, 2020 and pursuant to the provisions of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with rules made thereunder and all other applicable provisions, if any, of any other law for the time being in force (including any statutory modification

or amendment thereto or re-enactment thereof for the time being in force) and in terms of Memorandum & Articles of Association of the Company, as amended or restated, from time to time, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee(s) which the Board has constituted/may constitute for this purpose) to create charge(s), mortgage(s), hypothecation(s) or provide security in addition to the existing charge(s), mortgage(s), hypothecation(s), security created by the Company on any of its assets (movable, immovable etc.) both present and future, together with any or all substantial assets of the Company in certain events and in such manner as the Board may deem fit, in favor of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures and/or rupee/foreign currency convertible bonds and/or foreign currency bonds and/or bonds with share warrants attached etc. (hereinafter collectively referred to as "Loans") subject however that the aggregate value of such charge(s), mortgage(s) and hypothecation(s) in addition to the existing charge(s), mortgage(s) and hypothecation(s) created by the Company, on the assets of the Company, both present and future, etc. shall not exceed a sum of INR 1,000 Crore (Indian Rupees One Thousand Crore) over and above the limit of paid-up share capital, free reserves and securities premium account of the Company in line with the borrowing limit of the Company or otherwise, approved or amended from time to time."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**By order of the Board
For Max Healthcare Institute Limited**

**Sd/-
Ruchi Mahajan
SVP-Company Secretary &
Compliance Officer
Membership No. FCS 5671**

**Date: August 31, 2022
Place: New Delhi**

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its Circular no. 20/2020, 14/2020, 17/2020, 02/2021, the latest being 2/2022 dated 5th May, 2022 and the Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022 and other applicable circulars issued in this regard, (hereinafter collectively referred to as 'the MCA SEBI Circulars'), have permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"). Hence, the AGM of the Company is being held through VC/ OAVM. The deemed venue for 21st AGM shall be the registered office of the Company.
2. The statement pursuant to Section 102 of the Act is attached hereunder and forms part of the notice. As required under the Secretarial Standard – 2 and Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the relevant information of directors seeking appointment/re-appointment is attached as Annexure 1. Though not statutorily required, the explanatory statement to Ordinary Business Item No. 2 is being provided as additional information to the members. The Board of Directors have considered Item Nos. 3 to 14, as unavoidable and therefore included it as Special Business(es) in this notice.
3. In terms of the MCA SEBI Circulars, the Company has sent the Annual Report and the Notice of AGM only in electronic form at the email addresses of the shareholders registered with Depository Participant ("DP")/ Company/ Registrar and Transfer Agent ("RTA"). Those shareholders who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a) Kindly log in to the website of our RTA i.e. Link Intime India Private Limited ("LIPL") at www.linkintime.co.in under Investor Services >Email - fill in the details and upload the required documents and submit.
 - b) The shareholder may please contact the DP and register the email address and bank account details in the demat account as per the process followed and advised by the DP.
4. The Notice of the AGM along with Annual Report for the financial year 2021-22 including therein the audited financial statements (Standalone and Consolidated) for the year 2021-22 are also available on the website of the Company at <https://www.maxhealthcare.in/investors/corporate-governance> and the website of stock exchanges i.e. BSE Limited ("BSE") at www.bseindia.com and National Stock Exchanges of India Ltd ("NSE") at www.nseindia.com. Members are requested to download the Annual Report and Notice of the AGM from the website of the Company and the Stock

Exchanges. Members can attend and participate in the AGM through VC/OAVM facility only. The Notice of the 21st AGM and Annual Report are also be available on the website of LIPL at www.linkintime.co.in. Members who wish to obtain physical copies of the above documents may write to the us at investors@maxhealthcare.com.

5. The Annual Report along with Notice of AGM is being sent to the members, whose names appear in the Register of Members/ depositories as on August 31, 2022.
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the aforesaid MCA SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
7. Since the AGM will be held through VC/OAVM, the route map to reach to the venue of the 21st AGM has not been annexed to this Notice. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations and MCA SEBI circulars, the Company is providing the facility of e-voting (including remote e-voting) to its members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has availed the services of LIPL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system during the remote e-voting period as well as e-voting during the AGM will be provided by LIPL.
8. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a certified true scanned copy (PDF/JPEG Format) of its Board resolution or Governing body resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Scrutinizer by email from their registered email address to sanjaygrover7@gmail.com with copies marked to the Company at investors@maxhealthcare.com and to the RTA at delhi@linkintime.co.in. Institutional Investors are encouraged to attend and vote at the meeting through VC.
9. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members/list of beneficial owners as maintained by the Depositories/ Company will be entitled to vote.

10. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts(s).

11. Instructions for Members to attend the AGM through InstaMeet (VC/OAVM) are as under:

- (a) Members are entitled to attend the AGM through VC/OAVM platform "InstaMeet" provided by the LIPL by following the below mentioned process. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available to the Members on first come first serve basis and shall be kept open till the expiry of 15 (Fifteen) minutes after the schedule time.

Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (Fifteen) minutes from the scheduled time of the AGM. Members holding more than 2% equity shares, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit & Risk Management Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

(b) Process to register and attend the AGM are as under:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the "Company" and 'Event Date' and register with your following details: -

A. Demat Account No.: Enter your 16 digit demat Account No.

- Members holding shares in Central Depository Services (India) Limited ("CDSL") demat account, shall provide 16 Digit Beneficiary ID.
- Members holding shares in National Securities Depository Limited ("NSDL") demat account, shall provide 8 Character DP ID followed by 8 Digit Client ID

B. PAN: Enter your 10-digit PAN. Members who have not updated their PAN with the DP/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your e-mail id, as recorded with your DP/Company.

Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

(c) Instructions for Members to speak during the AGM through InstaMeet:

1. Members who would like to speak during the meeting must register their request on or before September 19, 2022 with the Company by sending questions in advance along with their name, demat account number, email id and mobile number at investors@maxhealthcare.com.
2. Members will get confirmation on first come first basis.
3. Members will receive “speaking serial number” once they mark attendance for the meeting.
4. Other Members may ask questions to the panelist, via active chat-board during the meeting and the same will be replied suitably during or after the meeting.
5. Please remember your allotted speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
6. Members are requested to speak only when moderator of the meeting will announce the name and serial number of the speaker.
7. The Company reserves the right to restrict the numbers of speakers depending on the availability of time during AGM.

(d) Instructions for Members to Vote during the AGM through InstaMeet:

Members who have voted through remote e-voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. Further, Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting:

1. On the shareholder’s VC page, click on the link for e-voting “Cast your vote”.
2. Enter your 16 digit demat Account No./Folio No. and OTP (received on the registered mobile number/registered e-mail Id) received during registration for InstaMeet and click on ‘Submit’.

3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

4. Cast your vote by selecting appropriate option i.e. “Favour/ Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/ Against’.

5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

6. Once you confirm your vote on the resolutions, you will not be allowed to modify or change your vote subsequently.

(e) Members are encouraged to join the meeting through Tablets/Laptops connected through broadband for better experience.

(f) Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

(g) Please note that Members connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

(h) For a smooth experience of viewing the AGM proceedings on InstaMeet, shareholders/members who are registered as speakers for the event are requested to download and install the Webex application.

(i) In case shareholders/members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

12. Remote e-voting Instructions for shareholders:

Pursuant to the circular issued by the SEBI dated December 09, 2020 on e-voting facility, members can vote on the resolutions through their demat account maintained with Depositories/DPs.

Members are advised to update their mobile number and email Id in their demat accounts to access remote e-voting facility.

Login method for the members holding securities of the Company is as follows:

Type of Member	Login Method
Members holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-Voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.
Members holding securities in demat mode with CDSL	• Existing user who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi/Easiest, the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e- voting service provider name to cast your vote • If the user not registered for Easi/Easiest, option to register is https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.
Members (holding securities in demat mode) & login through their DPs	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. • Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian/ Mutual Fund/Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the ‘Custodian/

Mutual Fund/Corporate Body’ login for the Scrutinizer to verify the same.

If Members holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants’ website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders / Members holding securities in demat mode:

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Institutional shareholders:

In case Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **Instavote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an e-mail to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

13. Members attending the meeting through VC/OAVM including authorized representative(s)/attorney holder(s) of Corporate members, institutional investors etc. shall be counted for the purposes of reckoning the quorum under the provisions of Section 103 of the Act.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and Certificate from the Secretarial Auditor of the Company under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection in electronic form by the members during the AGM. All documents referred to in the notice will also be available for inspection in electronic form without any fee by the members from the date of circulation of this notice up to the date of AGM on September 26, 2022 during business hours. Members seeking to inspect such documents may send a request on the email id investors@maxhealthcare.com at least one working day before the date on which they intend to inspect the document.

15. Members seeking any further clarification/information relating to the Annual Financial Statements are requested to write to the Company on or before September 19, 2022 at the Registered/ Corporate Office or e-mail us at investors@maxhealthcare.com, to enable the management to keep the information ready at the Meeting.
16. The Shares of the Company are compulsorily traded in demat mode. Hence, those shareholders who were holding shares in Erstwhile Max India Limited in physical form as on Record Date and allotted equity shares of the Company pursuant to Composite scheme of amalgamation and arrangement under Sections 230 to 232, and other applicable provisions, of the Companies Act, 2013 amongst Erstwhile Max India Limited, the Company, Radiant Life, Max India (formerly known as Advaita Allied Health Services Limited) and their respective shareholders and creditors and the relevant equity shares for these shareholders have been credited in the Max Healthcare Institute Limited- Physical Shareholders' Demat Account of the Company. The shareholders who are holding shares in physical form are advised that it is in their own interest to dematerialize their shareholding to avail benefit of dematerialization viz. easy liquidity, electronic transfer and prevention of forgery.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company/RTA of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from concerned Depository Participant and holdings should be verified from time to time.
18. Members holding shares in demat form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders by contacting their respective DPs for availing this facility.

General Guidelines for shareholders:

1. In case the Members have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an e-mail to enotices@linkintime.co.in or Call at Tel: 022 - 49186000.
2. The remote e-voting period commences on Friday, September 23, 2022 at 9.00 A.M. and ends on Sunday, September 25, 2022 at 5.00 P.M. During this period, members of the Company, holding shares of the Company, as on the cut-off date i.e. Monday, September 19, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

3. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Monday, September 19, 2022. The person who is not a member as on the cut-off date should treat this Notice for information purpose only.
4. Any person, who acquire shares of the Company and become member after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. Monday, September 19, 2022, may obtain the user ID and password by sending a request at rajiv.ranjan@linkintime.co.in or delhi@linkintime.co.in. However, if you are already registered with LIPL for remote e-voting, then you can use your existing user ID and password for casting your vote.
5. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off i.e. Monday, September 19, 2022 date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
6. The Company has appointed Mr. Devesh Kumar Vasisht, Partner of M/s. Sanjay Grover & Associates, Company Secretaries, New Delhi (Firm Registration No. P2001DE052900) as the Scrutinizer to scrutinize the remote e- voting process and e-voting at the AGM, in a fair and transparent manner.
7. At the AGM, the Chairman will allow voting to be cast by use of e-voting facility 'InstaMeet' of LIPL for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
8. The Scrutinizer shall after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall submit a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting.
9. The results of the AGM shall be declared by the Chairman & Managing Director or any person duly authorized by him on this behalf, after the AGM within the prescribed time limits. The resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolutions.
10. The results declared along with the scrutinizer's report shall be placed on the Company's website www.maxhealthcare.in and on the website of LIPL besides communicated to BSE and NSE accordingly.

Important instruction for shareholders whose shares are lying with the Company in "Max Healthcare Institute Ltd-Physical Share Holders Demat Account"

Pursuant to the Composite Scheme of Amalgamation and Arrangement amongst erstwhile Max India Limited ("Erstwhile Max India"), Max Healthcare Institute Limited ("Max Healthcare"/ "the Company"), Radiant Life Care Private Limited and Advaita Allied Health Services Limited ("formerly known as Advaita"/ presently known as Max India Limited) and their respective shareholders and Creditors ("Scheme"), on June 19, 2022, the Company issued and allotted Equity Shares to all the eligible shareholders (holding shares both in physical and Demat form) of Erstwhile Max India on the Record Date in Demat form. Further, in respect of those shareholders who were holding shares in Erstwhile Max India in physical form as on Record Date, the Company has credited these shares in the Max Healthcare Institute Limited- Physical Shareholders' Demat Account of the Company.

SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/ CIR/2021/655, dated 3rd November, 2021, clarification vide circular no. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/687, dated 14th December, 2021 and circular no. SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/CIR/2022/8 dated 25th January, 2022 has simplified the process for investor service requests. Accordingly, the companies shall process the following service requests viz. issue of duplicate securities certificate; renewal/exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition in dematerialized form only.

As per the above SEBI Circular, the Company/ RTA can entertain a shareholder's service request only upon the provision of PAN, KYC details and nomination information. Any folios for which PAN, KYC and nomination details are missing on or after 1st April, 2023, shall be frozen and will be ineligible for lodging a grievance/service request. Such folios will also not be eligible for receipt of any payment, including dividends, through the physical mode. Folios remaining frozen till 31st December, 2025 will be referred by the RTA/ the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

In view of the above, the members of the Company who have not opened their Demat account and whose shares are lying in "Max Healthcare Institute Ltd-Physical Share Holders Demat Account" are advised to open their Demat Account to claim their shares lying in the aforesaid Demat Account of the Company. The members are requested to follow the process as intimated by the Company/ RTA from time to time and can contact the Company or RTA, for any assistance in this regard.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT") & RULES MADE THEREUNDER, LISTING REGULATIONS AND OTHER APPLICABLE LAWS

Item No. 2, 3 & 4

The members may please note that the Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee ("NRC"), appointed Mr. Anil Bhatnagar as an Additional Director (Non-Executive Non-Independent) on the Board of the Company with effect from August 31, 2022, in terms of the Companies Act, 2013 ("the Act") read with the rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In terms of Section 161 of the Act, Mr. Anil Bhatnagar shall hold the office only up to the date of ensuing AGM and is eligible for appointment as Non-Executive Non-Independent Director.

Regulation 17(1C) of Listing Regulations inter-alia provides that the listed entity shall ensure that approval of members for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received a notice under Section 160 of the Act from a member of the Company, proposing candidature of Mr. Bhatnagar for appointment as Non-Executive Non-Independent Director of the Company. In addition, the Company has also received the requisite documents from him including declaration that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Non-Executive Non-Independent Director of the Company. He is also not debarred from being appointed to the office of Director by virtue of any order of SEBI or any such other authority.

Brief profile of Mr. Anil Bhatnagar:

Mr. Anil Bhatnagar has rich experience in corporate and commercial litigation including international and domestic arbitrations. He is a former Senior Partner of the firm, Dua Associates. He has handled a large number of domestic arbitrations covering corporate and commercial disputes arising out of joint ventures, Government and private contracts, civil construction and engineering contracts.

He has conducted International Arbitration in several countries including proceedings before Arbitral Tribunals constituted by the International Chamber of Commerce, Paris and London Court of International Arbitration, London.

As a litigator, he has regularly appeared as Counsel in a large number of matters before the Supreme Court of India, Delhi High Court, other state High Courts and Statutory Tribunals.

He holds a Bachelor's degree in Science from the University of Delhi and also a Bachelor of Laws degree from the Faculty of Law, University of Delhi. He is enrolled with the Delhi Bar Council.

Brief profile of Mr. Bhatnagar is also available on the website of the Company i.e. www.maxhealthcare.in/investors.

Other relevant details of Mr. Anil Bhatnagar as required under Regulation 36 of Listing Regulations and Secretarial Standards on General Meetings (SS-2) is provided under **Annexure-1** to this Notice.

Keeping in view his background, qualifications, skills, experience and functional expertise, his association would be immensely beneficial to and is in interest of the Company and will help the Board to maintain appropriate balance of skills, experience and knowledge and necessary diversity and discharge its functions and duties effectively.

The members may please note that in terms of Section 152(6) of the Act and Articles of Association of the Company, Mr. Prashant Kumar (DIN: 08342577) (nominee of Kayak Investments Holding Pte. Ltd. ("Kayak")) appointed as Non-Executive Non-Independent Director of the Company was liable to retire by rotation at the ensuing AGM and accordingly, had offered himself for re-appointment and his candidature for the same was also approved and recommended by the Board of Directors to shareholders for approval at its meeting held on May 25, 2022. However, as Kayak has sold its entire stake in the Company on August 25, 2022, Mr. Prashant Kumar vide letter dated August 29, 2022, has informed the Company that he has decided not to offer himself for re-appointment and hence, will retire at the AGM, and thus the Board has resolved, subject to approval of shareholders, that the vacancy in the Board so created shall be filled by appointment of Mr. Anil Bhatnagar. Therefore, it is proposed to appoint Mr. Anil Bhatnagar as the Non-Executive Non-Independent Director, liable to retire by rotation. The Company is in the process to induct more Non-Executive Director(s), liable to retire by rotation, on its Board in due course.

Proviso to Section 197(1) of the Act inter-alia provides that except with the approval of the Company in general meeting by a special resolution, the remuneration payable to directors who are neither managing directors nor whole-time directors shall not exceed one percent of the net profits of the company, if there is a managing or whole-time director or manager. Further, Section 197(6) of the Act provides that a director or manager may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other.

Basis approval accorded by the Board of Directors and as recommended by NRC, Mr. Bhatnagar will be entitled for payment of sitting fee of INR 1 Lakh (Indian Rupees One Lakh) for attending each meeting of Board and Committee(s) as may be inducted from time to time, and proposed to pay remuneration of INR 26 Lakh (Indian Rupees Twenty Six Lakh) per annum w.e.f. October 1, 2022, subject to approval of members in this AGM in terms of applicable provisions of Section 197, 198 of the Act read with rules made thereunder and Schedule thereto and Listing Regulations.

Accordingly, based on recommendation by the NRC, the Board recommends the resolutions as set out at item No. 3 and 4 of this notice for approval by the members as an Ordinary Resolution and Special Resolution, respectively.

Except Mr. Anil Bhatnagar being proposed appointee, Mr. Abhay Soi (Promoter-Chairman & Managing Director), relative of Mr. Anil Bhatnagar (father-in-law), none of the other Directors

and Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3 and 4 of this notice besides to the extent of their shareholding, if any, held in the Company.

Item No. 5

The Board of Directors, on the recommendation of Audit & Risk Management Committee, at its meeting held on May 25, 2022, approved the appointment of M/s. Chandra Wadhwa & Co. (Firm Registration Number- 000239), as Cost Auditor, to conduct the audit of cost records of the Company for the financial year 2022-23 at a remuneration of INR 6.01 Lakh (Indian Rupees Six Lakh and One Thousand) plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company at a general meeting. Accordingly, consent of the members is being sought for ratification of the remuneration payable to the Cost Auditor for the financial year 2022-23.

The Board recommends the resolution as set out at Item no. 5 of this notice for ratification by the members of the Company by way of an Ordinary Resolution.

None of the Directors, Promoters and Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 6 and 7

The members may please note that, Mr. Abhay Soi was appointed as the Non-Executive Chairman of the Company with effect from June 21, 2019. Further, in terms of the Shareholders' Agreement (executed between Mr. Abhay Soi, Kayak Investments Holding Pte. Ltd ("Kayak")) on December 24, 2018 and Deed of Accession and Adherence dated June 1, 2020 executed by the Company confirming its adherence to the terms of the said Shareholders' Agreement, ("Post Merger SHA") and, on the recommendation of Nomination & Remuneration Committee ("NRC") and Board of Directors, he was appointed as the Chairman and Managing Director ("CMD") of the Company for a period of three years with effect from June 19, 2020 and the same was also approved by the shareholders on July 30, 2020. Therefore, Mr. Soi's present term of office is going to expire on June 18, 2023.

As per proviso to Section 196(2) of the Companies Act, 2013 ("the Act"), no re-appointment of Managing Director shall be made earlier than one year before the expiry of his term, the proposed re-appointment of Mr. Soi is in compliance with the said provision. Pursuant to the provisions of Section 196, 197 and 198 of the Act, read with Schedule V, a company having inadequate/no profits in any financial year during the currency of tenure of service of the managerial personnel, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as a minimum remuneration.

Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter-alia provides that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the members by way of special resolution in general meeting, if the annual remuneration payable to such executive director exceeds INR 5 crore or 2.5 percent of the net profits of the listed entity, whichever is higher.

It is strongly believed that the Company would be immensely benefitted with vast knowledge and varied experience and leadership of Mr. Soi as the CMD of the Company. Also, members may please note that, for sustaining stellar contributions of Mr. Soi, in significantly challenging business environment, it is strategically critical to reward him suitably.

On the recommendation of NRC, the Board of Directors at its meeting held on August 31, 2022 considered and recommended the re-appointment of Mr. Soi as CMD for a period of 5 (five) years w.e.f. June 19, 2023 on such terms and conditions as provided under the employment agreement to be entered into with him by the Company and any amendment(s) thereto. The Board of Directors also, on the recommendation of NRC and Audit & Risk Management Committee, recommended payment of revised remuneration to Mr. Soi, as explained hereunder, for a period of 3 (three) years w.e.f. June 19, 2023.

Remuneration proposed:

- (i) **Annual Remuneration:** In consideration of performance of his duties, Mr. Abhay Soi shall be entitled to receive an annual fixed remuneration of INR 21.30 Crore (Indian Rupees Twenty One Crore Thirty Lakh) effective from June 19, 2023 ("Annual Fixed Remuneration"), which shall be paid by the Company to Mr. Abhay Soi in equal monthly installments (pro-rated for any partial month of employment) at the end of each calendar month. He shall also be eligible to annual increments in accordance with the Company's policy. It is clarified that till June 18, 2023, Mr. Abhay Soi shall continue to receive the same remuneration as payable under the MD Employment Agreement dated July 13, 2020 ("MD Employment Agreement").
- (ii) **Variable Pay:** In addition, he shall be entitled to a Variable Pay up to 36% of Annual Fixed Remuneration for the relevant financial year, as determined by the NRC based on his performance rating in accordance with the Company's policy (as may be amended from time to time).
- (iii) **Other benefits / perquisites:** Mr. Abhay Soi shall be entitled to receive the following perquisites / benefits:
 - (a) 1 (one) car (or any replacement thereof) each in Delhi and Mumbai with driver(s), the entire expenditure of which shall be borne by the Company;
 - (b) Provision of telecommunication facilities at the residences of Mr. Abhay Soi as may be necessary to discharge his duties towards the Company;
 - (c) Leave and leave encashment as per the applicable rules framed by the Company;

- (d) A medical insurance policy of INR 2,00,00,000 (Indian Rupees Two Crore Only) per annum or as per industry standard for Mr. Abhay Soi and his immediate family;
- (e) Allowance of INR 30,00,000 (Indian Rupees Thirty Lakh) per annum towards membership of club(s) that Mr. Abhay Soi elects. The club membership shall be used primarily for business purposes; and
- (f) Allowance for membership of business and leadership organizations/ associations etc. (other than allowance mentioned in (e) above).

The Annual Remuneration and perquisites payable to Mr. Abhay Soi shall be subject to (a) Applicable Laws including the provisions of the Act; and/ or (b) any withholding taxes required to be deducted at source by the Company as per Indian Income Tax Act, 1961.

- (iv) **Reimbursement:** The Company shall continue to reimburse all expenses incurred by Mr. Abhay Soi on actual basis for performing his duties and responsibilities as CMD for and on behalf of the Company, including reimbursement of cost incurred for setting up a home office, business travel and entertainment expenses in terms of Company's policy.
- (v) **Minimum Remuneration:** In the event of absence of profits and/ or inadequacy of profits in any financial year during the period of payment of remuneration to Mr. Soi as CMD i.e. 3 (three) years w.e.f. June 19, 2023, the above remuneration, perquisites, statutory benefits, other Company benefits and stated reimbursements etc. shall be made notwithstanding that such remuneration may exceed the limits prescribed under Section 197 read with Schedule V of the Act or under the provisions of Listing Regulations or under any other laws for the time being in force, if any.

It may please be noted that the revised fixed remuneration reflects 15% CAGR for three years as this remuneration has been static previously. Also, during the challenging period of COVID -19 pandemic, Mr. Soi reduced his remuneration by 50% and being Promoter of the Company, he is not eligible for grant of stock options under Employee Stock Option Plan - 2020 as well as proposed Employee Stock Option Plan – 2022. The proposed revised remuneration of Mr. Soi is aligned with the current and emerging remuneration practices and trends for similar positions in the corporate sector in India, as well as key components of the existing remuneration policy of the Company as prescribed under the Act.

The Company has received the requisite documents from Mr. Abhay Soi that he is not disqualified from being re-appointed as Director in terms of Section 164 of the Act and has given his consent to act as Chairman & Managing Director of the Company. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any such other authority.

Other relevant details of Mr. Abhay Soi as required under Regulation 36 of Listing Regulations and Secretarial Standards on General Meetings (SS-2) is provided under **Annexure-1** to this Notice. Further, the information as required to be disclosed under paragraph (iv) of the second proviso of Paragraph B of Section II of Part II of Schedule V to the Act also forms part of this Notice.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Accordingly, the Board recommends the (a) re-appointment of Mr. Soi as CMD for a further period of 5 (five) years w.e.f. June 19, 2023 and (b) payment of remuneration to him for a period of 3 (three) years w.e.f. June 19, 2023, for the approval of members of the Company as Ordinary Resolution at item no. 6 and Special Resolution at item no. 7 respectively.

Except Mr. Abhay Soi, being CMD, Promoter and Shareholder to the extent of his shareholding in the Company, Mr. Anil Bhatnagar relative of Mr. Abhay Soi, none of the other Promoters, Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financial or otherwise, in the resolutions set out at item no. 6 and 7.

Item No. 8 & 9

The Board of Directors, on the recommendation of Nomination & Remuneration Committee ("NRC"), has appointed Mr. Pranav Amin as an Additional Director (Non-Executive Independent) and recommended his appointment as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from August 10, 2022 to August 09, 2027, subject to the approval of Members in this AGM.

In terms of Section 161 of the Act, Mr. Pranav Amin, being appointed as an Additional Director, is entitled to hold office only up to the date of this AGM and is eligible for appointment as a Director. Regulation 23(2A) of Listing Regulations prescribes that The appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

The Company has received a notice under Section 160 of the Act from a member of the Company proposing his candidature as a Director. Since Mr. Amin is the Managing Director of Alembic Pharmaceuticals Limited ("Alembic"), the Company has also received approval from Alembic authorizing him to seek appointment as Non-Executive Independent Director on the Board of the Company.

Further, the Company has received requisite consent and declarations from Mr. Amin including confirmation that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any such other authority.

Brief profile:

Mr. Pranav Amin is the Managing Director of Alembic, part of the Alembic Group established in 1907 in Vadodara, India, involved in manufacture of pharmaceutical products, pharmaceutical substances and intermediates. He is also Chairman of Rhizen Therapeutics S.A, a biopharmaceutical company focused on discovery and development of innovative, small molecule drugs for the treatment of cancer, inflammation, autoimmune diseases and metabolic disorders.

Mr. Amin attended the Doon School, Dehradun, where he had his formative education. He graduated with a double major in Economics and Industrial Management from the Carnegie Mellon University in Pittsburgh, USA. He also holds an MBA degree in International Management from Thunderbird, The American Graduate School of International Management. His expertise is to lead enterprise through empowerment, involvement and autonomy. He actively practices Listening - Sensing - Observing to bring creative ideas to fruition. Mr. Amin is an active member of Young Presidents Organization, a worldwide organization of chief executives. He is a keen cricketer and President of Baroda Cricket Association, which is an affiliate member of the Board of Control for Cricket in India.

He is also closely involved in charitable activities of Alembic Group, as a way to give back to the Society. He is a trustee of Uday Education Society, which runs four schools in Vadodara and also a trustee of Bhailal Amin General Hospital.

Brief profile of Mr. Amin is also available on the website of the Company i.e. www.maxhealthcare.in/investors.

In the opinion of the Board, he fulfills the conditions specified in the said Act and is independent to the Management. Further, he possesses appropriate skills, experience, expertise, knowledge and the Company would be immensely benefitted from his entrepreneurship skills and interest in philanthropic activities. Further, the role and capabilities as required in the case of an independent director along with defined list of core skills/expertise/ competencies etc., in the context of its business and sector for it to function effectively have also been well defined. The NRC of the Board has evaluated the profile of Mr. Amin and concluded that he possesses the relevant skill and capabilities to discharge the role of Independent Director.

It is proposed that Mr. Pranav Amin be appointed as an Independent Director, not liable to retire by rotation, of the Company for a term of 5 (five) consecutive years i.e. from August 10, 2022 to August 9, 2027. The members may also kindly note that, based on the approval accorded by the Board of Directors and recommended by NRC, Mr. Amin would be entitled for sitting fee of INR 1 Lakh for attending each meeting of Board and Committee(s) as may be inducted from time to time and proposed to pay remuneration of INR 26 Lakh per annum w.e.f. October 01, 2022, subject to approval of members at the ensuing AGM, in line with the approval accorded by the shareholders of the Company at its last AGM held on September 29, 2021 to all Independent Directors continuing at that time.

A copy of the letter of appointment of Mr. Pranav Amin setting out the terms and conditions of appointment is available for

inspection up to the date of AGM electronically and will also be available for inspection during the AGM. A brief profile of Mr. Pranav Amin is also available on the website of the Company i.e. www.maxhealthcare.in/investors.

Other relevant details of Mr. Pranav Amin as required under Regulation 36 of Listing Regulations and Secretarial Standards on General Meetings (SS-2) is provided under **Annexure-1** to this Notice.

The Board recommends the resolutions as set out at Item No. 8 and 9 of this Notice for approval by the Members as Ordinary Resolution and Special Resolution, respectively.

Except Mr. Pranav Amin being a proposed appointee, none of the other Director, Promoters and Key Managerial Personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the said resolutions.

Item No. 10 and 11

As the members are aware that stock options have long been recognized as an effective instrument to attract and retain the best talent and also serves to attract, incentivize and motivate professionals and reward exceptional performance. Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock based compensation scheme.

Accordingly, it intends to reward, attract, motivate and retain employees of the Company, its holding company, if any and its existing or future subsidiary companies, in or outside India, for their high level of individual performance and for their efforts to improve the overall performance of the Company with the objective of achieving sustained growth of the Company and creation of shareholder's value by aligning the interests of the eligible employees with the long-term interests of the Company.

With the above objective, the Board of Directors of the Company intend to implement an employee stock option plan namely 'Max Healthcare Institute Limited - Employee Stock Option Plan 2022' ("MHIL ESOP-2022" / "Plan" / "Scheme") seeking to cover eligible employees of the Company, its holding company, if any and its existing or future subsidiary companies, in or outside India, under the Scheme, which is to be implemented by the NRC constituted under Section 178 of the Companies Act, 2013, as amended (the "Companies Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") and in accordance with the requirements of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended (the "SEBI SBEB Regulations") issued by the SEBI and other applicable laws.

Accordingly, the NRC and the Board at their respective meetings held on August 31, 2022, had approved the introduction of the MHIL ESOP-2022, subject to approval of members of the Company. The Scheme will be operated and administered under the superintendence of the NRC.

The salient features of MHIL ESOP-2022 are set out below:

S. No.	Particulars	Key Features
a	Brief description of MHIL ESOP-2022	- The MHIL ESOP-2022 contemplates grant of stock options to the employees of the Company, its holding company, if any and its existing or future subsidiary company(ies), in or outside India, that are eligible under the MHIL ESOP-2022 ("Eligible Employees"). - After vesting of options, the Eligible Employees earn a right, but not an obligation, to exercise the vested options within the exercise period and subscribe to equity shares of the Company subject to compliance with the requirements of the MHIL ESOP-2022, including payment of exercise price and satisfaction of any tax obligation arising thereon.
b	Total number of stock options to be granted	- The total number of options to be granted under the MHIL ESOP-2022 shall not exceed 1,06,65,978 (One Crore Six Lakh Sixty Five Thousand Nine Hundred and Seventy Eight). - Each option when exercised would be converted into one equity share of INR 10 (Indian Rupee Ten) each fully paid-up. - Further, the SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Company shall adjust the number, class and kind of equity shares, the number of stock options and/or the exercise price of the options granted in such a manner that the total value of the options granted under the MHIL ESOP- 2022 remains the same after any such corporate action. Accordingly, if any additional options are granted by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 1,06,65,978 (One Crore Six Lakh Sixty Five Thousand Nine Hundred and Seventy Eight), shall be deemed to be increased to the extent of such additional options issued. - A grantee may surrender his/her vested/unvested options at any time during his employment with the Company or any subsidiary or holding company of the Company, as applicable. Any grantee willing to surrender his/her options shall communicate the same in writing to the NRC. - Vested options and unvested options that have lapsed due to non- exercise, surrender and/or cancellation under the MHIL ESOP-2022, would be available for being re-granted at a future date in accordance with the provisions of MHIL ESOP-2022.
c	Implementation and administration of the MHIL ESOP-2022	- The existing NRC shall act as Compensation Committee for the administration and implementation of MHIL ESOP-2022 in terms of SEBI SBEB Regulations. - All questions of interpretation of the MHIL ESOP-2022 or any option under the Scheme shall be determined by the NRC and such determination shall be final and binding upon all persons having an interest in the MHIL ESOP-2022 or in any option issued thereunder.
d	Identification of classes of employees entitled to participate and be beneficiaries in MHIL ESOP-2022	Subject to determination and identification by the NRC and the requirements of MHIL-ESOP 2022 and applicable laws, the following are eligible to participate in MHIL ESOP-2022: - an employee as designated by the company, who is exclusively working in India or outside India; or - an employee, as defined in (i) above, of holding company (if any) and / or existing or future subsidiary company, in India or outside India, of the Company; or - any other person who may be permitted under applicable laws and as may be approved by the Board from time to time. Following persons are not eligible to participate in MHIL ESOP- 2022: - an employee who is a Promoter or a person belonging to the Promoter Group; and - a director who either by himself/herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.
e	Requirements of vesting and period of vesting	- Options granted under MHIL ESOP-2022 shall vest not earlier than the minimum period of 1 (one) year and not later than the maximum period of 5 (five) years from the date of grant. - The vesting dates in respect of the options granted under the MHIL ESOP-2022 shall be determined by the NRC and may vary from grantee to grantee or any class thereof. - Options shall vest essentially based on continuation of employment / service with the Company or its holding company or subsidiary company, as applicable, and as per requirement of the SEBI SBEB Regulations. Apart from that the NRC may prescribe achievement of any performance condition(s) or other criteria for vesting.

f	Maximum period within which the options shall be vested	All the options granted on any date shall vest not later than the maximum period of 5 (five) years from the date of grant as stated above.
g	Exercise price or pricing formula	The exercise price shall be determined by the NRC at its sole discretion with respect to each grant, subject to minimum exercise price of INR 350 per stock option or the average of closing price of equity shares of the Company on the stock exchanges having higher trading volume where the equity shares of the Company are listed immediately preceding 30 days from the respective grant date, whichever is lower and the same shall be disclosed appropriately. It may be different for different class/ classes of Eligible Employees falling in the same tranche of grant of options granted under MHIL ESOP-2022.
h	Exercise period and exercise process	- The exercise period would commence from the date of vesting and will expire on completion of 3 (Three) years from the date of respective vesting. - The vested option shall be exercisable by the option grantees by submitting a written exercise notice specifying the number of options to be exercised to the Company in such format as may be prescribed by the NRC from time to time. - Exercise of options shall be considered only after payment of requisite exercise price and satisfaction of applicable taxes by the option grantee. The options shall lapse if not exercised within the specified exercise period.
i	Consequence of failure to exercise option	- All unexercised options shall lapse if not exercised on or before the exercised period ends. - The amount payable by the grantee, if any, at the time of grant of option may be forfeited by the Company if the options are not exercised by the grantee within the exercise period; or may be refunded to the grantee if the options are not vested due to non-fulfilment of conditions relating to vesting of option as per the Scheme.
j	Appraisal process for determining the eligibility of employees for the MHIL ESOP-2022	- The appraisal process for determining the eligibility shall be decided from time to time by the NRC. - In determining the eligibility of an Eligible Employee to receive options under the Scheme, the NRC may consider the following, among other things: (a) performance as indicated by the annual performance appraisal; (b) period of service; (c) the position and responsibilities; (d) the nature and value of his/her services to the Company; (e) accomplishments and potentials; (f) present and potential contribution to the success of the Company; and (g) past service and geographical location.
k	Maximum number of options to be issued per employee and in aggregate	The maximum Options per employee shall not exceed 1% of the issued capital of the Company. The maximum number of Options that may be granted to Eligible Employees shall not exceed 1,06,65,978 Options convertible into equivalent shares (i.e. 1.1% of the issued and paid-up equity share capital of the Company as on date).
l	Maximum quantum of benefits to be provided per employee under the MHIL ESOP-2022	The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the equity shares as on the date of sale of equity shares arising out of exercise of options.
m	Whether the MHIL ESOP-2022 is to be implemented and administered directly or through a trust	The MHIL ESOP-2022 shall be implemented and administered directly by the Company, under the superintendence of the NRC.
n	Whether the MHIL ESOP-2022 involves new issue of equity shares or secondary acquisition of equity shares or both	The MHIL ESOP-2022 contemplates issue of fresh equity shares by the Company.

o	Lock-in Period	The equity shares arising out of exercise of vested options shall not be subject to any lock-in period from the date of allotment of such equity shares under the MHIL ESOP-2022, provided that the sale or transfer of equity shares allotted on such exercise will be subject to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons of the Company framed thereunder.
p	Transferability of Employee Stock Options	The options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner. However, in the event of termination, transfer, retirement, death, permanent incapacity and other circumstances, the benefit shall be governed as mentioned under MHIL ESOP - 2022.
q	Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.	This is currently not contemplated under the present MHIL ESOP-2022.
r	Maximum percentage of secondary acquisition that can be made by the trust for purposes of the MHIL ESOP-2022	Not Applicable
s	Accounting and Disclosure Policies	- The Company shall confirm to the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations. The Company will follow the IND AS 102 on Share based Payments and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein and any 'Guidance Note on Accounting for employee share based Payments' issued in that regard from time to time. - In case, the existing guidance note or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations.
t	Method of option valuation	The Company shall use the fair value method or such valuation method as may be prescribed from time to time in accordance with applicable laws for valuation of the Stock Options granted, to calculate the employee compensation cost.
u	Variation of terms of the Scheme	Subject to compliance with the requirements of the SEBI SBEB Regulations and other applicable laws, the Company may, from time to time, amend or vary the Scheme or any terms and conditions in the Scheme or alter any options granted in such respects as the NRC may deem necessary or desirable, provided that approval of the members of the Company is taken by way of a special resolution in a general meeting for effecting such change, if such approval is required under applicable law and such change is not detrimental or prejudicial to the interests of the grantees, provided that the Company shall be entitled to vary the terms of the Scheme to meet any regulatory requirements.
v	Declaration	In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.
w	Certificate from the Secretarial Auditor	The Board of Directors shall at each annual general meeting place before the members a certificate from the secretarial auditor of the Company confirming that the Scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the Company passed in the general meeting.

x	Rights of the option holder	The employee shall not have right to receive any dividend or to vote or in any manner or enjoy the benefits of a shareholder in respect of option granted to him/her, till equity shares are allotted upon exercise of such option.
y	Terms & conditions for buy-back, if any of specified securities covered under SEBI	The Company does not contemplate any buy back of any underlying shares acquired by the Grantees in terms of MHIL ESOP -2022 under SEBI SBEB Regulations.

Regulation 6(1) of the SEBI SBEB Regulations requires that every employee stock option scheme shall be approved by the members of the Company by passing a special resolution in a general meeting. Further, as the MHIL ESOP-2022 will entail further issue of equity shares, consent of the members is required by way of a special resolution pursuant to Section 62(1)(b) of the Companies Act, 2013 read with rules made there under. Accordingly, the Special Resolution set out at Item No. 10 of this Notice is proposed for approval by the members.

As per Regulation 6(3)(c) of the SEBI SBEB Regulations, a separate special resolution is required to be passed for grant of employee stock options to employees of the subsidiary company(ies) and/or holding company (if any). Accordingly, the Special Resolution set out at Item No. 11 of this Notice is also proposed for approval by the members.

A copy of the draft MHIL ESOP-2022 is placed at the website of the Company at www.maxhealthcare.in and the same will be available for inspection as mentioned in notes to AGM Notice.

The Board, accordingly, recommends passing of the Special Resolutions as set out at Item Nos. 10 and 11 of this Notice, for the approval of the members.

None of the Directors, Promoter, Key Managerial Personnel of the Company or any of their relatives, shall be considered to be concerned or interested, financially or otherwise, in the proposed Special Resolutions at Item Nos. 10 and 11, except to the extent of their respective shareholding, if any, in the Company and number of options which may be granted to them, if any, pursuant to the MHIL ESOP-2022.

Item Nos. 12, 13 and 14

On the recommendation of Board of Directors, the members of the Company at their Extra-Ordinary General Meeting held on February 25, 2020 had approved the following limits by way of special resolutions:

- (i) to make loan(s) or give guarantee(s) or provide security(ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Companies Act, 2013 ("the Act") read with the rules made thereunder, i.e. over and above the aggregate of 60% of paid up share capital, free reserves (that is to say, reserve not set apart for any specific purpose) and securities premium of the Company or 100% of free reserves and securities premium of the Company, whichever is higher, provided aggregate of the loans and investments so far made in

and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of INR 3,500 Crore (Indian Rupees Three Thousand and Five Hundred Crore) [excluding the investment made / loan/ guarantee/ security under the wholly - owned subsidiaries of the Company (existing or future)],

- (ii) borrowing powers of the Company and creation of security in favor of the lenders respectively, over and above the aggregate of paid up share capital, free reserves (that is to say, reserve not set apart for any specific purpose) and securities premium of the Company in terms of Section 180(1)(c) and 180(1)(a) of the Act, provided that the total amount of such borrowings/charge & mortgage together with the amounts already borrowed/charge & mortgaged created and outstanding at any point of time shall not be in excess of INR 3,500 Crore (Indian Rupees Three Thousand Five Hundred Crore).

As per latest audited financial statement (standalone) of the Company for the year ended March 31, 2022, the aggregate of paid up share capital (INR 969.61 Crore), free reserves (INR 174.16 Crore) and securities premium account (INR 5,143.13 Crore) is INR 6,286.9 Crore. Consequently, 60% of paid up share capital, free reserves and securities premium account and 100% of free reserves and securities premium account would be INR 3,772.14 Crore and INR 5,317.29 Crore, respectively. Hence, the above overall limit of investment/ borrowing/charge creation etc., as approved by the Shareholders on February 25, 2020, of INR 3,500 Crore has become redundant.

Therefore, keeping in view the above fact and bringing the investment/borrowing/mortgage etc. limits in line with latest financial information viz. paid up share capital, free reserves and securities premium account, it is proposed to revise the above limits which will now be as follows:

- (i) to make loan(s) or give guarantee(s) or provide security(ies) or make investment(s) in terms of Section 186 of the Act, read with the rules made thereunder together with the loan/guarantee/security etc. already provided by the Company, up to INR 1,000 Crore (Indian Rupees One Thousand Crore) over and above the aggregate of 60% of paid up share capital, free reserves (that is to say, reserve not set apart for any specific purpose) and securities

premium of the Company or 100% of free reserves and securities premium of the Company, whichever is higher [excluding the investment made / loan/ guarantee/ security under the wholly-owned subsidiaries of the Company (existing or future)];

- (ii) to borrow funds and creation of security in favor of the lenders in terms of Section 180(1)(c) and 180(1)(a) of the Act, respectively together with the fund already borrowed/security already created by the Company for the purpose of borrowing etc., up to INR 1,000 Crore (Indian Rupees One Thousand Crore) over and above the aggregate of paid up share capital, free reserves (that is to say, reserve not set apart for any specific purpose) and securities premium of the Company.

The Board recommends the Special Resolutions as set out at Item nos. 12, 13 and 14 of the accompanying Notice, for Members' approval.

None of the Promoters, Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolutions.

**By order of the Board
For Max Healthcare Institute Limited**

**Sd/-
Ruchi Mahajan
SVP-Company Secretary &
Compliance Officer
Membership No. FCS 5671**

**Date: August 31, 2022
Place: New Delhi**

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION
AS REQUIRED UNDER SCHEDULE V OF THE COMPANIES
ACT, 2013 (THE "ACT") WITH RESPECT TO ITEM NO. 6
AND 7**

I General Information about the Company

• Nature of Industry:

The Company is a Healthcare Service provider offering all three levels of medical care - primary, secondary and tertiary.

• Date of commencement of Commercial Production:

The healthcare business of erstwhile Max India Limited, the erstwhile holding Company of your Company, was transferred to the Company effective March 31, 2002. The first facility of the healthcare business was operational in January 2001.

• In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

• Financial performance (on standalone basis) based on given indicators as per audited financial statement for the year ended March 31, 2022:

Particulars	Amount in INR Crore
Turnover and other income	1,854.46
Net profit / (loss) after tax	331.13

• Foreign investments or Collaborators, if any:

Nil as on the date of this notice.

II Information about the appointee

➤ Background details, job profile and suitability

Mr. Soi is an MBA from European University, Belgium and a Bachelor in Arts from St. Stephen's College, Delhi University. Mr. Soi was conferred with an honorary doctoral degree (honoris causa) by Amity University for his immense contributions to transform and improve the healthcare system in India. He started his career with Arthur Andersen where he was instrumental in setting up their financial restructuring business and subsequently led the financial restructuring services team at E&Y and KPMG where he established various new practices. Thereafter, Mr. Soi also co-founded a USD 350 million Special Situations Fund. He is one of the leading voices for private healthcare in India and is regularly heard on national debates on issues facing private healthcare providers.

Mr. Abhay Soi is responsible for implementing the Company's long and short term plans. He is expected to provide the necessary leadership and strategic direction to the management team in achieving the Company's short term profitability and long-term growth objectives, aligned to the vision, mission and core values of the Max Healthcare Group.

In a short span of two years, Mr. Soi's multi-faceted strategy has positioned the Company and its managed and partner healthcare facilities (collectively, the "Max Network") as an industry leader with best-in-class operating and financial metrics. In an increasingly competitive and most challenging times, Mr. Soi's granular focus on service excellence as well as costs and strategic management of

capital has led to substantial improvements in occupancy, margins, profitability and has also helped de-leveraging the balance sheet.

- Gross revenue of the Max Network has grown at 12% CAGR over the past three years from INR 3,920 Crore in FY19 to INR 5,509 Crore in FY22, recording a 42% increase year-on-year in FY22.
- EBITDA growth has outpaced the revenue growth, with a CAGR of 59% over last three years, increasing from INR 348 Crore (EBITDA margin of 9.7%) in FY19 to INR 1,390 Crore (EBITDA margin of 26.6%) in FY22.
- PAT has increased from a negative INR (60) Crore in FY19 to INR 837 Crore in FY22.
- ROCE has sharply improved from 5.4% in FY19 to 28.8% in FY22.
- Max Network's ARPOB is up to 40% higher and EBITDA per bed is 1.5-2.0x higher than listed peers in the industry.
- Max Network delivered strong results versus listed peers even during the COVID-19 pandemic. In Q1FY21 when COVID-19 was at its peak, Max Network reported a negative EBITDA margin of a nominal -3.9%, considerably lower than losses of its listed peers. Post lifting of the lockdown in H2FY21, Max Network's revenues grew by 7.2% whereas most of its listed peers reported a de-growth for the same period.

This noteworthy performance has catapulted the market cap of the Company from ~INR 10,000 Crore upon listing in August 21, 2020 to ~INR 37,000 Crore at present, making it the second largest listed healthcare company in terms of market capitalization. Under his leadership, the Company successfully raised INR 1,200 Crore in March 2021 through QIP to de-lever its balance sheet, reducing its Net Debt to INR 441 Crore as of March 31, 2022 from INR 2,102 Crore as on March 31, 2020. The QIP issue was oversubscribed by 6X, bringing several domestic and international marquee investors on the Company's capital table.

➤ Past remuneration

The shareholders of the Company vide their resolution passed by postal ballot on July 30, 2020 appointed Mr. Abhay Soi as CMD for the period of 3 years from June 19, 2020 to June 18, 2023 at an annual remuneration of INR 14 Crore (Indian Rupees Fourteen Crores). In addition, Mr. Soi was also entitled to other benefits and perquisites.

➤ Proposed Remuneration

As stated in the Explanatory Statement at Item No. 7 of this Notice.

➤ Recognition or awards

Mr. Soi was conferred with an honorary doctoral degree (honoris causa) by Amity University for his immense contributions to transform and improve the healthcare system in India. He was awarded the EY Entrepreneur of the Year under the Business Transformation category, 2021.

➤ Comparison with Industry

Though direct comparable data could not be obtained, however, as a normal industry trend, the proposed remuneration of Mr. Abhay Soi, who is a professional, possessing invaluable and rich knowledge, experience

and insights complemented with the vast business experience, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position. Individual specific remuneration is an outcome of a strategic Human Capital Initiative, which measures 'Competency Profiles' for each person and rates the individual vis-à-vis the standard required for the job. The eventual pricing matrix is then a function of this rating, which is superimposed on the target market price, currently benchmarked at the 'Top Quartile'.

➤ Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Except the remuneration received from the Company as CMD and being promoter and shareholder of the Company, Mr. Abhay Soi does not have any pecuniary relationship directly or indirectly with the Company, or relationship with other Directors and/or KMP of the Company. Mr. Soi holds 23,08,07,699 equity shares by himself and does not hold shares in the Company for any other person on a beneficial basis.

III. Other Information: Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement, expected increase in productivity and profits in measurable terms:

➤ Reasons for loss or inadequate profits, if any

The Company has reported a profit after tax of ~INR 331 Crore and has also wiped out the accumulated losses during the financial year ended March 31, 2022. At present, the Company has adequate profits. However, the appointment is for a term of five years commencing from June 19, 2023 and remuneration as mentioned under resolution no. 7 above is for a period of 3 years from June 19, 2023 and the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. Therefore, the remuneration may exceed the limits, which are specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, during the term of appointment.

➤ Steps taken or proposed to be taken for improvement, expected increase in productivity and profits in measurable terms

In view of the investments made and growth initiatives taken by the Company during the year viz. O & M contract of under construction hospital at Dwarka, purchase of two parcels of land aggregating > 11.0 acres in Gurugram for setting up new hospitals and augmentation of bed capacity at Max Hospital Shalimar Bagh which is underway, we expect the revenue and profitability of the Company to improve considerably going forward. In addition, the Company also expects to complete the consolidation of operations of Saket City Hospital Ltd. in the coming year, which will lead to cost efficiency and improved profits.

It is difficult to forecast the productivity and profitability in measurable terms. However, with the above measures, cost optimization and other such initiatives, the operating efficiencies are expected to increase in future leading to adequate profits. The Company is in a growth phase and has taken measures to consistently push the levers to maximize growth, profitability, and value for all stakeholders.

ANNEXURE-1

Details of the Directors pursuant to the provisions of Regulation 36 of Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, as applicable

Name of Director	Mr. Abhay Soi	Mr. Pranav Amin	Mr. Anil Bhatnagar
Age (years)	49	46	72
Relationship with other Directors inter-se and Key Managerial Personnel	Mr. Soi is son-in-law of Mr. Anil Bhatnagar, Additional Director (Non-Executive Non Independent)	None	Mr. Bhatnagar is father-in-law of Mr. Abhay Soi, Chairman and Managing Director
Original date of Appointment	Appointed as Non-Executive Chairman w.e.f. June 21, 2019 and then Chairman & Managing Director for a period of 3 (three) years w.e.f. June 19, 2020	Appointed as an Additional Director (Non-Executive Independent) on August 10, 2022 and entitled to hold office up to the date of ensuing AGM	Appointed as an Additional Director (Non-Executive Non Independent) on August 31, 2022 and entitled to hold office up to the date of ensuing AGM
Expertise in specific functional areas	Strategic Management in Healthcare Sector, Financial Restructuring and Business Transformation	Management & Leadership	Litigation, Arbitration and Contracts
Qualification	Bachelor's degree in Arts from the University of Delhi and Master's degree in business administration from European University	Graduate with double major in Economics and Industrial Management from the Carnegie Mellon University in Pittsburgh, USA and MBA in International Management from Thunderbird, The American Graduate School of International Management	Bachelor's degree in Science from the University of Delhi and Bachelor of Laws degree from the Faculty of Law, University of Delhi.
Terms and conditions of Appointment/re-appointment along with remuneration details	Chairman and Managing Director designated as KMP for a period of five years w.e.f. June 19, 2023. Terms and conditions of his re-appointment and proposed remuneration are specified in the resolutions above and set out in the explanatory statement annexed to this notice	Non-Executive Independent Director, not liable to retire by rotation for a period of 5 consecutive years commencing from August 10, 2022 to August 09, 2027. Proposed remuneration is INR 26 lakh p.a. w.e.f. October 01, 2022 apart from sitting fee of INR 1 lakh for attending each Board/Committee meeting(s), as may applicable.	Non-Executive Non-Independent Director, liable to retire by rotation Proposed remuneration is INR 26 lakh p.a. w.e.f. October 01, 2022 apart from sitting fee of INR 1 lakh for attending each Board/Committee meeting(s), as applicable.
No. of shares held in the Company including shareholding as beneficial owner	23,08,07,699 equity shares of INR 10 each	None	None
Remuneration last drawn (during FY-22)	During FY-22, annual remuneration of ~INR 14 Crore was drawn by him.	None	None

Directorship held in other companies along with listed entities from which the person has resigned in the past three years	• Neo Legno Products Private Limited • Halcyon Enterprises Private Limited • Radiant Life Care Private Limited • Radiant Life Care Lucknow Private Limited • Neo Legno Consultants Private Limited • Radiant Life Care Foundation • Soi Foundation • Infrahealth Pte. Ltd <u>Listed entities from where resigned in the past three years</u> NIL	• Alembic Pharmaceuticals Limited • Elecon Engineering Company Limited • Incozen Therapeutics Private Limited • Shreno Engineering Limited • Alembic Global Holding SA • Alembic Pharmaceuticals Australia Pty Limited • Alembic Pharmaceuticals Europe Limited • Alembic Pharmaceuticals Canada Limited • Alnova Pharmaceuticals SA • Rhizen Pharmaceuticals AG • Dahlia Therapeutics SA <u>Listed entities from where resigned in the past three years</u> NIL	None
List of the Committees of Board of Directors (across all companies) in which Chairmanship/ Membership is held	<u>Max Healthcare Institute Limited</u> • Audit & Risk Management Com- Member • Corporate Social Responsibility Committee- Chairman • Debenture Committee- Chairman • Stakeholders Relationship Committee- Member • Business Responsibility & Sustainability Committee- Chairman • Restructuring Committee- Chairman	<u>Alembic Pharmaceuticals Limited</u> • Stakeholders Relationship Committee- Member • Risk Management Committee- Member <u>Elecon Engineering Company Limited</u> Management Committee- Member	None
No. of Board Meetings attended during FY-22 (till the date of this notice)	11	-	-



Service. Sustainability. Performance.

Annual Report 2021-22

Index

02

COMPANY OVERVIEW

04

Chairman & Managing Director's Statement

06

Who we are

08

Max Hospital Network

10

Our Strengths

14

Our Journey



16

SERVICE

18

Pandemic Response

20

Advanced Instrumentation

22

Digitisation and Automation Initiatives

28

Max R&D

30

Patient Experience

32

Nursing Initiatives

36

Educational Initiatives



40

SUSTAINABILITY

42

Our ESG philosophy

44

Environment

46

Social

48

Governance

50

Expanding Community Engagement and Outreach

52

Investing in people-L&D

54

Employee Engagement Initiatives



56

PERFORMANCE

58

Key Performance Indicators

60

Business Review

64

Expanding our Horizon

68

Driving Clinical Excellence

72

Allied Business

76

Board of Directors

80

Management Team

84

Awards and Recognition

86

STATUTORY REPORTS

86

Management Discussion and Analysis

104

Directors' Report

134

Corporate Governance Report

163

Business Responsibility Report

170

FINANCIAL STATEMENTS

170

Standalone Financial Statements

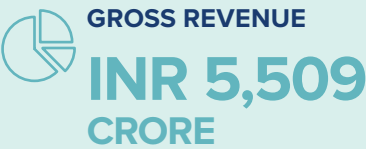
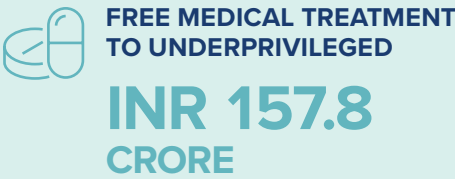
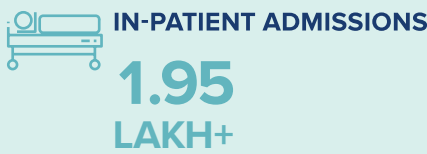
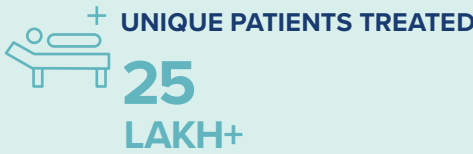
251

Consolidated Financial Statements

Safe Harbour Statement

Some information in this Annual Report may contain forwardlooking statements which include statements regarding the Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. Further, the data in this report, other than the audited financials, contain that of Partner Healthcare Facilities.

FY 2021-22 Network Highlights



*Till July 31, 2022



Service. Sustainability. Performance.



The last fiscal saw us tenaciously working towards augmenting our infrastructure and services to overcome the perils of the pandemic. In FY 2021-22, we set the ball rolling for organic growth through bed capacity expansion, while soldiering ahead with resilience against COVID headwinds.

We have a clear visibility on addition of over 2,800 beds over the next 5 years based on available land banks, land acquisitions and O&M agreements entered in the year. We have made significant investments in high-end medical equipment and clinical teams, signalling our future-readiness. Our Capital Light adjacencies – Max Lab and Max@Home, are on a promising upward growth trajectory. We are leveraging our brand, customer loyalty, and data, to build a robust digital ecosystem that will include hyper-personalised patient engagement, one-patient-view for stakeholders and care providers, 360-degree intelligence for management teams, and the ability to channel data for both, innovation and research, leading to future streams of revenue. We are also looking at expanding our international footprint targeted at establishing stronger foothold in the medical value travel space, as it recovers post the pandemic. In a world facing pressing concerns of climate change and environmental degradation, we promise to work diligently towards growing sustainably.

Our growth story is marked by consistent performance, efficiency, collaborations, and above all, sustainability commitments, paving the way for becoming the most well-regarded healthcare provider in India.

Chairman & Managing Director's Statement



“

I believe that a connected digital ecosystem will transform how patients interact with their healthcare providers and usher in a new era of healthcare for all.

Abhay Soi,
Chairman and Managing Director

Dear Members,

As I now reflect, it appears to me that the past year can easily be divided into two distinct parts with widely differing challenges. At the beginning of the year the second and more virulent wave of COVID-19 wreaked havoc at an unprecedented scale. Our hospitals bore the brunt of the tsunami and were inundated with acutely critical patients seeking care and succour. A few weeks later the advent of vaccines helped us turn the tide. We aggressively participated in the country-wide vaccination drive, immunising millions of citizens across the nation. The second part of the year saw the COVID-19 infections abating and us pivoting and embarking upon a journey of investments, growth and improvements.

Battling COVID-19

The COVID-19 wave, which struck us at the beginning of the financial year saw us swamped with highly infectious patients. The wave was brutal and devastating. We faced difficulties regarding critical beds, life-saving oxygen and medicines. Our hospital teams and healthcare workers combated the disease with great courage and tenacity in the face of immense adversity. They worked day and night without concern to their personal safety to ensure the safety and well-being of our patients. They did us proud.

Vaccinating India

The National Vaccination Drive announced by the Prime Minister is the world's largest such initiative. We enthusiastically participated in this national endeavour. All our

hospitals created specialised zones for vaccinations. In Delhi, we created the country's largest vaccination site with a capacity to vaccinate 10,000 people daily. The site, adjacent to the BLK-Max Hospital was set up in less than 72 hours. We tied up with over 400 corporate clients for onsite vaccinations. Our teams spread out across the country and set up vaccination clinics for clients in 52 cities. We worked closely with city administrations and local hospitals and spearheaded the vaccination drive. Some of India's best-known companies trusted us with this responsibility. These include the Tata Group, Amazon, McKinsey, E&Y, Adobe, Microsoft, Google, JP Morgan, HCL and the Jubilant Group.

With the vaccination drive bearing the desired results and the COVID-19 wave receding significantly, the hospital operations gradually returned to normalcy and we shifted our focus back to driving business growth and supporting our clinicians with better technologies, higher bed capacities and ensuring environmentally sustainable operations.

Medical technology to drive growth

We sharpened our focus on investing in high-end equipment to support our clinical teams in delivering cutting-edge healthcare. During the course of the year, we enhanced our Robotic surgery programme by adding the best-in-class surgical Robotic systems in 8 of our hospitals. We now have 11 Robotic systems in the network. I believe that with these investments we will be able to sizably reduce the length of stay of our patients and improve our clinical outcomes. We also invested in state-of-

the-art Tomo-therapy machines thereby enhancing our capabilities in treating cancer patients. We understand that the latest medical technologies bring great benefits to hospitals and patients and we plan to continue to aggressively invest in this area.

Enhancing capacities to fuel growth

With a view to increasing bed capacity, we made considerable investments in the acquisition of land and operation rights for new hospitals to come up in the NCR. We acquired two plots of land measuring 5.26 acres in Sector 56 and 6.12 acres in sector 53 in Gurugram from Haryana Shehri Vikas Pradhikaran in an open auction. We gained the O&M rights to another large hospital in Dwarka, South West Delhi, to be completed by the start of the next FY. We also secured the rights to manage and operate another hospital to be built on a 3.5-acre plot adjacent to our hospitals in Saket, South Delhi. To further enhance our capacity in East Delhi we signed a definitive agreement to acquire a controlling stake in a tertiary care hospital to come up on a plot located close to our hospital in Patparganj which has been reporting high levels of occupancy. The Government of Punjab has agreed to provide us additional 0.92 acres of land adjacent to our network hospital for further expansion.

The expansion of the Shalimar Bagh facility is presently underway and we expect to add 96 beds by the end of the current year. Similarly, at the Nanavati Max Hospital, Mumbai we have laid the foundation stone for the construction of a new hospital complex adding 600 beds to the existing 350 beds in two phases. Once completed this will make

it one of the largest private sector hospitals in Western India.

Thus, we will be adding 2,800 beds in the next 5 years.

Investing in digital technologies for growth

We are a digital economy today, where millions of Indians interact with their varied service providers digitally every day. I believe that a connected digital ecosystem will transform how patients interact with their healthcare providers and usher in a new era of healthcare for all. We made significant investments this year, in laying a strong foundation for building a comprehensive digital ecosystem, which will help us provide a world-class digital experience to our patients. The new digital system will be patient-friendly and provide a hyper-personalised and seamless access to all our services. The app, when fully rolled out, will tremendously empower our patients and make them equal partners with us in their care and well-being.

Innovating with research and academics

Our continuous focus on Research and Academics is driven by the desire to make a positive impact in the world of science and medicine. Our researchers and clinicians published over 400 scientific papers in reputed national and international scientific journals this year. Out of these over 140 were published in the last quarter itself.

There were nearly 100 ongoing clinical trials, 11 research grants which were awarded to clinicians and scientists at Max Healthcare, at the end of FY 22. This included 2 international grants, NIHR in NCD & EUBREAST in Oncology.

We are accredited to run DNB programmes in 35 specialties across 8 teaching hospitals in the network and have ~ 400 DNB students enrolled with us.

We have also recently entered into an MoU with Ashoka University to build a joint research programme on genome analysis and data analytics including AI, and ML that will aid deep learning of various genetic and lifestyle diseases.

I am confident that our scientific researchers and their teams will continue to work on the frontiers of science to make the world a better place for all.

Aiming for environmentally sustainable growth

While we aim for growth, we fully realise that this has to be environmentally sustainable. I would like to highlight the remarkable progress we have made this year in improving our ESG parameters.

Last year we published our first ESG report. We set out our ESG goals for the next few years. These include environmental parameters such as GHG emissions from scope 1 and scope 2 sources, reducing waste generation, reducing power consumption, reducing freshwater consumption and increasing the use of renewable energy as well as setting up water recycling plants. I am happy to report that through our sustained efforts, the per bed energy consumption came down from 94 KWH in 2020 to 88 KWH in the last fiscal and per bed fresh water consumption came down from 1.26 KL/bed to 1.07 KL/bed. These are but some of the highlights of our sustainability achievements last year.

Supporting local communities and making their lives better

Healthcare organisations, by the very nature of the work that they do, have an immense societal impact. We have continued to robustly support communities around our hospitals. Over the year, we treated over 2.95 lakh people from underprivileged sections of the community free of charge at an aggregate level. We extended a helping hand to over 80,000 people through over 1,200 out-patient camps organised in the communities. We are always looking at ways to deepen our engagement with the local communities and make quality healthcare more accessible.

Network financial highlights

In spite of the disruptions caused by COVID-19 in the earlier part of the fiscal, we managed to deliver excellent financial performance for all our stakeholders. The gross revenue grew by 42% over FY 21 and closed at INR 5,509 Crore. The network operating EBITDA grew by 118% and stood at 1,390 Crore. The operating margins improved significantly to 26.6% from 17.5% YoY. A large part of the free cash flow generated was re-invested in growth initiatives and the balance was used to bring down the net debt which stood at INR 441 Crore at the end of FY22.

The journey of growth ahead

We look at the current financial year (FY 23) as the year when we will be laying a very strong foundation for our future growth. The new beds will start getting commissioned from the end of the current FY and will gradually ramp up over the next 5 years to 2,800 new beds. These new beds, along with the acquisition of synergistic assets, will further fuel our pace of expansion and operations.

We have made considerable progress in the development of a consumer-facing super-app, which will be launched in the current financial year. The app will help us reach out to more patients in diversified geographies. We will be able to serve our patients better both in the hospital as well as in the comfort of their homes.

Our capital-light businesses of Homecare and Retail Pathology Labs Max Lab are on their growth trajectory to gain meaningful scale this year.

With the COVID-19 travel restrictions having been lifted, we also expect to see the International medical value travel bounce back to normalcy. We have planned to open several 'Patient Assistance Centres' to facilitate patients from various countries around the globe this year.

The ESG framework will grow deeper roots within our organisation and we expect to embed the culture of 'sustainable growth' within the organisation.

On the clinical side, we will continue to add more clinical programmes and make investments in the latest equipment. We will also explore collaborations with leading medical institutes across the globe.

I am very grateful to our clinical teams for their tremendous efforts in a very challenging year. I would also like to thank the board members for their constant support and guidance as well as all my colleagues in the leadership team who have spared no effort in driving progress in a very challenging year.

Regards,

Abhay Soi
Chairman and Managing Director

Who we are 'Care' at our core

Max Healthcare Institute Limited (Max Healthcare) is one of the largest integrated healthcare providers in the country. We own, operate and provide medical services to facilities in Delhi NCR, Mumbai, Punjab, Uttar Pradesh and Uttarakhand. Max Lab supplements our commitment towards patient care by providing accurate testing and diagnostics. We are also revolutionising the care-continuum through Max@Home, ensuring treatment options are available to our patients in the comfort of their homes.

Our continued emphasis on patient-centric care accompanied by our patients' trust has strengthened our position to become one of India's top private healthcare providers.

Vision

We seek to be the most well-regarded healthcare provider in India committed to the highest standards of clinical excellence and patient care supported by latest technology and cutting-edge research.



Values



Compassion

We have a deeper level of patient understanding and are always empathetic to their needs. This encourages a culture of providing a higher standard of patient-centred care. We respect each other and our patients and ensure that their needs are met with dignity. We rise to the occasion each time, for we recognise the positive social impact we can create.



Excellence

We ask more of ourselves and are always passionate about achieving the highest standards of medical expertise and patient care. We understand that being the best is a continuous journey of becoming better versions of ourselves every day.



Efficiency

We create a responsive healing environment, by being nimble to the needs of our patients and delivering what they really need with precision and timing. We are focused yet fast, personal yet practical, advanced yet seamless in delivering the exact care our patients need.



Consistency

We always deliver on our commitment and ensure the highest level of patient care is met at every stage, every time. We believe that only through consistency can we achieve our patients' trust and fulfil our goals.



Key facts



FACILITIES

17



BED CAPACITY

3,400+



CLINICIANS

4,800+



EMPLOYEES

15,000+

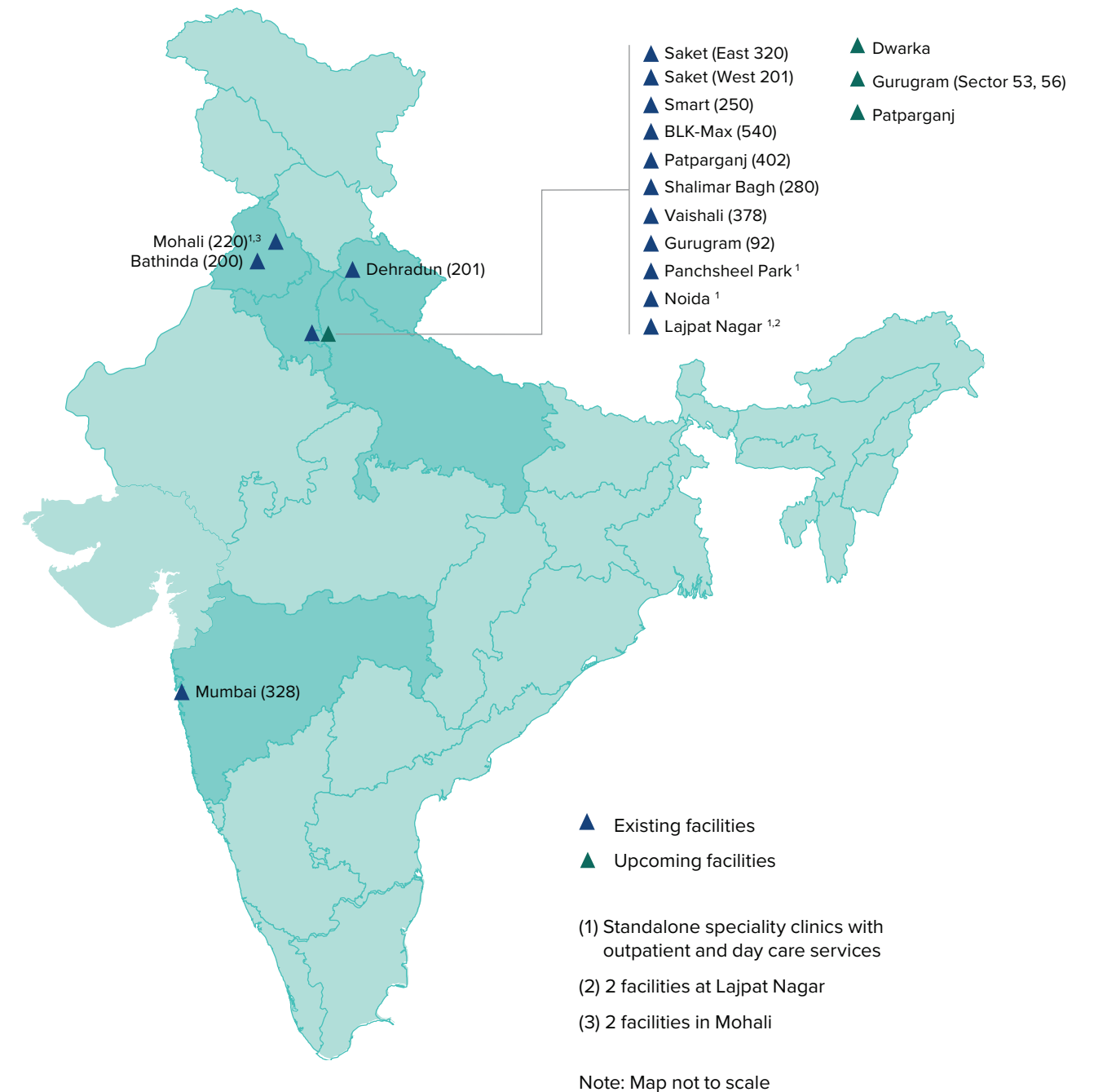
Max Hospital Network

Expanding geographical footprint

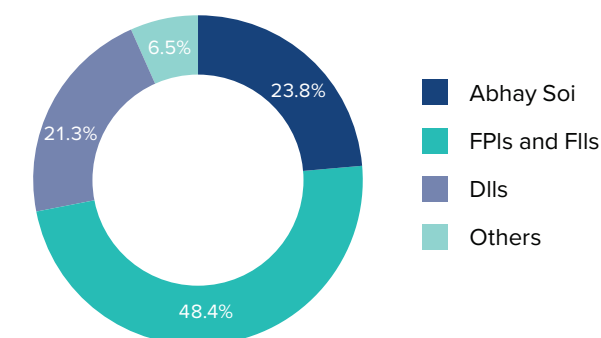
We have our presence in the Northern states of Delhi, Punjab, Haryana, Uttar Pradesh, Uttarakhand and Maharashtra. Patients from over 520 cities in India and 145 countries across the world sought treatment at Max Healthcare in the last year.



Locations



Shareholding Structure (as on August 31, 2022)



Top Public investors:

- Capital Group (All funds)
- SBI Multicap Fund
- Government of Singapore / GIC
- HDFC Multicap Fund
- Ward Ferry
- Canara Robeco Mutual Fund
- Vanguard (All funds)
- Polar Capital (All funds)

Our Strengths

Enablers of sustainable leadership

Our presence, coupled with the ability to provide top-notch healthcare services through cutting-edge medical technology, gives us a strategic advantage.

Hospital chain with strong brand and presence in premium markets

Max Healthcare is a reputed brand, providing 360-degree healthcare management services in the prominent markets of North and West India. We have super speciality facilities with the best-in-class clinical outcomes. We focus on the premium and the most profitable market segments in metros, such as Delhi NCR and Mumbai, which provide the highest average revenue per bed (INR 59K+ in FY 2021-22). The inherent advantages of operating in metros are:

- High per capita income, high insurance penetration, and propensity to pay for high-end quaternary care facilities
- Availability of clinical talent with vast experience

- Higher health awareness
- Accessible to upcountry and international patients due to air, road and rail transportation options

The availability of valuable land bank in Delhi, Gurugram and Mumbai coupled with coupled with brownfield expansion opportunities will help us to have lower capital employed per bed, quicker breakeven with lower risk, leading to higher returns.

Advanced Technology and Infrastructure

Cutting-edge medical technology and hospital infrastructure are critical for providing top-notch health services. All our facilities are equipped with the best-in-class technology, new-age diagnostics, and surgical devices that assist us in specialised therapeutic

segments, such as oncology, neurosciences, cardiac sciences, orthopaedics, renal, liver and minimal invasive surgeries.

Strong financial fundamentals and accelerated growth

Our revenue growth is driven by increased footfalls, higher ARPOB, surge in medical tourism and health insurance penetration, etc. We are disciplined on capital allocation and focused on sustaining industry high ROCE as we accelerate growth through brownfield and greenfield capacity expansion. We have taken care to ensure that our operations were managed effectively while adhering to the applicable COVID-19 protocols. Network Gross revenues grew by 42% in FY 2021-22 to

INR 5,509 Crore. Operating EBITDA has increased by 118 %, from INR 636 Crore in 2021 to INR 1,390 Crore in 2022. FY 2021-22 EBITDA margin grew to 26.6% from 17.5% in FY 2020-21. As of March 31, 2022, net debt reduced by 19% to INR 441 Crore, after investment of INR 671 Crore towards growth initiatives/capacity expansion projects during the fiscal year. Strong cash flows and lower debt provides opportunity to expand capacity through newer facilities, expanding existing ones and M&A.

Capital Light Allied Verticals

A capital light business unit requires lesser investment. We leverage the use of digital technology to expand our reach through these divisions, thereby helping us in cost optimisation.

Max Lab and Max@Home are two strategic business units of Max Healthcare.

Max Lab – provides pathology services to patients outside of network hospitals through variety of channels using 24x7 state-of-the-art pathology labs at super speciality hospitals. The lab services help in providing doctors an accurate information about diagnostic insights that help in correct treatment and patient recovery.

Max@Home – provides nursing care, physiotherapists, and home visits of doctors, along with medical equipment rental. It is instrumental in providing wellness services to patients in the comfort of their homes, enabling them to lead a life with independence and dignity.



Our Strengths

Accreditations, Research and Academics

We are known for the highest standards of clinical excellence. All our facilities are accredited by Indian and international quality control authorities at highest levels. The field of healthcare needs continuous research efforts to develop innovative techniques, to build an ecosystem that has a solution to every health problem that mankind faces today. Max Institute of Medical Excellence (MIME) is renowned for an exceptional academic standing. We have trained more than 20,000 students in life support programmes in the last five years. MIME also holds various training programmes across multiple disciplines.

Facility	Accreditation
Max Super Speciality Hospital, Saket (East Block)	Joint Commission International (JCI) Accredited
Max Super Speciality Hospital, Saket (West Block)	
BLK-Max Super Speciality Hospital, Delhi	
13 Network Hospitals	National Accreditation Board for Hospitals & Healthcare Providers (NABH) accredited
10 Labs	National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited
5 Blood Banks	Accredited by NABH Blood Bank Programme
Radiology Department, Nanavati Max, Mumbai	NABH accreditation
Max Super Speciality Hospital, East Block, Saket	Nursing Excellence Certification by NABH
Max Super Speciality Hospital, West Block, Saket	
Max Super Speciality Hospital, Mohali	
Max Super Speciality Hospital, Dehradun	
Nanavati Max Super Speciality Hospital, Mumbai	

03

HOSPITALS JCI ACCREDITED

1,300+

HIGH INDEX JOURNAL RESEARCH PUBLICATIONS IN 5 YEARS

~20,000

BIO SAMPLES STORED

12,000

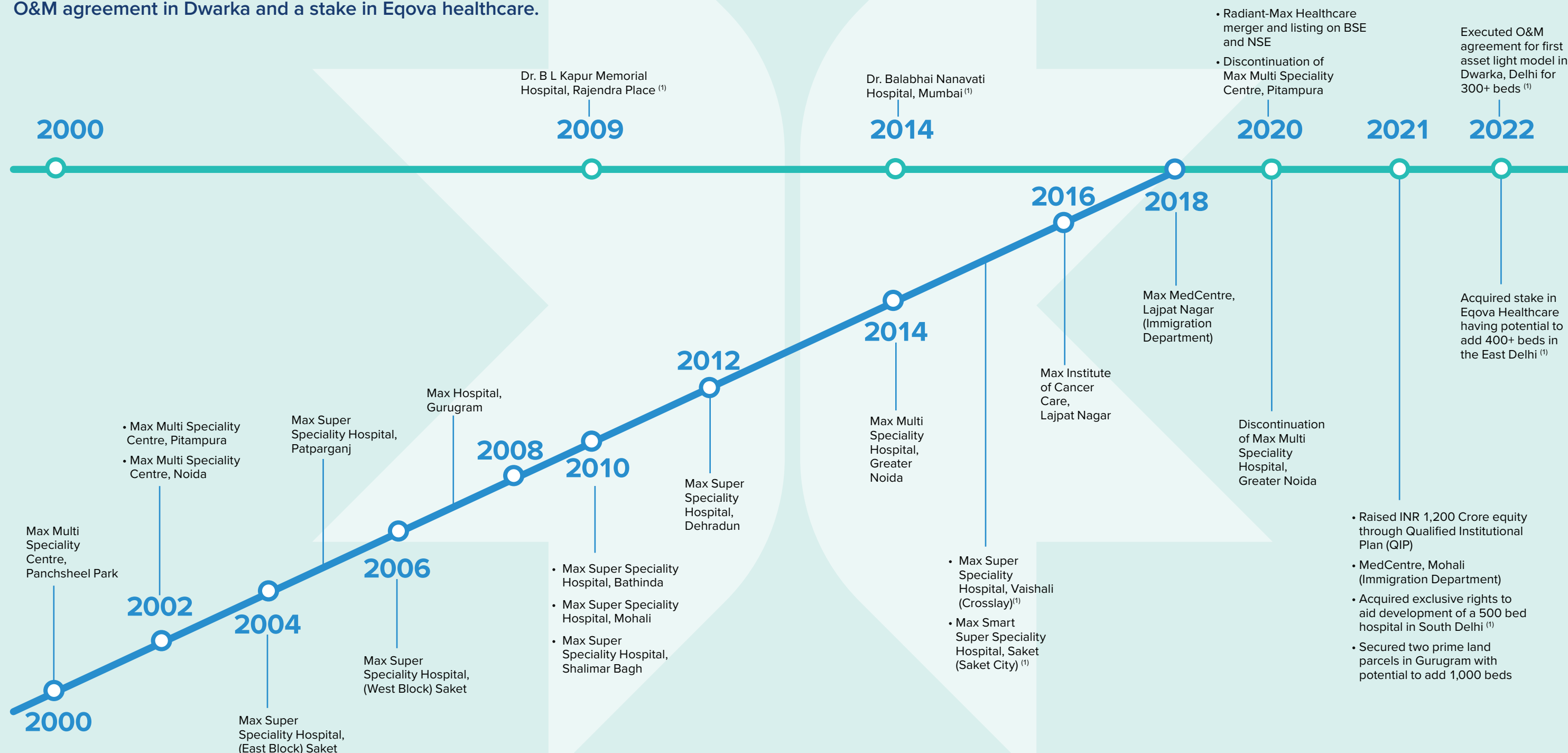
STUDENTS PARTICIPATED IN TRAININGS AND EXAMS



Our journey so far

Accomplishing newer milestones

Since setting up of our first multi-speciality centre in New Delhi, we have come a long way in making our presence felt strongly in North and West India. We announced four deals in FY 2021-22, including the construction of a 500-bed facility in South Delhi, the acquisition of valuable land parcels in Gurugram, an O&M agreement in Dwarka and a stake in Eqova healthcare.



(1) Inorganic expansion

Service

At Max Healthcare, service is at the core of everything we do. We are constantly striving to serve the society, create access for healthcare to all and further the cause of tertiary care in the country.

When the COVID second wave struck, our response was swift with treatment of infected patients. We also enthusiastically participated with a large-scale vaccination drive.

Our commitment to provide best-in-class patient care is also demonstrated through the use of state-of-the-art technology and an emphasis on research and development. We worked consistently towards improving patient experience and empowered our nursing teams to deliver better care.

Our internationally benchmarked training programmes are aimed at creating a highly service-oriented healthcare workforce.

A two year old child's life saved with Bariatric Surgery.

A healthy weight for a two year old is between 12kg and 15kg. Khyati Varshney, youngest person to undergo weight loss surgery in the country, weighed 45kg at this age, which left her incapable of walking or crawling and posed a fatal risk. A complex Bariatric weight loss surgery was performed on her which saved her life. Just like Khyati, we served over 25 lakh patients with high quality care at our hospitals across the country last year.

25 LAKH+

PATIENTS TREATED

40,000+

COVID-19
PATIENTS TREATED

21,00,000

VACCINATION DOSES
ADMINISTERED

~110

FUNDED ONGOING
CLINICAL STUDIES

40,000+

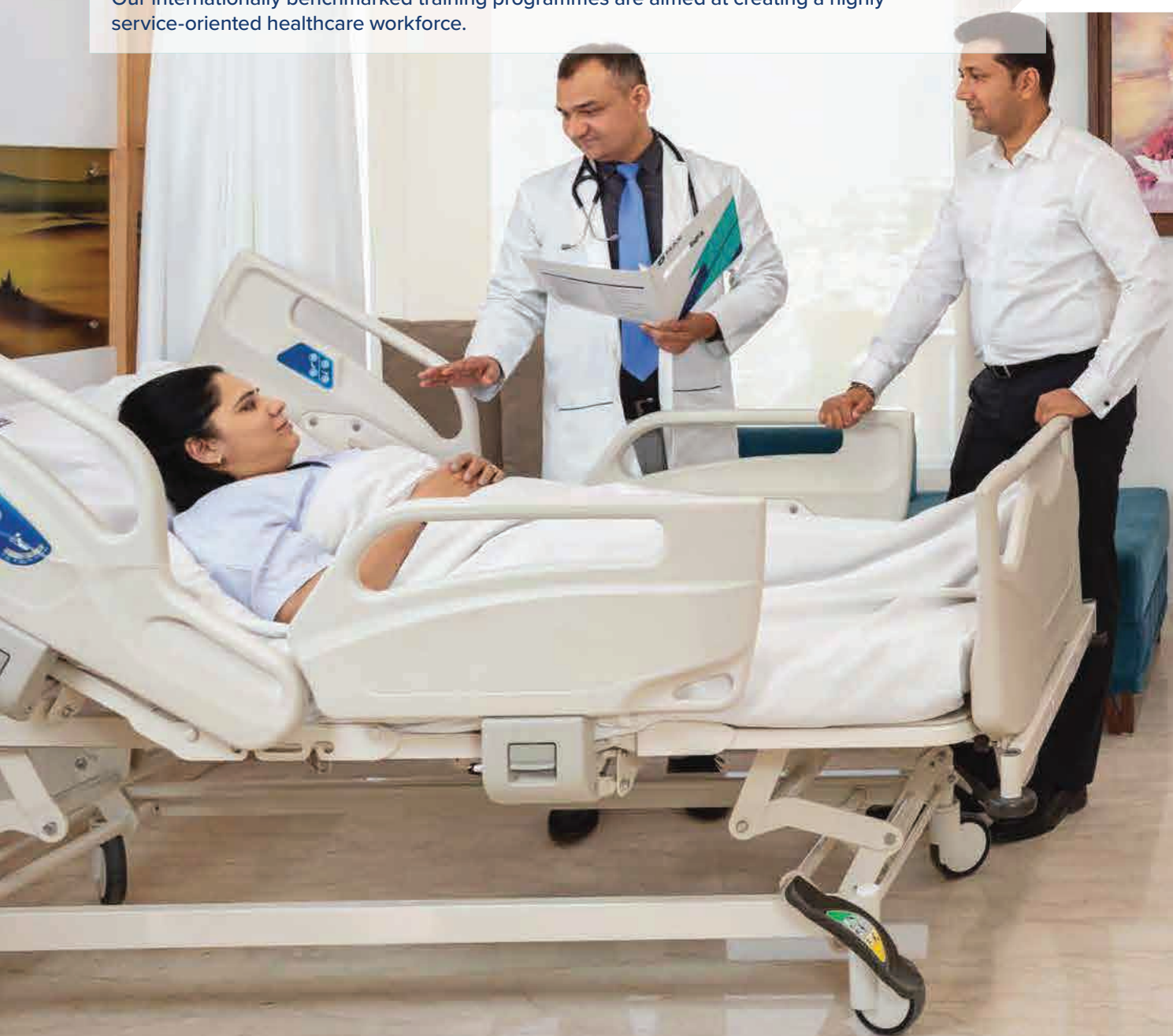
PUBLICATIONS

2,600+

NURSES TRAINED

12,000+

STUDENTS ENROLLED
IN 150+ COURSES



Pandemic Response

Leapfrogging forward against the odds

The year began with the devastating woes of the second wave of the pandemic. The Delta variant of the virus was drastically different, and more potent than the previous one. The hospital teams, prepared from the learnings of the first wave, responded with great agility to realign operations and ground logistics. Their challenge was to ensure safety on all fronts, whether it was hospital teams, or the patients coming in for non-COVID-19 medical care, in addition to those walking in for vaccinations. As a leading healthcare provider, Max Healthcare efficiently shouldered the responsibility of creating awareness about the safety precautions for COVID-19, treatment modalities, and vaccination drives.



40,000+

COVID-19 PATIENTS TREATED

Adapting to and implementing the changes were the needs of the hour. As a healthcare organisation, our efforts were driven to imbibe the evolving practices and inculcate the culture of patient and employee safety. Motivating the patients and employees to adapt to the new normal was an uphill task, which involved strict compliances to safety protocols, from the moment one stepped into the hospital.

The second wave saw a large asymptomatic population. COVID-19 cases were a mix of various newer strains, which were more transmissible, and affected the younger population, leading to more severe illnesses. Studies indicated that the main route of transmission was airborne, which made it more challenging to contain the transmission.

Hospitals were overwhelmed by the magnitude of the caseload, and many patients required oxygen and intensive unit care. We took all measures to deliver the best possible care and saved many lives during these times of crisis.

21,00,000+

COVID-19 VACCINATION DOSES ADMINISTERED

Responding with grit

All our network hospitals emerged as the most preferred centres for treating COVID-19 patients, with patients reaching out from the entire North India and Mumbai. We not just expanded our ICU capacity, but also effectively managed the oxygen supply, which was the dire need of the hour. Further, we strengthened our digital platforms by significantly ramping up tele-consultations, and developed remote monitoring capabilities. We also initiated over 40 COVID-19 related clinical research projects to contribute towards global efforts in mitigating the spread of the pandemic.

Vaccination

Max Healthcare has been at the forefront of the COVID-19 Vaccination programme. We vaccinated over 14,000 of our employees. All our hospitals were active sites for the government led vaccination drive for senior citizens above 60 years.

When vaccinations were opened for people above 18 years, we were among

10,55,000+

RT PCR TESTS CONDUCTED

the first in the industry to procure sufficient vaccination supplies to aid an uninterrupted drive during the second phase. We partnered with over 500 corporates to support them to vaccinate their employees on-site across the country, through our Max@Home division. Our team members also travelled to Khulna, Bangladesh as part of the Vaccination Maitri project to vaccinate 2,500 Indians, working on the site, managed by BHEL.

BLK-Max Super Speciality Hospital setup one of the largest vaccination centres, with the capacity to vaccinate 10,000 people in a day. Over 9 similar jumbo centres were set-up across Delhi-NCR, Mohali, and Dehradun. Innovative drive-through vaccination camps were also set up in partnership with malls, to facilitate convenient vaccination, where we managed to vaccinate over 11,000 people per day.

Our hospitals also tied-up with NGOs in Delhi/NCR to administer COVID-19 vaccinations for daily wage earners, and differently-abled individuals.

COVID-19 SOP guidelines

COVID SOP guidelines released by the Clinical Directorate office contained COVID-19 specific policies like screening, clinical management, waste management, use of PPEs, protocol to handle obstetrics emergencies, radiology, linen management, spill management, etc. It was ensured that the guidelines were updated on a regular basis, according to the latest information released by the agencies in India and abroad and the paramedical and medical staff were trained on these to ensure complete adaptation.

Max@Home Care

Max@Home initiated the work in extending COVID-19 based services at consumers' doorstep. We provided a free COVID-19 helpline, which was manned by our expert physicians. Max@Home offered over 1,000 free consults, along with additional COVID-19 based services to over 23,000 patients including home isolation, lab services, rehabilitation, and nursing support, among others. In this year, we started providing ECG and dialysis services to the patients availing home care services.

Max@Home launched "Start Safe Mode" programme to help corporates and workforces resume operations while following COVID safe protocols. As part of the offering Max@Home helped setup 60+ corporates set-up comprehensive audits of their workplace, manned and fully-equipped screening centres to ensure COVID-19 safe workplace protocols.

*till July 31, 2022

Advanced Instrumentation

Saving lives through automation

We, at Max Healthcare, use high-end medical technologies, latest equipment, and modern hospital infrastructure, to address health-related concerns of our patients. Our facilities are equipped with state-of-the-art diagnostic devices to improve medical outcomes.



Da Vinci Surgical Robot

It helps surgeons perform robotics-assisted minimally invasive surgery. It translates the surgeon's hand movements at the console in real time, bending and rotating the instruments, while performing the procedure. The tiny wristed instruments move like a human hand, but with a greater range of motion. The da Vinci vision system also delivers highly magnified, 3D high-definition views of the surgical area.



The Surgical Robot - Versius

This surgical robot enables surgeons to perform minimal access surgery. It includes 3D HD vision, easier instrument control, and ergonomics, to reduce stress and fatigue among surgeons.



TomoTherapy System

TomoTherapy system by Radixact is a next-generation TomoTherapy for the treatment of cancer. It destroys tumours by combining the precision of intensity modulated radiation therapy, and image guided scan. It also helps in monitoring changes in tumour on daily basis.



S8 Navigation with O-Arm Medtronic S8 navigation

StealthStation™ S8 navigation integrates with the O-arm (opens new window)™ imaging system, replacing intraoperative fluoroscopy with a fluid, 3D-navigated surgical experience.



Cath Lab – Artis Zee Pure Cath Lab Innova IGS 20 Philips FD10 Allura clarity

Artis zee floor-mounted system with a large detector offers excellent performance for an improved clinical workflow with a larger field of view.



Intra OP Portable CT

BodyTom® has the ability to perform axial, helical (CTA), and dynamic scanning, making it ideal for providing multi-departmental imaging solutions.

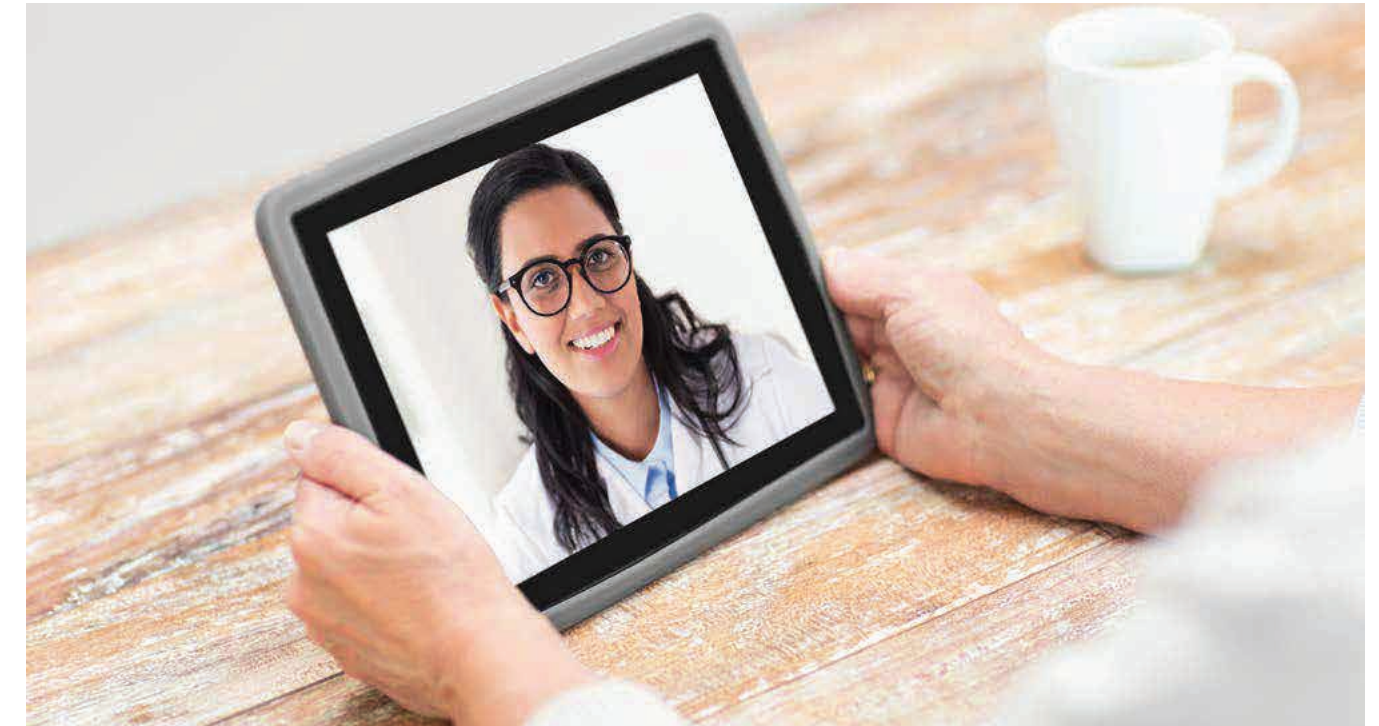


TruBeam Stx LINAC

It provides a variety of treatment techniques such as HyperArch and RapidArch to address a broad range of cancer cases.

Digitisation and Automation Initiatives Spearheading Digital Transformation

The Healthcare sector is undergoing rapid digital transformation dominated by AI. We, at Max Healthcare, are leading this journey to drive better outcomes with respect to healthcare delivery. We continue to invest heavily in technology to improve the patient-doctor experience.



We want to be at the forefront of providing data-driven personalised healthcare. To this effect, we have invested heavily in setting up a data lake and have made significant strides around data gathering and analysis. While it will benefit Max Healthcare immensely, we also want to contribute to the advancement of data-driven healthcare industry, and for the same, we have tied up with Ashoka University to facilitate their research projects. It will help us in providing personalised and intelligent healthcare, driving better patient outcomes and medical compliance.

Digitisation for improving patient services and outcomes

Electronic Health Record

We launched a web version of Electronic Health Records (EHR) at Max Vaishali and Max Shalimar Bagh, offering clinicians an optimised user interface. Significant efforts were put forth for EHR change management of clinicians for sensitising them on new application features, workflow enhancements, and reporting.

Digitisation of Patient Feedback Management

One single platform, for patient experience team, to consolidate

and perform ticketing, bucketing and analysis of all complaints, special requests, suggestions and appreciations, was implemented.

Digitisation of Home Isolation Package

We developed a flawless workflow to provide care and remote assistance to patients suffering from COVID-19 during the pandemic. The platform provided an audio call feature, to empower doctors, to connect with their patients as per schedule, and also enable doctors to prepare prescription using predefined templates. Real-time vital capturing of patient vitals for regular monitoring is a particularly useful feature.

Implementation of Online Admission Request Form

A new workflow has been developed, which will enable clinicians and coordinators to initiate admission requests online on mobiles/tabs/laptops/desktops. It will help fastrack the admission process, and improve admission turn-around time (TAT).

E-prescription

To improve clinician experience, we launched the e-prescription module with image annotation for the oncology department. We are also planning to replicate this feature for other

departments like ENT, dental, and obstetrics and gynaecology. This will help clinicians to highlight the disease, and explain the case to patients as well as other clinicians.

Virtual Tumour Board (Harmony)

Harmony is a cloud-based solution, which offers an end-to-end, collaborative workflow that enables coordinating, scheduling, preparing, presenting, and documenting information for multidisciplinary tumour boards. It provides the ability to incorporate patient records, all relevant reports, diagnostic images, team attendance and team treatment recommendation to ensure a more efficient workflow for individualised treatment decisions.

Advanced Speech to Text Solution Scribotech (Augnito)

We integrated a speech-to-text solution with RIS (Radiology Imaging System) to offer optimised radiology reporting/workflow. Digital expert URLs/remote application centre solutions from GE, enables better connect between radiologist, offering online learning, virtual training, reducing scan time, and meeting experts on demand.

Digitisation and Automation Initiatives



Process improvement projects and technology upgradations

HIS Implementation in Nanavati Max, Mumbai

Max HIS was implemented at Nanavati Max on September 30, 2021. It's been a major milestone with a single HIS solution, now implemented across the network. With HIS being the backbone of the hospital, there have also been upgrades/changes to the surrounding applications like blood bank, DMS, experience flow, LIMS, and OT appointment system.

In-patient status dashboard display

With this new dashboard development, discharge and billing status of the currently admitted patient is visible on the TV in the ward. It will reduce queries related to discharge status by patient attendants, as the discharge progress can be seen on screens at nursing stations.

ITSM implementation at Nanavati Max

Implemented Sapphire ITSM at Nanavati Max Hospital to manage IT-related issues and service requests. The platform enables us to implement ITIL best practices for incident, problem, change and service fulfilment processes, to make the service delivery standardised and agile.

Central Finance Helpdesk

Financial helpdesk software has been implemented, which helps create tickets for all the requests from clients, partners, and vendors; helps respond to queries, and provides great user support. Finance helpdesk has been designed to simplify customer service in the finance department to help establish a strong client base, and fortify relationships.

Implementation of compliance software (Phase I)

A management tool, which enables all business functions to track and adhere to Company compliances, with day-to-day legal updates, based on regulations and notifications from various government bodies, was

implemented. This has resulted in ensuring timely closure of compliances, minimising chances of delay in closing various Company compliances, along with the visibility of online status of each compliance with features including dashboards, reports and MIS.

AI Projects

Qure AI solutions mark images as normal/abnormal in lieu of sharing data (X rays)/COVID-19 algorithm with a WhatsApp alert of AI-processed results for radiologist reviews/references.

A cloud deployment has been undertaken for two key sites, namely Max Saket and Max Smart.

Predible's lung IQ solution-enables increased sensitivity in nodule detection, fibrosis quantification (CT scoring for each lobe/COVID-19 quantification). It helps radiologists save time and objectively calculate severity, and study patient progression.

Zebra's Osteoporosis Spine, Brain Bleed detection (CT) (Vertebral Compression Fracture-VCF and Intracerebral Hemorrhage-ICH) offering improved reporting.

Initiatives With Low Code-No Code Platform

Patient Safety Culture Survey: As mandated by NABH, the survey is conducted each year to access the feedback submitted by users. The application has been migrated to Sampark low code-based platform, and identifies the strengths and opportunities for improvement across units, and various processes. It provides automated real-time dashboards for the teams.

Quality Management System (QMS): A tool used by central/unit quality department for tracking quality indicators and conducting regular audits in accordance with NABH/JCI guidelines.

Automation of Engineering Preventive Management workflow: A QR code-based mobile application that scans the QR code tagged on each equipment, and identifies respective engineering equipment, based on QR code value, allowing technicians to fill in various parameters online.

Digitisation and Automation Initiatives



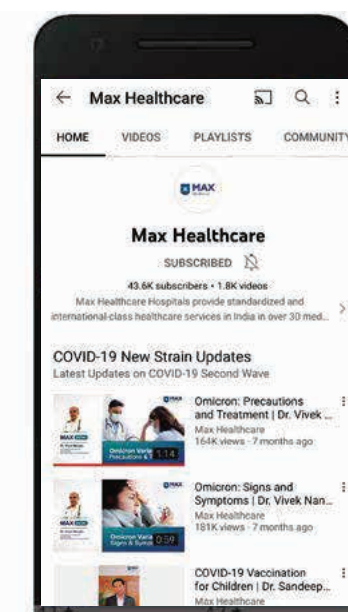
1,11,000+
VIDEO CONSULTS

24 MILLION
VIEWS ON COVID-19
AWARENESS VIDEOS

~11%
REVENUE THROUGH
DIGITAL CHANNELS

Going digital for building awareness and augmenting revenue

At Max Healthcare, we were at the forefront of driving awareness in the community, and also across digital media platforms about COVID-19 – symptoms, treatments, and vaccinations. We used social media aggressively to create informational videos with specialists and experts across channels. These were featured on YouTube, and were also promoted on other social media channels. The content strategy not only helped create large scale mass awareness, but also helped build strong engagement for the brand on digital media. The Company also entered into a strategic content partnership with YouTube to create health awareness content across various diseases and health-related topics.



We also launched the facility of appointment bookings with a doctor, video consults, and various other services through a WhatsApp chatbot. This has provided great convenience to customers, who can now book appointments with doctors for in-hospital or video consultations via WhatsApp. While this is a new functionality that was introduced towards the end of the year, we shall be promoting it to provide greater convenience to our patients.

Cyber security and IT Infrastructure Enhancements

E-mail archival Software

Implemented successfully and will improve and streamline e-mail retention process from a legal and compliance perspective.

PIM PAM

For adding security to our existing infrastructure, which includes servers and network devices, we initiated the Arcon Software. This will debar users from unauthorised access, providing dual security to each critical device and giving visibility to us about what changes are being done at the server level, by authorised users.

WAF (Web Access Firewall)

Implemented an extra layer of security for 21 public-facing internet-facing applications, which will further enhance the security. This will reduce the possibility of hacking of confidential data against common web exploits and bots that may affect availability, compromise security, or consume excessive resources.

SDWAN (Software Defined Wide Area Network)

Implemented at Saket and Vaishali. SD WAN will improve performance, boost system security, and lower complexity.

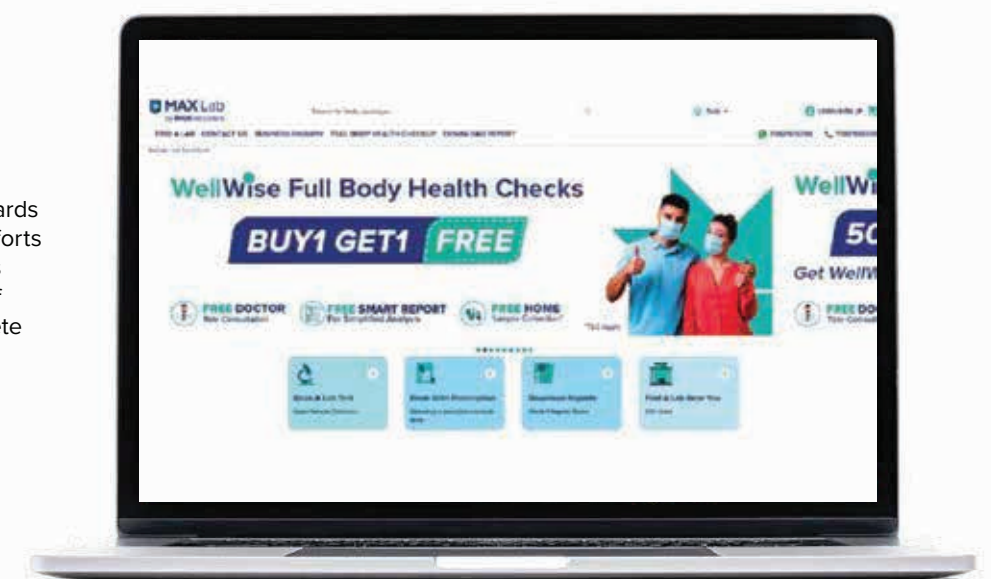
SOC (Security Operation Centre)

SOC is deployed for all critical servers, network and security devices, which will help in minimising breach impact, and ensure faster detection, and remediation of threats, improving security visibility with 24x7 monitoring.

Adoption of Cloud Computing and Cloud Native Tools

Max Healthcare has adopted AWS cloud, which will help with scalability, performance, business continuity, and flexibility perspective. AWS native provides coverage of all resources in the cloud control API.

We are aggressively working towards ramping up the digital revenue efforts from Max Lab. Efforts towards this were initiated with the relaunch of the Max Lab website, with complete e-commerce capabilities.



Max R&D

Innovation at the core

As humankind traverses through a continuous cycle of evolution, there is a constant threat of malignant entities that are to be kept under control. Innovation in healthcare is always about finding newer solutions to tackle these challenges that obstruct our path of leading a healthy, disease-free life. Our goal is to strategically develop path-breaking procedures to improve treatment outcomes.

Some of the key research studies started in FY 2021-22 were

ICMR-GDM

This cluster-randomised trial aims to identify and recruit high-risk women to prevent gestational diabetes through lifestyle interventions, and by improving maternal-fetal outcomes.

DBT-MRC

It aims to understand the reasons underlying the increased risk of COVID-19 amongst South Asians, and generates knowledge that informs interventions, reducing the burden of COVID-19 amongst South Asians.

AKSANA trial

EUBREAST AKSANA trial is being conducted with an aim 'to evaluate different surgical methods of axillary staging in clinically node-positive breast cancer patients treated with neo-adjuvant chemotherapy'.

ICMR -EEG

The study aims to develop ML/AI models using an extensive dataset spanning multiple epilepsy types and validate them on an external test set having epilepsy mimickers as controls.

To expand the scope of research at Max Healthcare, a working group and the steering committee has been formed in February 2022. The steering committee guides, evaluates, and suggests innovative ideas to expand research at Max Healthcare and generate interest among clinicians undertaking research.

401
PUBLICATIONS

11
GRANTS
ONGOING

97
ONGOING
CLINICAL
TRIALS

Patient Experience Enhancing patients' wellbeing

At Max Healthcare, we continue to strengthen our position as a leading private healthcare provider operating in a dynamic and challenging environment, by focusing on patient-centric care.

Our constant efforts to deliver superior services have bestowed trust in our hospitals, and we continue to be guided by our purpose, 'to serve, to excel' by consistently providing quality care. It has not only carved a differentiated position for Max Healthcare, but has also significantly driven growth and profitability across segments, year-after-year.

During the last year, our network of hospitals did 15 patient interactions every minute. Moreover, Max Healthcare has one of the highest patient retention rates, and an overall patient satisfaction score of 85%.

Patient Feedback Management System

Max Healthcare continues to pride itself on improving patient care through transparency and listening to the customers as the guiding principles. We receive feedback from patients, and our focus is to improve patient care, engagement, and retention.

While replacing the earlier application with the all new 'Patient Feedback Management System' launched in April 2021, we have ensured the maximisation of the collation of feedback, especially in areas like

inpatient, outpatient, emergency, daycare and PHP, based on a voluntary and an independent response via an SMS feedback link.

Feedback provides us with an almost accurate picture of patient experience, while also offering insights into what matters to patients. Our other listening posts or feedback systems existing in the organisation are:

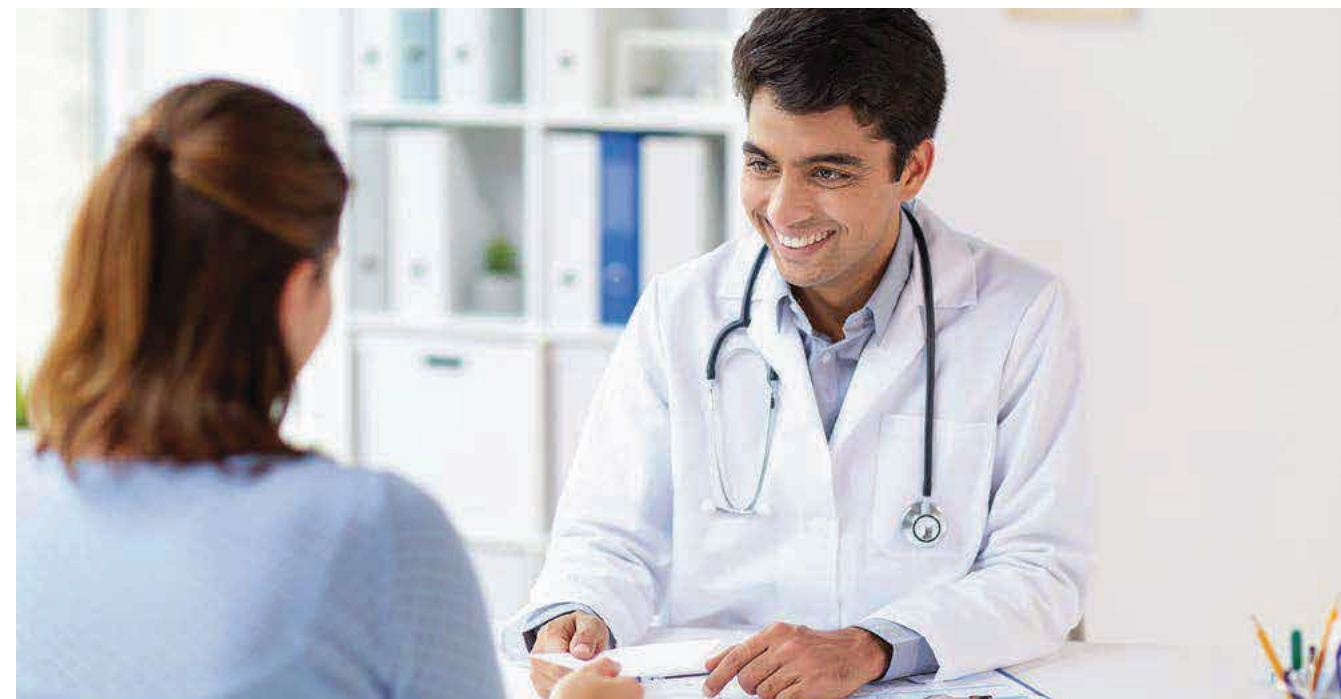
1. In Room Feedback App (for IPD patients): Feedback captured by floor managers on daily rounds, directs instant notification alerts to process heads, for addressing the concerns and expectations, while the patient is with us
2. Patient experience and in-charge's contact numbers are displayed in hospital areas across MHC for feedback/grievance, acknowledged by designated patient experience official at location
4. Feedback forms (manual) have been placed in all the areas of the hospitals
5. Website feedback/compliments
6. Social media

To ensure feedbacks are appropriately responded to, and resolved, every complaint logged in (PFMS) generates a unique ticket id with a notification alert to the department owner. This helps in acknowledging the feedback, responding to the requisite, capturing patient expectations and thereby, enhancing overall patient experience journey. Feedback from all sources is collated in the feedback module for appropriate action, with timelines.

Monthly and weekly patient experience reports are provided to operational teams to outline the quality improvement activities at the hospital level, and improvements are monitored to check patient experience.

After Consult Desk

After Consult Desks have been introduced with an objective to provide post-consultation assistance to the patients, enabling a better patient experience. The desk allocates a single point of contact to the patients. This contact helps and guides the patients with all the post-consult requirements at one place, in addition to extending support pertaining to billing and payments, lab test bookings, ordering medicines, and planning follow-up consultations.



Nursing Initiatives

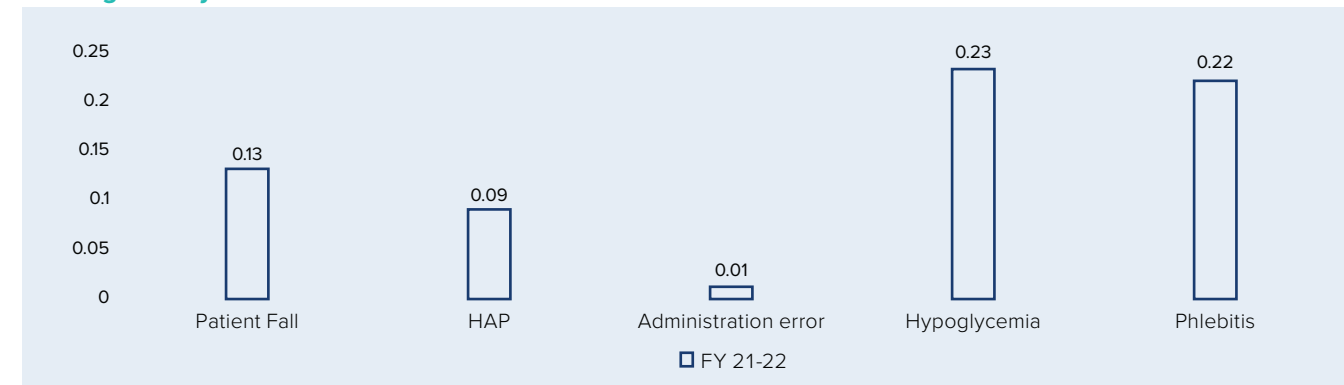
Empowering our Nurses

Nurses do more than just providing care. They promote health and prevent illnesses, while enhancing recovery. Our nursing initiatives help nurses excel at their work through skill enhancement and performance undertakings.

Nursing Quality Indicator Dashboard

It enables visibility, provides monitoring, and reporting of key nursing quality indicators at departmental as well as a network level. The monthly, quarterly, and annual reviews give us an opportunity to continuously improve our practices, and create check points for us to focus on minimising errors. We strive to put our efforts and build a more stringent mechanism to bring down the numbers of needle stick injuries, Hospital Acquired Patient Injuries (HAPI), patient falls, recognition of hypoglycaemia, etc.

Nursing Quality Indicator FY 2021-22



Nursing Quality Improvement Initiatives:

Our nursing team conducted various quality improvement projects (QIPs) that helped us in analysing gaps and creating feasible solutions to overcome hurdles in achieving excellence in patient care services. Highlighted below is a glance of the various nursing QIPs undertaken last year.

QIP-1

Sample rejection pan-Max project

Aim of the project is to improve patient satisfaction, reducing the cost and provide quality care. Detailed Report including reason, type of sample rejection is derived from LIMS and is shared with the Units on weekly basis. Unit analyse the report and appropriate actions taken to reduce the rejection numbers.

QIP-2

One patient, one admission, one cannula: Reduction in cannula consumption

Monthly analysis done on the cannula consumption by central nursing quality and the data shared with the units.

- Cannulation done only by Nursing Team Leaders or cannulation nurse
- Daily tracking of cannula consumption/patient
- Daily monitoring of IV cannula complications and quick appropriate action to increase the longevity of cannula

QIP-3

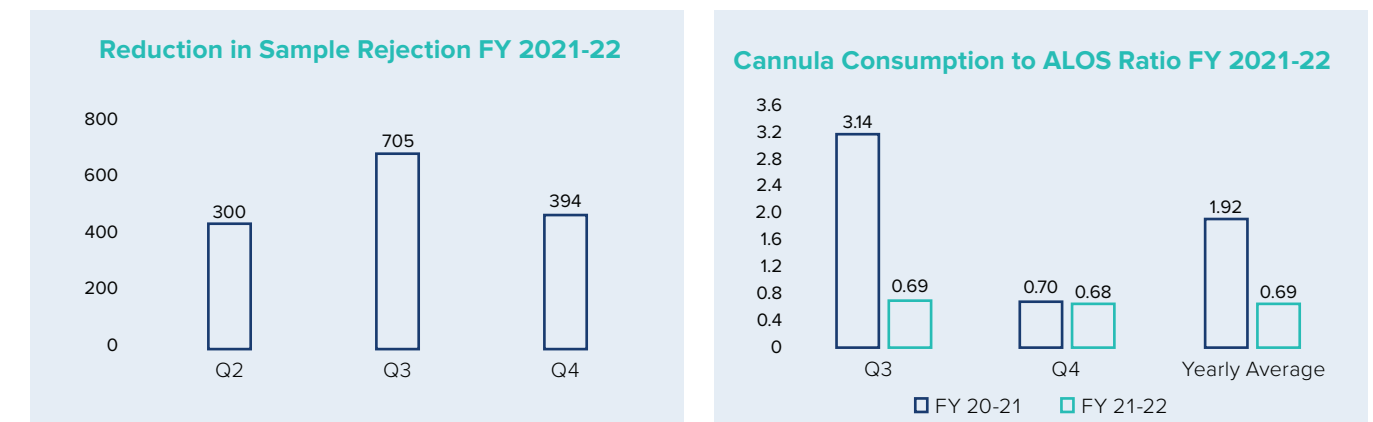
Ideal nursing station

Ideal nursing station is an ongoing project from last year. It was taken with a view to standardise the nursing stations across Max Healthcare. In Q2, the implementation phase has been initiated in Max Shalimar Bagh.

QIP-4

In-patient fall prevention initiative

To reduce patient fall, majority because of the patient going to washroom without intimating the nurses, central nursing quality implemented fall prevention initiative in Q2. The initiative intended to decrease patient fall by educating and alerting patients about fall prevention measures. posters for washroom and danglers for patient room prepared and shared with the units.



New Implementations: Fall Prevention Initiative at Max Healthcare



Operational Excellence

Operational excellence is a mindset that embraces certain principles and tools to create sustainable improvement within an organisation. The operational excellence strategies that we have adopted to continue to grow and excel, are as follows:

Nursing recruitment and training drive

We are conducting competency assessment for newly recruited nurses, and building training modules to polish their knowledge and skills. It has certainly added to our numbers and improved the quality of services rendered by fresh graduate nurses.

Nursing audits

We have revamped our nursing audit process at the hospitals as well at the corporate level. The central Nursing Quality and Education Team (NQET)

also conducted a 'one-day nursing audit certification'. Each hospital has been given a target on the number of nursing audits that they need to conduct over the next financial year, supported by the NQET team.

Building capacity and competencies

We developed various competency and capacity building programmes which focus to improve personal traits necessary for nursing, for developing professional attitudes and behaviours, and to hone the ability to provide care.

Nursing Initiatives

Some of the strategies we adopted to strengthen nurses to build capacity and competencies, are as follows:

Competency assessment on joining, and defined timelines for improvement

Privileging nurses based on their competencies

Development of training modules to enhance knowledge and skills, starting from novices to leadership levels

Introduction of Nursing Procedure Flip Chart

A book designed in the form of a flip chart has all the standard operating procedures for ready reference in clinical settings is available with all nursing staff.

Nurse Deployment Roster System (NDRS)

Assigning the number of nurses needed per shift based merely on the number of patients may not be in the best interests of patient safety. Introduction of NDRS basically aims at improving the following aspects:

- Care delivered as needed by patient
- Better allocation of nursing talent
- Acuity-based Staffing
- Flexibility to alter staffing patterns
- Data-driven decisions (Manpower Planning)
- Improvement in patient satisfaction scores

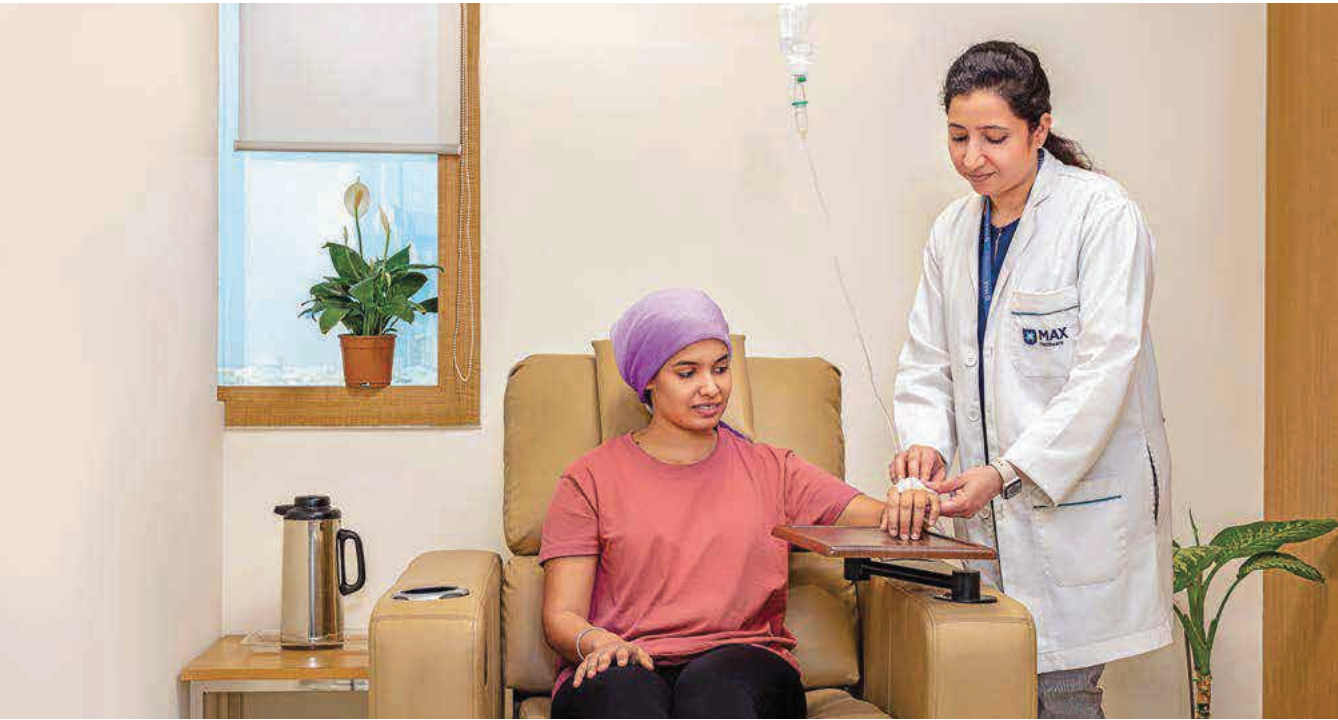
Nursing Brand Service Standards (BSS)

Introducing BSS is a step to enhance customer experience at inpatient, outpatient as well as procedural areas. All nurses are introduced to our BSS during the induction so that they give appropriate effort and importance to making customer experience a positive and memorable one.

Nursing Supervisory Programme

This initiative is focused on the following aspects to enhance the managerial skills of the nursing team leaders and supervisors:

- Managing nursing manpower
- Providing professional development
- Maintaining customer-focused care
- Materials management
- Aligning the unit with the hospital's strategic goals
- Mentoring novice nurses



Nursing Training and Development

The training and development process aims to standardise nursing practices, irrespective of the nurses' backgrounds and past experiences. The Nursing Quality and Education Team (NQET) continuously works to develop practice-focused modules of study, suitable for novice and advanced nurses, while

keeping in mind the professional development for specialist nurses. Some of the highlights of training and development are:

VIROHAN: A 6 day long nursing induction programme, mandatory for all our new joinees.

2,600+
NURSES TRAINED

Advanced Certification Programme: (certification programmes held online and offline)

Adult critical care nursing programme	Oncology master class and workshop in association with our industry partner B.Braun	Nursing research and publications course by the British Medical Journal (BMJ)	Advanced wound management certification by the Harvard Medical School in association with our industry partner-Smiths and Nephew
Fundamental Critical Care Support Courses by the Society of Critical Care Medicine (SCCM)	Infection prevention and control certification programme by Cygnia Healthcare	Access to knowledge and skill-related learning material to all nursing staff by the medium of 'DAKSH'- our e-Learning Management System (LMS) platform	3-day master class on oncology process optimisation

We are at an advanced stage to start a Nurse Practitioner for a Nurse Practitioner in Critical Care Post Graduation Residency Programme post approval of the Indian Nursing Council and Indraprastha University



Educational Initiatives

Nurturing talent for improved performance

Max Institute of Medical Excellence (MIME)

MIME is a dedicated medical centre, providing education and training for medical and non-medical professionals to enhance their skills and competencies. Our well-crafted and high benchmarked training programmes are aimed at creating the next generation of leaders in healthcare.

12,000
STUDENTS ENROLLED

150+
COURSES

800+
FACULTY

DNB COURSES

National Board of Examinations has recognised us to permit practical training for students undergoing courses of DNB broad and super-specialties in India in over 35 disciplines. The successful holders of Board's qualification are eligible to be considered for specialists' posts/faculty in any hospital and also, a teaching post at a training institution.

- 26 specialities, 394 students, 9 hospitals
- National exam centre for 10 specialities
- Pass percentage – 70%

Location	DNB Residents
Saket	100
BLK-Max	76
Vaishali	54
Shalimar Bagh	53
Nanavati Max	52
Patparganj	24
Mohali	19
Smart	10
Dehradun	6
Total	394



Amit Mishra

Amit successfully completed the Phlebotomy Technician

course with us, which consisted of a two-month classroom session followed by two-month on-the-job role. After finishing the training, he was hired by Hindustan Wellness where he continues to work today. Over 12,000 such students have been trained at Max Institute of Medical Excellence and gained employment successfully.

New Fellowship courses started in 2021-22:

- Max Fellowship in Minimal Invasive Surgery
- Max Fellowship in Cardiac Imaging
- Max Fellowship in Reconstructive Micro-Surgery
- Max Minimal Access and Bariatric Surgery Fellowship
- Max Fellowship in Onco-Imaging
- Max Fellowship in GI and HPB Onco-Surgery
- Max Fellowship in Emergency Radiology
- Max Fellowship in Infectious Diseases – Critical Care Medicine
- Max Fellowship in Head and Neck Onco-Surgery
- Max Critical Care Medicine International Fellowship Programme
- Max Fellowship in Infectious Diseases
- Max Fellowship in Gynecological Onco-Surgery
- Max Fellowship in Respiratory Critical Care
- Max Fellowship in Pulmonology and Sleep Medicine
- Max Fellowship in Neuro Imaging
- Max Fellowship in Minimal Invasive Gynaecological Surgery
- Max Fellowship in Endo-Uro and Renal Transplant
- Max Fellowship in Pain Management

Educational Initiatives

Master’s in Emergency Medicine

It is a skill building training programme conducted in collaboration with the Ronald Reagan Institute of Emergency Medicine (USA) under the George Washington University Medical Center, to enrich the residents of Max Healthcare in knowledge, skills and compassion, needed for effective and efficient emergency medical care. It covers a total of 8 facilities, including BLK-Max and Nanavati Max, and enrolls 64 students. 100% placements are provided for all the students.

Internal Medicine Training (IMT)

Full-time post graduate training in internal medicine, in association with the Joint Royal College of Physicians Training Board (JRCPTB), UK, is a 3-year training programme, in which physician training is delivered equivalent to UK standards. The course is undertaken by our consultants, who are trained by the Royal College of Physicians. We have been running the programme since 2019, and the current batch strength is of 32 students. Max Healthcare is one of the few level-3 accredited centres for IMT training in the world.

Internship and Fellowship

Under affiliation with the Lincoln American University, Guyana for training of MBBS students, we now have 98 students at Max Saket and Max Vaishali. The entire duration of clinical rotation is 88 weeks, and is divided amongst the core subjects of medicine, surgery, obstetrics and gynaecology, paediatrics, and family medicine, and various electives like gastroenterology, urology, nephrology, psychiatry, dermatology, orthopaedics, traumatology, neurology and neuro surgery, cardiology and cardio-thoracic surgery, etc.

Bespoke Trainings

MIME provides upskilling for physicians and other healthcare professionals through various short-term courses. These trainings are conducted by our experienced faculty at our simulation labs with state-of-the-art training mannequins.

Essentials of Critical Care Medicine	CPR and AED	Simulation Sessions for IMT, MEM, LAU, DNB
Essentials of Critical Care Nursing	COVID-19 Vaccination Training	Endoscopy Technician Training
Emergency Nursing	Masterclass in Liver Emergencies	Advance Care Support
Essentials of Breast Imaging	FCCS (Fundamental Critical Care Support Course)	Emergency Care Support
Sentinel Lymph Node Biopsy	Bespoke Onsite Courses	Sample Collection Support
Basic ECG Interpretation	Basic and Advance Endoscopic Gynae Surgery	Basic Trauma
Airway Management	Emergency Surgical Airway Management	PGDACR (Post Graduate Diploma Advanced Clinical Research)

Life Saver Programmes

We are an authorised International Training Centre (ITC) of American Heart Association. The training centre is committed to make each medical, nursing, and paramedical professional confident to use his skills with practised ease, at the highest standards, and in an environment that is safe for patients. We have a large pool of AHA

certified instructors for conducting provider courses, training centre faculty for conducting instructor courses, and international regional faculty for conducting quality checks on the training protocols and delivery methods.

1,449

AMERICAN HEART ASSOCIATION
CERTIFIED BLS/
ACLS/PALS COURSES
PARTICIPANTS

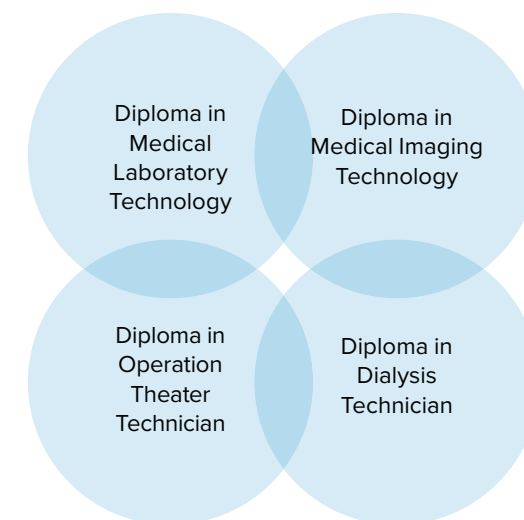
2,425

MAX EMERGENCY LIFE
SUPPORT COURSE
PARTICIPANTS

Unit	Number of Interns
Max Saket	300
Max Shalimar Bagh	117
Max Patparganj	110
Max Dehradun	97
Max Vaishali	95
Max Smart	87
Max Gurugram	53
Max Mohali	46
Max Bathinda	19
Max Panchsheel Park	05
Max Lajpat Nagar	03
Total	932

Indian Medical Association (IMA)-affiliated Allied Healthcare (AHC) Courses

AHC's single-minded goal is to develop health professionals by imparting a skillset that the industry demands, thereby making them successful in their career path. Our allied healthcare diploma programmes provide students with the expertise and competencies they need to conduct a wide range of medical care procedures. The courses deliver highest healthcare training standards so the enrolled graduates can deliver quality healthcare services for better patient outcomes. The highlights of these courses range from traditional classroom training led by an instructor, to app-based learning with interactive content and audio/video aids, clinical postings, and 100% placement assurance.



International Exams

Max Healthcare is the only accredited centre in North India to host the prestigious MRCP-UK PACES Examination. We have been conducting this exam since 2019. We also have the largest number of examiners at a single centre in India. Apart from that, we also conduct MRCP UK Part 1 and 2 preparatory courses. We do a weekly, 6-hour MRCP exam-oriented teaching for IMT. We are in the process of developing Nanavati Max as a PACES Centre In western India.

Future Scope

To develop Max Healthcare as an education hub for the future, we envision offering several academic courses at our Institute:

Master of Public Health, in affiliation with AcSIR	PhD courses at Max Healthcare	Expansion of Online/ E-learning courses	A year-long certificate course in emergency medicine
Fellowship in Diabetes	Establishing a centre for Advanced Trauma Life Support (ATLS)	Fellowships courses for national and international doctors	New simulation-based courses – MIS/ bariatric/urology/MIGS



We have brought sustainability to the very core of everything we do. We have embarked on an ambitious plan to protect our environment, assist our communities, and nurture our workforce.

We strive to improve access to high-quality healthcare by giving free medical aid to indigent patients. We have constantly engaged with our local communities and reached out to underserved upcountry locations to provide access to quality healthcare.

We also greatly enhanced our investment towards training our personnel to stay inspired and contribute to sustainable growth.

44%

SHARE OF RENEWABLE ENERGY IN THE ENERGY MIX

2.95 LAKH

UNDERPRIVILEGED PATIENTS TREATED FOR FREE

INR 157.8 CRORE

FREE MEDICAL TREATMENT TO UNDERPRIVILEGED

4,000+

ACTIVITIES IN COMMUNITIES

145+

COUNTRIES FROM WHICH PATIENTS VISITED FOR TREATMENT

2.5 LAKH HOURS

OF UPSKILLING PROGRAMME CONDUCTED

Timely Chemotherapy brings back joy to Mukram's life.

Grappling with back pain and swelling in right leg, this 37 year old patient from Delhi approached our hospital. A disease specific Cancer team examined his condition and identified it to be Germ Cell Tumour or Testicular Cancer. Although in an advanced stage of the disease, the patient responded well to chemotherapy and is now expected to be cured fully post his chemotherapy sessions.

The patient was treated free under the Economic Weaker Section (EWS) quota. Over 2.95 lakh people like Mukram have been provided with free treatment last year across our network.



Sustainability

Our ESG philosophy

Uncompromising focus on embedding ESG into operations

At Max Healthcare, we are conscious of the impacts of our business on the planet, people, and communities at large. This cognisance has been one of the greatest motivators for us to chart a way towards environmental stewardship, creating shared value, and going beyond profitability.

Sustainability remains at the heart of all we do, and we sincerely strive every day to hone our efforts in bringing about a long-term change within the organisation as well in our communities. Our ESG goals reflect our intentions across our operations, and guide us to operate in line with the highest standards of sustainability practices.

As one of India's leading healthcare providers, we are committed to continually evolve, and enhance our ESG framework and goals, holding ourselves accountable for sustainable value creation for all stakeholders.

ESG Focus

Our focus on ESG resonates deeply with our vision to be the most well-regarded healthcare provider in India, committed to the highest standards of clinical excellence and patient care, supported by latest technology and cutting-edge research.

Our purpose directs us to provide the best level of patient-centric care to the people we get the opportunity to serve. And our constant pursuit of excellence in patient care is supported by our dream team of physicians, experts, and support staff.

The values that define us as an organisation are the same that we carry while enhancing the paradigm of ESG-focused growth. In addition to our values of compassion, excellence, efficiency, and consistency, our success is a direct result of the long-term business resilience, ensuring stakeholder wellbeing, enhancing operational efficiency, facilitating transparency in transactions, and preserving the environment.

Battling pandemic woes, delivering commitments

The unprecedented crisis of the COVID-19 pandemic put mankind to test and forced economies throughout the world to unite and confront one of the greatest upheavals. It was the resolve of all our frontline fighters, who relentlessly worked during all the waves of COVID, ensuring each patient got the best of the treatment.

As we emerge from a period of tremendous challenges, we, at Max Healthcare tread strongly and hopefully towards a new path of ESG excellence. Not only did we adapt to the unanticipated, but we also re-examined and transformed the way we conduct business.

Our ESG approach and focus areas

As our business grows, we need to create and maintain long-term value for our patients, communities, and other stakeholders. Recent times have seen us re-evaluating the positive impact we can have on ESG issues, concerning all our stakeholders. This has allowed us to take a holistic approach to ESG integration across our business strategies and operational procedures alike. Our approach of delivering positive environmental and social impact across the scope of our control is highlighted through our purpose-driven growth with sustainability at its core.

To reassess our priorities and work towards holistic improvement, we performed a thorough materiality review in consultation with a third party in FY 2020-21 to understand our impact and the critical issues for our organisation. We proactively interacted with the organisation's primary external and internal stakeholders as part of this exercise. As an outcome, we were able to identify the most critical issues facing the Company. This also allowed us to formulate and implement a strategy to respond to the material concerns.

We aim to enhance our stakeholder engagement practices, thereby allowing us to gauge perceptions and expectations faster, and respond swiftly on key ESG focus areas, help the Company continually improve long-term sustainability and value creation for all stakeholders.

We aim to identify the best practices for sustainability from within our organisation as well as externally, and share these across our internal stakeholders. Furthermore, we have established group-wide policies on key ESG matters to help steer the organisation, and provide structure to all internal processes.

We also believe in utmost transparency about our ESG performance as part of integrating ESG focus, and to accomplish that, we publish a dedicated ESG report, aligned to the Global Reporting Initiative's sustainability reporting standard.

We are also continually working on improving our ESG performance capturing and monitoring processes. To further our ESG agenda, we have established ESG goals to address environmental and social issues, and tackle global challenges, such as climate change.



Environment Care for Planet

FY 2021-22 Highlights Progress on environmental aspects

44% share of renewable energy in the total energy mix	4.6% decrease in total energy consumption from base year FY 2019-20	Achieved a reduction of 18.6% in carbon emission in scope 1 and scope 2 through increased use of green energy and energy saving initiatives w.r.t. base year FY 2019-20
38,165 tCO ₂ emissions in FY 2021-22 down from 48,696 tCO ₂ emissions from base year 2019-20 that is 18.6% reduction	36% of water recycled in FY 2021-22 up from 31.5% from base year FY 2019-20	1.68 million sq. ft. or over 50% of LEED gold-rated green buildings out of a total 3.28 million sq. ft. of built-up area

Long-term environmental targets

Reduce 60% in Scope 1 and 2 emissions by 2025 (from 2015 baseline)	Procure 60%+ Renewable energy by 2025 of total energy	Monitor Scope 3 emissions by 2023
Reduce 45% in freshwater consumption by 2025 (from 2015 baseline)	Reduce 5% of total waste generation by 2025 (from 2022 baseline)	100% water neutrality by 2025

As part of our commitment to responsible growth at Max Healthcare, we strive to conserve the environment while ensuring the highest standards of patient care. Our efforts are directed towards minimising the negative externalities of our operations on the environment, as well as mitigating the impact caused. Our initiatives are guided by the best practices, aligned with national and global benchmarks, in addition to being compliant to all environmental regulatory requirements. To further our agenda on environmental responsibility, we are in the process to formulate our environmental policy and adopt ISO-14001 by FY 2022-23.

We design and develop all new projects conforming to green building norms. Further, we are maximising our efforts to procure green power through open access, and are evaluating the use of solar power through rooftop generation. We maximise the recycling of treated wastewater with Membrane Bioreactor (MBR) based sewage treatment plant (STP) installed at several sites, and the treated water is being used for various domestic and operational purposes. We have also adopted flood mitigation measures to ensure resilience against the physical risk arising from climate change and to reduce the dependency of fresh water sources.

We monitor our emissions, energy, and water consumption per bed through our dedicated environment management teams. We optimised the usage of medical equipment, enhance adoption

of energy efficient and environmentally friendly technologies, and improved operational efficacy while the hospitals catered to increased footfalls. During FY 21, we started recognising and awarding hospitals on achieving the highest levels of energy and water conservation.

We implemented measures such as installation of Variable Frequency Drive (VFD), installation of high running equipment, Electronically Commutated (EC) fans in Air Handling Units (AHU), high efficiency chillers, plant room connectivity, CTI approved cooling tower, robust PPM and admin control.

We recycle organic waste as compost on site through use of Organic Waste Converters (OWCs). Roughly, 50% of the waste generated is disposed through Authorised recycling facility. Furthermore, there have been no show cause or legal notices received from the Central or State Pollution Control Board, which have been pending as on end of FY 2021-22.

Through our efforts, we were able to achieve a reduction in energy consumption of 4.6% (36 Lakh kilowatt-hours) in FY 2021-22, considering FY 2019-20 as the base year. We achieved an improvement in the Energy Performance Index (EPI), achieving 229 kilowatt-hour per sq. m. per year in FY 2021-22 against the EPI 240 kilowatt-hour per sq. m. per year during FY 2019-20. In terms of intensity, the per bed energy consumption went down to 88 kilowatt-hours in FY 2021-22 against the 94 kilowatt-hours during FY 2019-20.

This reduction in energy consumption was achieved despite an increase in occupancy, an incremental load of porta cabin, isolation, and immigration centres, as well as additional biomedical equipment within the COVID-19 facility.

Through a sustained implementation of reduce, reuse, and recycle (3R) principle towards water management, we were able to achieve a reduction in freshwater consumption of 1.07 kilolitres per bed in FY 2021-22 from levels of 1.26 kilolitres per bed from base year FY2019- 20. We saved 1.32 Lakh kilolitres of water in FY 2021-22 as compared to base year FY2019-20.

Social Care for People

FY 2021-22 Highlights

48.5% of employees in the organisation are women

INR 157.8 Crore worth of medical services provided to the under-served

32,138 professionals attended the 1,959 safety trainings conducted

59% of employees were given safety training

51% of employees were given skill up-gradation training

83% of employees were given safety and skill up-gradation training



At Max Healthcare, we put a great emphasis on the social impact of the business. We recognise the critical role the social component plays in determining the quality of relationship between us and our patients, communities, employees, suppliers, and investors. To ensure that we effectively address the business's underlying social concerns, we implement thoughtful measures and initiatives.

We have 234 beds allocated for patients belonging to the economically weaker sections (EWS). The daily availability allotted to patients belonging to the economically weaker sections (EWS) of beds is displayed on the notice board kept at our admissions counter, as well as updated on the government website. We have not received any complaints pertaining to breach of human rights during the reporting year.

We believe that the path to sustained organisational success and edge is paved by the unwavering commitment and dedication of our human capital. Furthermore, maintaining continuous health and wellbeing of our employees is integral to our operations. We also observe safety rounds and organise internal stakeholder meetings in each hospital. We uninterruptedly strive to improve our processes, work methodology, and demonstrate high levels of leadership to build and nurture EHS skills within our organisation. As an organisation, we relentlessly strive to improve our processes, standards, and demonstrate high levels of ownership to build and nurture EHS skills.

During the year, we conducted third-party comprehensive safety audit for all network Hospitals, with a successful closure rate of more than 98% observations. To further our agenda on disaster preparedness and response, we have replaced conventional type emergency exit plan with photo-luminescent type at all units. We have installed clean agent-based fire suppression system in newly renovated medical equipment rooms. During the year, we celebrated 'Fire Safety Week' in our hospitals, conducting mock drills, external trainings from third-party and local authorities as well as an internal assessment of fire safety system. In order to ensure consistency in delivering the best quality of care to patients, we have rigorous training for all our clinical



and non-clinical staff at induction and on a continuous basis.

We at Max Healthcare, put great emphasis towards innovation in terms of services offered to customers. We are using an ESG-focused approach in evaluating material issues, related to patient access, quality of case, and service distribution. During the year, we incorporated initiatives such as introduction of Max MyHealth Plus App, enabling ease and access for patients with features such as video consultation, appointment booking, access to patient records, booking lab tests, and ordering medicines. Our facilities have been recognised through accreditations, numerous awards from reputed industry bodies and some of the highest customer ratings on the web.

Research and development being a vital precursor towards continual improvement in quality patient care, is one of our focus areas. We direct our R&D efforts through initiatives, such as academic research collaborations, pharma collaborations, real-world evidence studies, and biobanks.

As part of our efforts to promote business responsibility across our supply chain, we encourage our suppliers to adopt best practices and follow the concept of being a responsible business. We have dedicated patient experience officers

and guest relation executives, who physically meet customers and take their feedback, and also act as one-point contacts for their needs. We also conduct a plethora of outreach activities, and community camps, to not only build better relationships, but also to improve the health status of the society in general. We also work towards building public awareness on health and hygiene matters, through various seminars and processes, including activities within the community, such as workshops, content delivery through branding in public places, both offline and online, and distribution of health-related content with dailies. Through these efforts and more, we continuously engage with all our stakeholders to build lasting relationships.

Governance

The cornerstones of good governance are ethics, integrity, and transparency. Implementation of effective corporate governance is essential for our strategic growth. As a responsible corporate citizen, we uphold our governance frameworks, which allow us to take informed business decisions that meet the needs of all stakeholders.

Key Highlights

Four out of seven
Independent Directors
on the Board

One woman among
seven Directors on
the Board

7 Board
Committees



As a Group, we at Max Healthcare are committed to establishing better dialogue and a transparent relationship with all our stakeholders. By establishing and executing an effective governance structure, we ensure enhancement of stakeholder engagement, operational efficiencies, boost in earnings, and mitigation of risks for a variety of stakeholders, including patients, senior leadership, employees, suppliers, investors, and the local community.

At Max Healthcare, the Business Responsibility Sustainability Committee, headed by our Chairman and Managing Director, is responsible for the implementation of business responsibility policies. Our business responsibility initiatives cover the areas of ethics, transparency, accountability, sustainable use of resources, with the shared responsibility for the wellbeing people throughout the network of hospitals and other locations in India and abroad. Further, we have an ethics, bribery and anti-corruption policy that extends to Max Healthcare, all its subsidiaries, and all its related entities. We have stringent policies benchmarked with global best practices to maximise stakeholder trust. These include policies such as our Code of Conduct, Nomination, Remuneration and Board Diversity Policy, Whistle-Blower Policy, Prevention of Insider Trading, Prevention of Sexual Harassment at Workplace, Code of Fair Disclosure for UPSI,

Corporate Social Responsibility Policy and Risk Management Policy.

We ensure compliance with all applicable regulations across multiple locations through clearly defined processes. We utilise a compliance tracking and reporting software called Complinty, to track and report compliance and escalate non-compliances at yearly, half-yearly, quarterly, and monthly timelines. As a secondary control, our compliance team, as part of our corporate legal function, performs quarterly on-site audits of all units and the corporate office to identify non-compliance, and to ensure appropriate management reporting to the Board of Directors for a clear oversight.

Max Healthcare is one of India's largest private healthcare providers, and we have a strategic focus on maintaining a strong brand presence across social media platforms. In terms of the use of social media platforms, we have some channels of communication positioned as an informative content repository, while other platforms are primarily targeted towards reach and audience engagement initiatives.

In order to ensure highest levels of service quality and standards, we have standardised protocols and clinical practice guidelines for patient care and safety in all patient care activities across the network. These are evidence-

based and benchmarked with national and international references. We have several initiatives for enhancing patient experience, such as the usage of Patient Response Management Tool to assess and address on-ground patient experiences. Further, we have developed and executed marketing strategies geared towards patient engagement and education. We also developed a repository of positive patient experience stories as a testimony to our dedication for providing world-class care. As of the end of FY 2021-22, both our offline and online brand assets comply with statutory rules and regulations.

The clinical and operational processes and outcomes within the organisation are monitored closely, and immediate measures are taken as required. In terms of technological interventions to enhance product and service quality, we use the Clinical Decision Support System, which helps in rational use of antibiotics, risk assessment of patients and prescription of drug to patients. We ensure that all medical records are entered in Electronic Health Records, with uniform access to formulary, safety alerts, and an efficient process management.

Expanding Community Engagement and Outreach

Towards an equitable tomorrow

4,000+
ACTIVITIES IN
COMMUNITIES

230+
CAMPS ORGANISED IN
UPCOUNTRY MARKETS

140+
CMEs ORGANISED IN
UPCOUNTRY MARKETS



Community Outreach

One of the outcomes of the pandemic has been that consumers have become more conscious about their health and hygiene as they look to protect themselves from the consequences of the pandemic. Over 4,700 activities in local communities, including mass sanitisation drives in societies, clubs, and community offices, branding of RWA Boards, traffic barricades, activities and health camps for morning walkers in parks, distribution of health-related content with dailies, online as well as offline, were conducted throughout the year.

Interaction with various customer groups as part of customer programmes like Citizen Plus for seniors, Healthy Family for neighbourhoods, and Community First programme, continued through various media channels, online groups as well as direct interaction sessions.

Upcountry Outreach

Over 2,000 physical outreach OPDs were re-initiated across specialties in over 34 clusters such as Meerut, Lucknow, Srinagar, Rohtak, Guwahati and Haridwar. Initiatives towards raising awareness through visibility campaigns and creating direct engagement through high-contact activities, were undertaken. High-impact media campaigns using outdoor hoardings, and branding with local chemists were undertaken in Agra, Lucknow, Meerut, Moradabad, Gwalior, Sonapat, and Panipat.

International Offices

Max Healthcare sees a great opportunity in medical value travel and India emerging a major destination for patients requiring high end medical care. While the business faced severe headwinds due to travel restrictions imposed by most countries over the last two years, it is all set to grow significantly in the next financial year. The fundamental drivers of MVT to India, which include world-class medical services at low prices, remain strong and Max Healthcare (MHC) plans to leverage its strengths in this area.

With the government allowing international flights to resume from March 2022, we have seen the



international revenues ramp up to almost the pre-covid levels in the first quarter of FY 23. We expect further growth in months ahead.

For most patients abroad the decision to travel to foreign shores for accessing good quality healthcare remains a leap of faith. Credible information and support available to be able to reach out to a hospital/clinician of repute is fraught with unimaginable risks. MHC, recognising this decided to set up company owned and partner owned 'Patient Assistance Centres (PAC) across key markets. The PAC's guide patients in their journeys. They connect them with clinicians of repute over VC's, help them procure and understand treatment plans, advise them in their decision-making, help arrange travel documents and assist them in seamless transfer to the hospitals. The PAC's also assist them in ensuring that patients stay in touch with their doctors for follow-ups, once they have safely returned to their countries.

We presently operating a PAC in Nairobi, Kenya, in Lagos, Nigeria and in Dubai, UAE. The PAC in Dubai was established in the last financial year. In the present financial year, MHC plans to open company owned PAC's in Muscat, Oman, Yangon, Myanmar, Addis Ababa, Ethiopia, Tashkent, Uzbekistan, Dhaka, Bangladesh, Suva, Fiji Islands. The first three of these will be set-up by July 31st

and the remaining by Dec 31st 2022. In addition to this, MHC is also establishing PAC's in association with reputed partners/foreign hospitals in Bishkek, Kyrgyzstan, Ulaanbaatar, Mongolia, Dar-Es-Salam, Tanzania and Tbilisi, Georgia.

We have signed an MoU project consultancy and O&M contract with a cancer hospital coming up in Khulna, Bangladesh. We are also exploring more such opportunities in Southern Africa and the Middle East.

A lot of effort is being made on contracting institutional patient referrals from government and public sector organisations abroad. A contract, signed last November with MoH Iraq, is presently being executed. Similar agreements were signed with state owned medical institutions in Ulaanbaatar, Mongolia in June 2022.

An extensive digital outreach in select international markets is also underway. This will give us greater visibility and connect with patients, insurers, local hospitals and clinicians. The OPDs in key markets, video consults with patients, patient testimonial videos and social media posts are also planned.

Investing in people-L&D

Prioritising human capital

We provide holistic learning and development opportunities to our people, which enable them to choose their individual growth path, aligned with the organisation's objectives. We believe that our competitive edge lies in a dedicated and motivated workforce of care givers. They are our biggest assets, and the reason for us to lead. We aim to provide an environment for consistent innovation and learning.

2.5 LAKH HOURS

UPSKILLING PROGRAMME
CONDUCTED



Values We Value

The initiative is aimed to create a value-based culture that brings out the best in employees by creating awareness, defining behaviours, and celebrating and strengthening our core values at Max Healthcare. It is a blend of engagement initiatives, leadership connects, awareness sessions, and employee stories.

and transparent evaluation processes that helped them and the organisation understand their potential to contribute towards the growth of the organisation.

A Training Need Assessment Survey was launched to help understand the learning preferences of our people and obtain leadership insights to align individual learning goals to the goals of the organisation and strengthen our talent strategy.

Max Talent Development Programme

It is aimed at nurturing next-generation leaders of the healthcare industry, through a structured evaluation and development model. The programme will serve as a platform for our high-potential leaders, who have displayed strong commitment towards the organisation. More than 180 employees completed a set of reflective, scientific, objective,

Disha Learning

Our Learning Management System (LMS) is a cloud-based programme powered by PeopleStrong that focuses to build a learning culture in the organisation. With an availability of digital training content accessible 24x7 from any device, Disha Learning has been one of our key milestones in our digital HR transformation journey.

Key Features of the LMS are

Recommend courses and trainings based on roles, skills, and tenure

Self-paced online modules on Anti-Bribery and Anti-Corruption policy, and Sexual Harassment of Women at Workplace Act in Hindi, English, Marathi and Punjabi for all employees across Max Healthcare

End-to-end course management

Intuitive dashboards and analytics

Employee Engagement Initiatives

Empowering our workforce

Our brand philosophy 'to serve to excel' could only be fulfilled through empowering the frontline, who happen to be 70% of our staff. Employee engagement is one of the most critical levers of business success to drive retention of talent, internal brand building, employee loyalty and improvement in organisational performance.



To redefine the way we work, and to create better synergies across the network, we picked up the best practices followed across all our hospitals and standardised our Employee Engagement Framework, touching upon key elements of communication, employee connect, rewards and recognition, wellness and other celebrations.

Umang

We revamped our Reward and Recognition framework and rebranded it as 'Umang – pride within' to create a work environment that encourages performance excellence. The digital platform powered by Vantage Circle forms the backbone of this programme. It has driven a sense of purpose by connecting people at work through peer and social recognition. The core objective of the programme is to build a transparent culture of recognition, institutionalise Max Healthcare value system of compassion, consistency, excellence and efficiency, and to acknowledge and celebrate individual and team achievements.

Umang aims to simplify and automate the rewards and recognition experience by means of:

- Spot Awards for instant recognition
- Quarterly performance award for going the extra mile
- Longevity award

- 'We Can' awards for innovation
- Annual awards for exceptional contribution towards organisational performance

The digital platform allows us to successfully foster a culture of recognition within Max Healthcare, and empower our teams across ranks to celebrate personal and team victories.

Project Shakti

Through Project Shakti, we acknowledged efforts, achievements and success of our women employees, who represent close to 50% of our work force. The programme aims to empower and nurture women by providing them with a common platform in the organisation. As part of the initiative, we organise exclusive knowledge sharing sessions, workshops, and talks by guest speakers on themes like women's health and wellness, financial planning, work-life balance, etc.

Employee Connect forums

Various connect platforms like monthly function townhalls, HOD council, discussion forums for hospital management committee members, nurses connect, doctors connect, doc talk, leaders talk, doc council, etc., have been introduced to encourage communication across all categories and cadres of employees.

**Nephro Ureterectomy Surgery
gives a new lease of life to a 12-year-old.**

Ali, a 12-year-old boy from Iraq, visited our hospital with severe pain in the lower back. Upon diagnosis, our urologists found a 75 cm and 50 cm Ureter where the normal size is 20 cm. With restrictions over performing a normal surgery owing to Ali's young age and small abdomen that posed risk to proceed with the normal surgery. Our doctors performed a minimally invasive robotic procedure that shortened the ureter and gave Ali a pain free life. In FY22, our specialists performed ~1,000 Robotic surgeries which resulted in faster recovery, minimal blood loss and mild scarring.



Performance

We have had remarkable growth on all operational matrices be it Gross Revenue, Operating EBITDA, ARPOB and Operating Margin.

In this challenging year, whilst facing intense COVID headwinds, we embarked on our focused expansion plan through which we will be adding 2800 beds in 9 locations over the next 5 years. Our growth is further fueled by our capital-light businesses which are on their trajectory to gain meaningful scale this year.

42%

YOY GROWTH IN GROSS
REVENUE

118%

YOY INCREASE IN
OPERATING EBITDA

4

NEW CAPACITY EXPANSION
TRANSACTIONS

30+

CITIES BEING SERVICED BY
MAX LAB

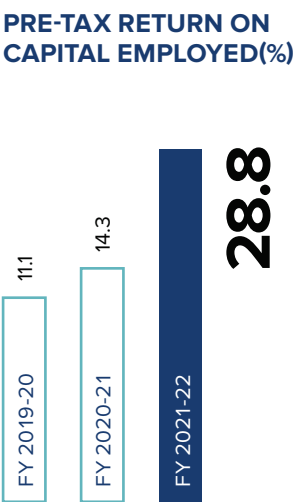
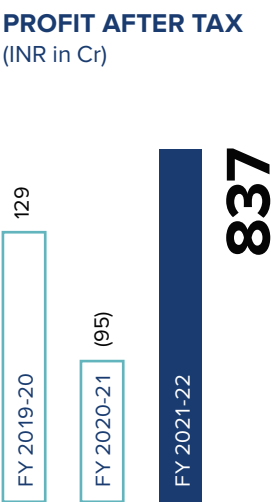
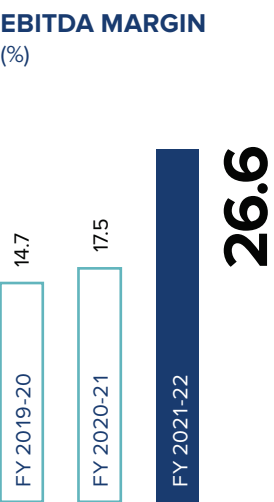
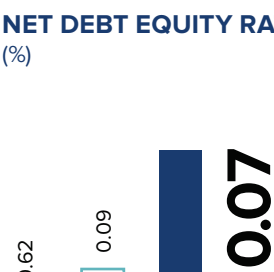
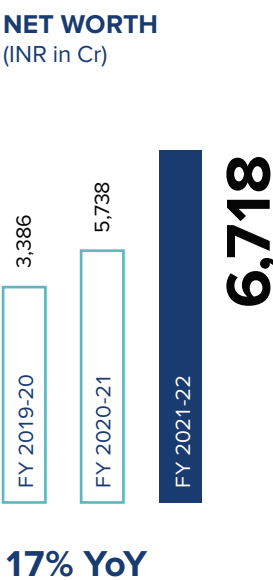
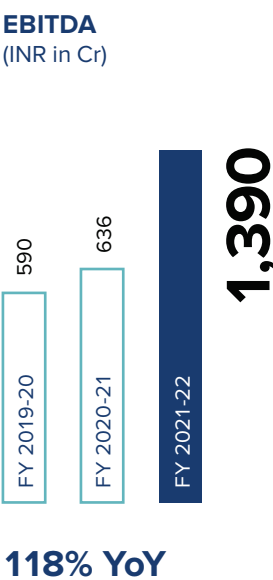
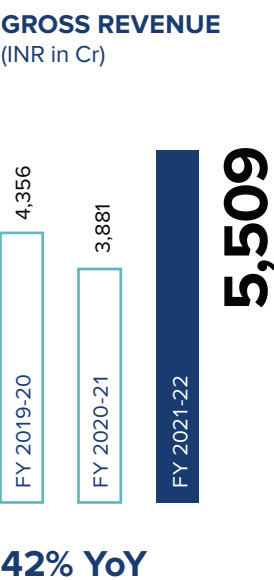
60%

YOY GROWTH IN HOME CARE
REVENUE

Key Performance Indicators

Financial health

Despite numerous challenges, FY 2021-22 has been an eventful year with a marked improvement in the Network performance. Our Network Operating EBITDA more than doubled in FY 2021-22 as compared to FY 2020-21. In addition, as part of our inorganic growth strategy, we have announced four transactions, including purchase of two prime land parcels in Gurugram. These will have a combined potential to add ~2,200 beds in the coming years in addition to the ongoing brownfield expansions.



Business Review

The year in focus

Corporate/Financial Update

- We reported our highest ever gross revenue, ARPOB, EBITDA, operating margin and net profit during the year.
- Our network operating margin stood at 26.6% (INR 1,390 Crore) which reflects a YoY growth of 118%.
- We also executed four transactions with potential to add 2,200 beds in the upcoming year.
 - Acquisition of exclusive rights to aid development and provide medical services to an upcoming 500 bed hospital in Saket
 - Acquisition of two land parcels in Gurugram admeasuring 11 acres with capacity to add 1,000 beds
 - Asset light expansion through a 300 bed under construction hospital in Dwarka, Delhi
- Acquisition of stake in Eqova Healthcare having the potential to add 400 beds
- Started a new Max MedCentre at Mohali to offer immigration related checkups and dialysis services
- Max Lab, our non-captive pathology business, added ~370 new channel partners, taking the active clients to 760+ spread across more than 25 cities
- Operationalised wholly-owned subsidiaries in Nigeria and UAE (Dubai) for strengthening international medical tourism

Research & Academics

- Recipient of 11 prestigious research grants comprising 2 international and 9 national research grants
- 97 ongoing clinical trials, 400+ completed to date
- ~2,000 students currently enrolled across various programmes, such as Allied Health internships, MBBS internships, observerships, fellowships, Paramedical Diploma courses, Physician Diploma courses, Life support programmes
- Started on-the-job training for MBBS students through a 2 year Clinical rotation in collaboration with Lincoln American University, Guyana
- Awarded Level 3 accreditation by the Joint Royal Colleges of Physician Training Board signifying training standards equivalent to UK
- Successfully conducted MRCP-PACES EXAM in November 2021 and March 2022
- 64 students currently enrolled in Masters in Emergency Medicine (International) course, being run under the aegis of George Washington University, USA since 2008
- Diplomate of National Board (DNB) accreditation approval in 34 specialities across network hospitals currently; total strength of DNB residents across network Hospitals is 394

Business Review

Clinical Update

- Treated more than 35,900 COVID-19 patients at our facilities, and over 3,000 patients at home and ~1150 at hotels for COVID-19-related illnesses
- North India's first dual lung transplant conducted on a 55 year old patient suffering from COPD and Bullous Lung Disease
- Successfully conducted Uttar Pradesh's first robotic kidney transplant
- Conducted Uttaranchal's first radial endo-bronchial ultrasound (EBUS) guided biopsy
- Performed trans catheter Aortic Valve Replacement (TAVR) on a 76 year old, 126 kg patient from Uttar Pradesh
- Conducted bariatric surgery on a two year old girl weighing 45 kg – involved complete genome sequencing along with extensive hormonal workup and hypothalamus imaging
- Successfully performed a rare surgery to repair a 1.5 year old tendon tear in an international body builder using an allograft
- Air-lifted a young man from Iraq and treated him for severe ARDS post COVID-19 successfully
- Successfully conducted a rare surgery involving removal of 106 fibroids to preserve the uterus of a patient
- Launched robotic surgical programmes using Da Vinci Xi Surgical Robots at Max Patparganj, Max Vaishali and Max Shalimar Bagh - one of the most advanced and effective technologies, being minimally invasive, resulting in minimal blood loss and faster recovery
- Max Mohali became the first private hospital in tricity (Chandigarh, Mohali and Panchkula) to complete 1,000 kidney transplants
- Max Saket achieved a momentous milestone of 100 robotic surgeries in just 10 weeks with the next generation robot, Versius
- BLK-Max successfully performed 1,000 Onco Robotic Surgeries

India's First Mitral Valve Repair using Transcatheter Technique

Max Saket conducted a leaking heart valve repair (mitral valve) using the transcatheter technique. It was the world's first mitral valve repair that used a minimally invasive technique. It helps in providing immediate relief as the patient can walk within hours of the procedure. A small, implanted clip called MitraClip is attached to mitral valve to close/repair it. It helps in restoring the blood flow through

the heart. The procedure is performed in a cath lab. MitraClip is a removable and repositionable device, which ensures the safety of the procedure. Patients, who are at high surgical risk, may find it especially beneficial in the long run, as repeated hospitalisations can be avoided. It also reduces the mortality risk due to heart failure.

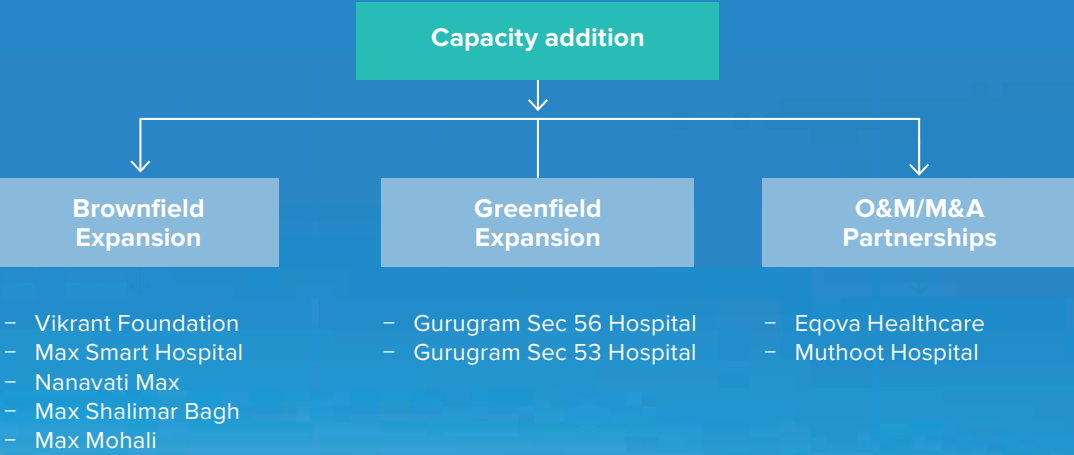
India's first Balloon Cryoablation Procedure to Treat Arrhythmia

Arrhythmia is a medical disorder in which the heart beats with an irregular rhythm. Patients suffering from this condition face a higher risk of stroke. Balloon Cryoablation is a minimally invasive procedure in which extreme cold is used to freeze the cardiac cells responsible for causing arrhythmia. It is a completely safe and painless procedure. A 63-year-old patient was successfully treated with this technique by doctors at Max Hospital in Saket. Post treatment, the patient has made a quick recovery and has resumed daily routine.

Expanding our horizon

Scaling newer heights

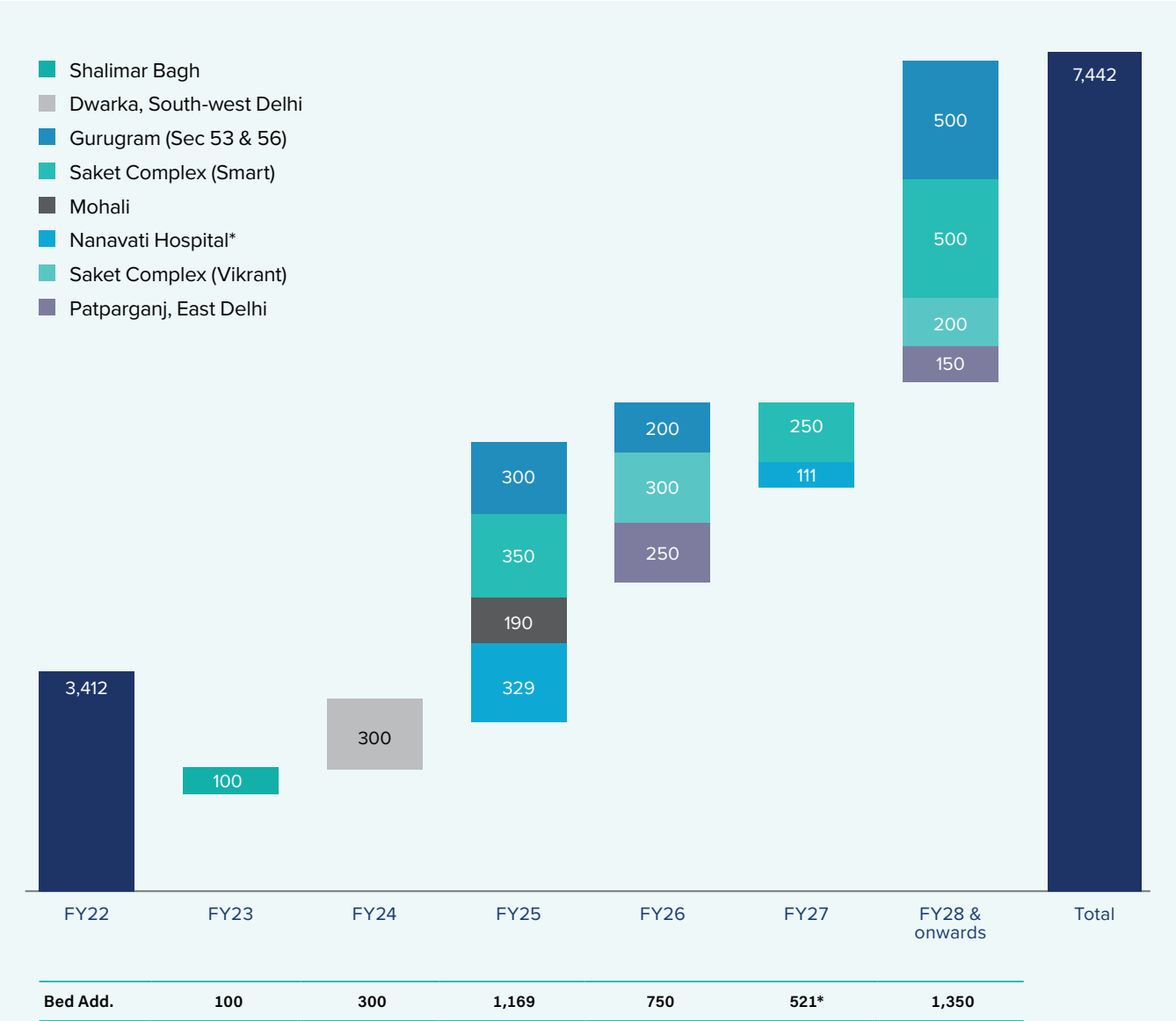
Existing valuable land bank to enable addition of 4,000+ beds, with ~2,800 beds coming in next 5 years



4
NEW CAPACITY EXPANSION
TRANSACTIONS ~2,200 BEDS



Indicative commissioning timelines for new beds



- Clear visibility on new bed additions for the next few years based on land banks and O&M agreements in place
- Actively looking to deploy cash generated from existing operations to meaningfully enhance bed capacity
 - Potential to add ~600 to ~800 beds every year through internal accruals itself
 - Robust pipeline of potential opportunities to further scale growth

* 160 beds need to be demolished before commencement of Phase 2

Expanding our horizon



**Vikrant Foundation,
Saket**

Type of expansion

Brownfield

Capacity build up

- 500 beds on 3.5 acres of land in South Delhi

Key Pointers

- Land connects two existing hospitals - Enables creation of South Asia's largest private integrated healthcare complex with 2,300+ beds in the heart of Delhi NCR since its contiguously co-located
- Max Saket is operating at an EBITDA per bed of INR >80 lakhs which is one of the highest in the country with high occupancy of >75%
- Integrated facility which will synergistically enhance business performance and overall patient experience
- NCR is the top International medical tourism market - >40% of total medical tourists travels to Delhi



**Land acquired,
Gurugram**

Greenfield

- 1,000 beds on 2 prime land parcels in Gurugram totaling 11.4 acres

- Existing Max Gurugram hospital has the highest EBITDA/bed in the network
- One of the most profitable hospital markets with competitors running at high occupancy with high ARPOB
- Large demand supply mismatch with demand growing rapidly with limited new capacity coming on stream
- Location well connected to cater to medical tourism
- Ability to leverage Max Healthcare brand and clinical excellence to further strengthen leadership in the NCR
- ~5 KM from the existing Max Gurugram facility



**O&M Agreement,
South-west Delhi**

Asset Light

- 300 beds on 8.6 acres of land in Sector 10, Dwarka

- Built to suit model with long term exclusive service agreement for 30 years, extendable to 60 years
- Asset light arrangement enables significantly high ROCE with minimal development risk
- An attractive micro market of South West Delhi having >12 lakhs of population with a big demand/supply mismatch
- Well connected - accessible through Metro and upcoming Dwarka expressway and 15 min away from the international airport
- Potential to add 1,000 more beds, however the current arrangement limited to 300 beds (Phase 1) only
- Construction activity in full swing and hospital is expected to be commissioned in H1 FY24



**Acquisition of Eqova Healthcare,
East Delhi**

Acquisition

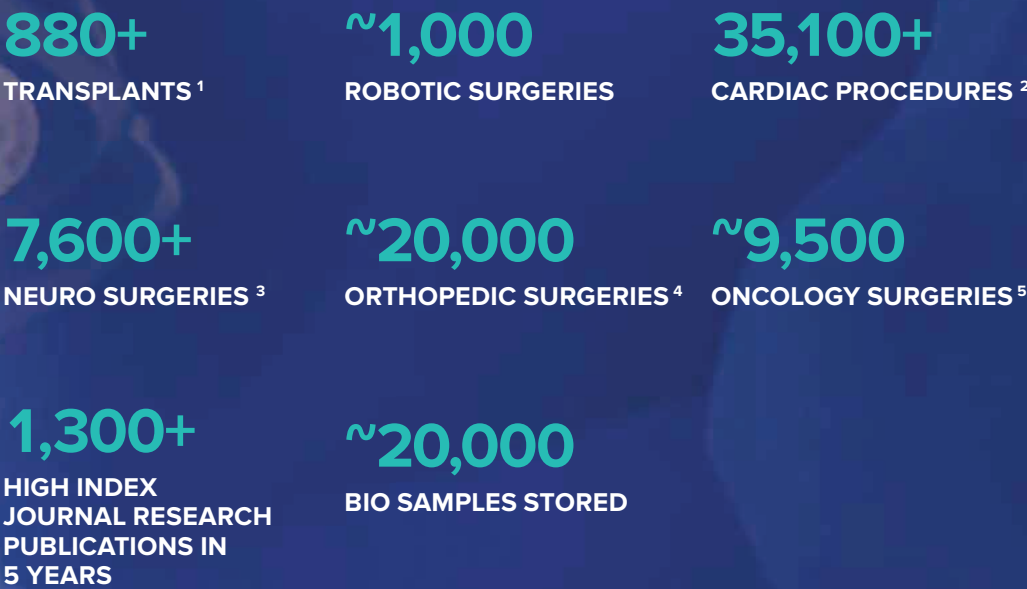
- 400 beds on 2.1 acres of land in Patparganj

- To acquire Eqova Healthcare Pvt. Ltd. (in a phased manner) – having long term exclusive rights to aid development of and provide medical services in the hospital to be setup on land owned by Nirogi Charitable and Medical Research Trust
- Located 800 metres from the existing Max Network facility in Patparganj which has been consistently operating at high occupancy levels
- Well connected – 300 metres from IP Extension Metro line, located on NH24 Expressway, quickly accessible from western UP
- Strengthen Max Healthcare's presence in East Delhi in a synergistic manner - an underserved micro market in terms of healthcare infrastructure
- 20 bed hospital already operational at the site
- Hospital is expected to be commissioned in FY26

Driving Clinical Excellence

Towards superior outcomes

Our Medical Quality function works with the clinical teams at the hospitals to ensure the highest possible clinical and safety results for our patients. It provides direction for strategic planning, action plans, and key performance targets, to achieve the vision of medical excellence.



(1) Transplants include kidney, heart, liver, lung, etc.
(2) Includes Cardiac Surgery, Cardiac Paed. Surgery, Vascular Surgery, Angioplasty, Angiography and Other Cardiac Procedures
(3) Includes Surgical and Spinal Surgeries
(4) Includes Joints and Other surgeries
(5) Includes Onco Surgical and bone marrow transplant (BMT)

Driving Clinical Excellence

Measure of success (MoS) FY 2021-22

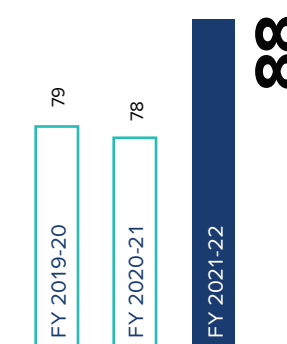
Evidence-based protocols, clinical governance, credentialing, clinical audits, patient safety, risk management, training and continuous professional development, and accreditation, are the pillars of our medical excellence framework.

We are currently tracking more than 50 clinical indicators, where data is picked up from the digital patient records, and is available on real-time basis for review, and intervention as required. International benchmarks and references are cited against each of these indicators, and can be tailored up to each department and/or doctor level. This is a first-of-its-kind initiative in the country.

Patient safety culture survey

As part of our commitment for patient safety, Max Healthcare conducts an annual Patient Safety Culture Survey to gain understanding of the clinical staff perspectives on various issues, such as non-punitive working environment, responsiveness and communication, staff confidence and challenges existing in the workplace, and accordingly, institutes mechanisms to address them. Around 50% of staff was involved in the survey, consisting of nurses, doctors, dieticians, pharmacists, physiotherapists, technicians and administrative personnel.

PATIENT SAFETY CULTURE SURVEY SCORES (%)



Highlights of the year

- Sustained improvement in patient safety indicators, length of stay, management and care of acute stroke and heart attack patients
- Rigorous monitoring of antimicrobial stewardship programme has improved our rational antibiotic usage
- Sustained high level of protocols for prevention of venous thrombo-embolism across the network
- Unplanned readmission within 14 days and unplanned return to the operation theatre within 7 days, have shown improvement with both rates averaging under 0.5%
- The clinicians have successfully published over 400 of their clinical studies in relevant, highly acclaimed peer reviewed indexed journals. This reinforces the organisation's professional expertise, and recognition at national and international level

Max Extended Care Programme

Through the Max Extended Care Programme, we maintained our association with the external clinician community. We engaged with over 15,000+ external doctors throughout the year. Over 270 Continuous Medical Educations and over 300 Round Table Meetings were organised across specialties.

Engagement with MECP doctors continued through over 80 publications of various kinds— a zonal monthly 'MECP Maxscene' that captures the latest happenings in the hospitals, new technologies, innovative procedures, bi-monthly 'doc journals' which are a compilation of innovative medical cases and treatments from across the network, and the fortnightly 'Medinsiders' capturing medical cases in the hospitals. In terms of events, the MECP Champions League III, a cricket tournament, saw active participation from clinicians, who played in over 14 teams over a period of 30 days. Such events have helped in building bonds in the community.

Allied Business

Spreading wings across verticals

Max Lab

Max Lab is a non-captive pathology vertical offering 2000+ tests through a network of 500+ partners under B2B and B2C format, using high-end 24x7 labs of network hospitals.

Max Lab, in line with its strategy to increase penetration and improve its market share, is expanding its network of third-party managed PCC's (Patient collection Centre), PUP's (Pick up points in Doctor clinic) and HLM's (Hospital Lab Management) and also invest in high decibel sales & marketing campaigns to improve brand awareness. To drive synergies between Max Lab and MHIL all the routine samples (other than those for the HLM) are being sent and tested in the nearest Max hospital.

In the course of the next 1-2 years, Max Lab plans to set up and develop its own lab for routine testing, in key locations to aid the geographic expansion and also improve customer service levels.

The business has shown considerable traction during COVID times and the service offerings have been widely accepted in NCR region which motivated us to expand into Punjab, Haryana and Uttarakhand. Over the last few years, "Max Lab" has been established as a reliable diagnostic player in NCR and nearby regions. In view of the overwhelming response and the growth potential, the management has set up a wholly owned subsidiary to incubate and grow this vertical independently.

A new Entity "Max lab Limited" was incorporated wef 2nd June 2021.

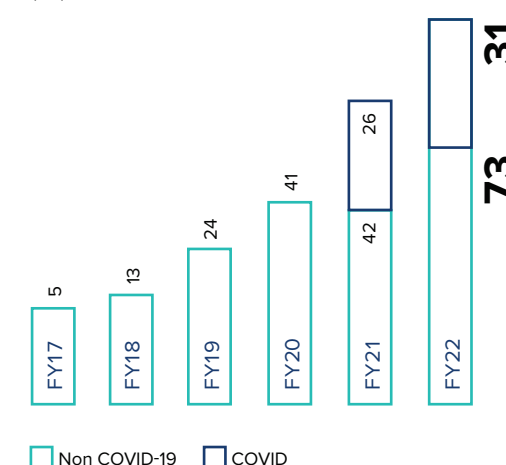
Over the year, along with geographical expansion, our key focus has been on service enhancement and market activation programmes including opening up new COCO's and collection centres along with strong patient and channel partner marketing programmes. With the launch of the new website, we are targeting higher traffic from the digital route and offer a convenient channel for the consumers to experience our services.



Our strong footprint (as on June 30, 2022)

26 COMPANY-OWNED COLLECTION POINTS	350+ PARTNER-RUN COLLECTION CENTRES	240+ PICK-UP POINTS	155+ PHLEBOTOMIST ON-SITE
36 THIRD-PARTY HOSPITAL LAB MANAGEMENT	30+ CITIES	650+ SEASONED PROFESSIONALS, TRAINED LAB TECHNICIANS AND PHELBOS	

GROSS REVENUE (Cr)



On an upward growth journey

Throughout FY 21-22 we experienced gradual recovery of non-COVID business and simultaneously saw rising trend of RT-PCR volumes and decline in price for tests as notified by the Governments from time to time. We had a huge spike in Q1 FY22 due to the Delta variant of COVID-19 resulting in the highest ever revenue contribution by RT-PCR and allied tests like IL-6 and D-Dimer. Our focus has been to continue to build the non-COVID business, which we believe is a more sustainable business, while at the same time meeting the sudden demand surges of COVID which happens abruptly. We have seen strong growth in the last two years supported by revenues coming in through COVID-19 testing. Gross revenues for FY 2021-22 saw a 54% growth over previous year. 30% of the revenue in FY 2021-22 was contributed by COVID-19 related tests. Non-COVID related diagnostics have picked up pace in FY 2021-22, contributing to over 70% of the revenues, and 80% growth over FY 2020-21. We processed over 28 Lakh samples for 13+ Lakh patients.

Going forward

The primary focus going forward is to build presence in newer locations, and tap into underserved specialities in existing markets. We are improving our online presence and focusing on home collections. We will bring in more bundled packages and augment the preventive health platform. We will be focusing on a digital-first strategy to scale up this business. Efforts towards this were initiated with the relaunch of the Max Lab website with complete e-commerce capabilities. We will add newer and sophisticated tests in our repertoire in a bid to attract a greater customer base. We will emphasise on increasing the contribution of high-end testing through better engagement with doctors, and by developing packages around selected specialities.

Allied Business

Max@Home

The demand for home healthcare is increasing day-by-day as more people prefer care services in the comfort of their homes. The Indian home healthcare market is set to grow at a CAGR of 15-19% over next 5 years and is estimated at 11-13 billion USD by 2025.

Max Healthcare has created credible play in the home healthcare market through its new business vertical – Max@Home. We launched Max@Home in 2016, with a view to redefine homecare from traditional

assistance-based services, to more comprehensive, out-of-hospital services. Max@Home has amongst the largest suite of services spanning across:

- Pre-and-post hospitalisation care including critical care or ICU at home
- Assistance-based services like nursing and health attendant
- Physiotherapy and advanced rehabilitation care
- Pathology testing
- X-ray at home
- Medical equipment delivery
- Nursing procedures
- Doctor's home visits
- On-site corporate medical rooms
- Covid care services@home



GROSS REVENUE (INR in Cr)



The business has a strong service delivery mechanism supported by proprietary technology platform enabling its distributed, expansive workforce of over 1,000+ medical personnel and support staff.

Innovation takes centre stage at Max@Home, demonstrated through various industry-first initiatives over the years ranging from new products, delivery and people practices. Adding to this, the business launched 2 new services of providing ECG and dialysis to its patients at home. The business is aimed at providing the highest levels of quality care, as an extension of Max Healthcare's stated vision and clinical reputation.

Max@Home is Accredited by the Quality Accreditation Institute, a member of the ISQua (International Society for Quality in Healthcare), which is an apex body for organisations providing quality accreditations, such as JCI (Joint Commission International).

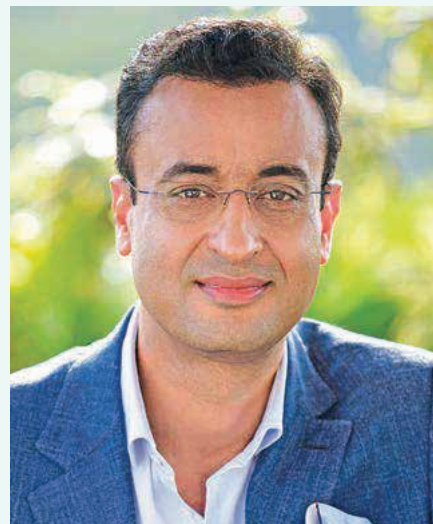
Max@Home's growth would be anchored on adding new products and services, and deeper penetration in existing markets. The business also aims to extend its technology capabilities to foray into digitally-enabled healthcare, making quality care more accessible for patients.

112 CRORE
GROSS REVENUE

~1,000+
DAILY ENQUIRIES

1,000 +
MEDICAL PERSONNEL
AND SUPPORT STAFF

Board of Directors



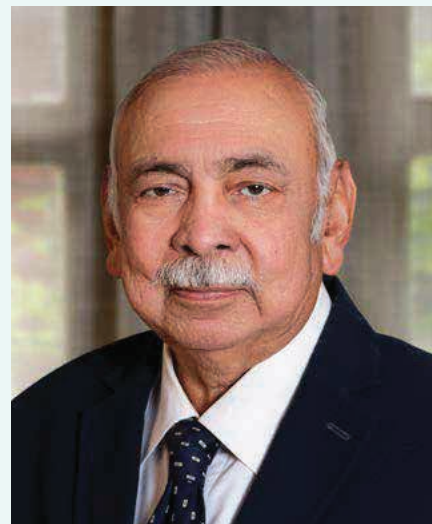
Abhay Soi
Chairman and Managing Director

Abhay Soi is the Promoter, Chairman & Managing Director of Max Healthcare Institute Limited. He has been chief architect of Max Healthcare's amalgamation with Radiant Life Care in FY 2020. Since then he has led a remarkable turnaround at Max Healthcare, resulting the company achieving industry leading performance.

Abhay spearheaded the COVID-19 initiative at Max which resulted in treating more than 40,000 patients, administering over 21,00,000 vaccination doses and conducting more than 10,55,000 RTPCR tests. During this time, he also worked closely with various government departments and agencies to coordinate response to COVID-19. He is also one of the leading voices for private healthcare in India and is regularly heard on national debates on issues facing private healthcare providers.

He started his career with Arthur Andersen where he was instrumental in setting up their financial restructuring business and subsequently led the financial restructuring services team at E&Y and KPMG where he established various new practices. Thereafter, Mr. Soi also co-founded a USD 350 million Special Situations Fund.

He is an MBA from European University, Belgium and a Bachelor in Arts from St. Stephen's College, Delhi University. Mr Soi was conferred with an honorary doctoral degree (honoris causa) by Amity University for his immense contributions to transform and improve the healthcare system in India. He was awarded the EY Entrepreneur Of the Year under the Business Transformation category, 2021.



Anil Bhatnagar
Non-Executive Non-Independent Director

Mr. Anil Bhatnagar is a Non-Executive Non-Independent Director of our Company. He was appointed on the Board of our Company on August 31, 2022.

Mr. Bhatnagar has rich experience in corporate and commercial litigation including international and domestic arbitrations. He is a former Senior Partner of the firm, Dua Associates. He has handled a large number of domestic arbitrations covering corporate and commercial disputes arising out of joint ventures, Government and private contracts, and civil construction and engineering contracts.

He has conducted International Arbitration in several countries including proceedings before Arbitral Tribunals constituted by the International Chamber of Commerce, Paris and London Court of International Arbitration, London.

As a litigator, he has regularly appeared as Counsel in a large number of matters before the Supreme Court of India, Delhi High Court, other state High Courts and Statutory Tribunals.

He holds a Bachelor's degree in Science from the University of Delhi and also a Bachelor of Laws degree from the Faculty of Law, University of Delhi. He is enrolled with the Delhi Bar Council.



Harmeen Mehta
Non-Executive Independent Director

Ms. Harmeen Mehta has been a Non-Executive Independent Director in our company since May 24, 2021.

A renowned digital leader with a deep background in Artificial Intelligence, she has been driving digital transformation in organisations across industries and countries for over a decade.

The Chief Digital & Innovation Officer at BT Group Plc., Ms. Mehta was previously the Global CIO and Head of Cloud & Security businesses at Bharti Airtel in India. Before that, Ms. Mehta held CIO positions at BBVA, HSBC, and Bank of America Merrill Lynch.

With 25 years in leading digital, engineering, IT and innovation transformation, she heads the digital innovation agenda, drives new digital experiences, incubates and grows new businesses, and develops new digital solutions and products.



Kummamuri Narasimha Murthy
Non-Executive Independent Director

Mr. Kummamuri Narasimha Murthy is a Non-Executive Independent Director of our Company. He was appointed on the Board of our Company on August 26, 2009 and as Non-Executive Independent Director from September 26, 2014. He has been reappointed as Non-Executive Independent Director for a second term of five consecutive years with effect from September 26, 2019. Also, he is on the Board of National Stock Exchange of India Limited, NELCO (A TATA Enterprise), Max Life Insurance Company Ltd., Max Financial Services Ltd. and Shivalik Small Finance Bank Ltd.

In the past, he was associated as a Director on the Board of ONGC, IDBI Bank Ltd., LIC Housing Finance Ltd., UTI Bank Ltd., (presently AXIS Bank), Member Board of Supervision NABARD, Unit Trust of India (UTI), Infiniti Retail Limited (TATA Croma), IFCI Ltd., STCI Finance Ltd., (formerly Securities Trading Corporation of India Ltd.), AP State Finance Corporation, APIDC Ltd., etc., He was also associated as a Member/Chairman of more than 50 High Level Government Committees both at State & Central Level. He is associated with the development of Cost & Management Information Systems for more than 175 Companies covering more than 50 Industries. He is a qualified Chartered Accountant and Cost and Works Accountant. He is also a Member on the Cost Accounting Standards Board of the Institute of Cost Accountants of India.

Board of Directors



Mahendra Gumanmalji Lodha

Non-Executive Independent Director

Mr. Mahendra Gumanmalji Lodha is a Non-Executive Independent Director of our Company. He was appointed on the Board as Non-Executive Independent Director from June 21, 2019.

Mr. Lodha is associated with various industries i.e. Textiles, Construction, Transport & Storage, Finance, Healthcare, Agriculture & Allied activities enabling him to bring different perspective and vast experience. Presently, Mr. Lodha is on the Board of various companies i.e. Nitrex Chemicals India Limited, Parixit Irrigation Limited, Jaihind Projects Limited, Amul Exim Limited, Elate Investment and Holdings Private Limited etc. and was earlier on the Board of Arvind Products Limited, Rainbow Denim Limited, Rama Petrochemicals Limited, Steelco Gujrat Limited, Tulip Star Hotels Limited etc.

He is a qualified Chartered Accountant and a law graduate. He has over 40 years of rich experience in investment banking, corporate restructuring and corporate and project finance.



Michael Thomas Neeb

Non-Executive Independent Director

Michael Thomas Neeb is a Non-Executive Independent Director of our Company. He was appointed on the Board as Non-Executive Independent Director from June 21, 2019.

He is an American businessman and has over 30 years of experience in US and International healthcare markets. Mr. Neeb worked for Hospital Corporation of America (HCA) for 28 years, where he served in various CFO roles and spent the final 12 years as CEO of HCA's International Operations. HCA's UK operations have been recognised for their outstanding quality and attract patients from around the globe for care.

He has also worked for accounting firms such as EY and Arthur Anderson LLP. He is on the Board of Directors of Evergreen Executive Advisors LLC, Telemetrix RPM, Inc. and several not for profit organisations. He has a Bachelor's degree in accounting from Baylor University and a Masters' degree in business administration from the University of Dallas.



Pranav Amin

Non-Executive Independent Director

Mr. Pranav Amin is a Non-Executive Independent Director of our Company. He was appointed on the Board of our Company on August 10, 2022.

Currently, Mr. Amin is the Managing Director of Alembic Pharmaceuticals Limited, part of the Alembic Group established in 1907 in Baroda, India. He is also the Chairman of Rhizen Therapeutics S.A

Mr. Amin attended the Doon School, Dehradun, where he had his formative education. He graduated with a double major in Economics and Industrial Management from the Carnegie Mellon University in Pittsburgh, USA. He also holds an MBA degree in International Management from Thunderbird, The American Graduate School of International Management.

Mr. Amin is an active member of Young Presidents Organisation, a worldwide organisation of chief executives. He is a keen cricketer and President of Baroda Cricket Association, which is an affiliate member of the Board of Control for Cricket in India.



Prashant Kumar

Non-Executive Non-Independent Director

Mr. Prashant Kumar, is a Non-Executive Non Independent Director of our Company. He was appointed on the Board on February 13, 2022 as a nominee of Kayak Investments Holding Pte. Ltd.

Mr. Prashant Kumar is a Managing Director in KKR's private equity team. Prior to joining KKR, Mr. Kumar was a Director and member of the investment committee at ChrysCapital, a leading India focused private equity fund. Previously, he was with Warburg Pincus where led investments in various sectors. Prior to that, Mr. Kumar worked at Karsch Capital Management, a New York-based hedge fund, and SUN Capital, an emerging markets focused private equity firm. He began his career as a consultant with McKinsey & Company.

Mr. Prashant Kumar holds a B.Tech. from the Indian Institute of Technology Delhi, a post graduate diploma in management from the Indian Institute of Management Kolkata, and an M.B.A. from The Wharton School at the University of Pennsylvania.

Management Team



Abhay Soi
Chairman & Managing Director



Harinder Singh Chehal
Senior Director and Chief
Operating Officer-Cluster 2



Dr. Mradul Kaushik
Senior Director – Operations and
Planning & Chief Operating
Officer - Cluster 1



Ashutosh Kumar Jha
Director - Growth and M&A



Rakesh Kaushik
Director - Legal & Regulatory Affairs



Arjun Sharma
Director & Chief Digital Officer



Yogesh Sareen
Senior Director and Chief Financial
Officer



Dr. Sandeep Budhiraja
Group Medical Director



Umesh Gupta
Senior Director - HR & Chief People Officer



Prashant Singh
Director- IT & Chief Information Officer



N. Venkatesan
Director & Chief Procurement Officer



Ruchi Mahajan
Senior Vice President - Company
Secretary and Compliance Officer



Vandana Pakle
Senior Director – Corporate Affairs



Col. Binu Sharma
Senior Director - Nursing



Anas Abdul Wajid
Senior Director - Chief Sales and
Marketing Officer



D.N. Suresh
Senior Vice President - Infrastructure

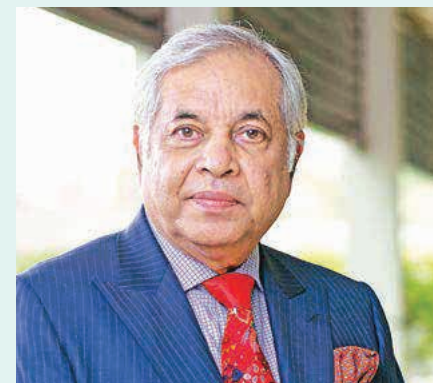
General Medical Advisory Council



Dr. Sandeep Budhiraja
Group Medical Director



Dr. Harit Kumar Chaturvedi
Chairman - Max Institute of Cancer Care



Dr. Pradeep Chowbey
Chairman - Max Institute of
Laparoscopic, Endoscopic, Bariatric
and Gastrointestinal Surgery



Dr. Sanjiv K S Marya
Chairman & Chief Surgeon -
Orthopedics and Joint Replacement



Dr. Ambrish Mithal
Chairman and Head – Endocrinology
and Diabetes



Dr. Anil Kumar Singh
Chairman- Max Institute of Neuro
Sciences Dehradun & Chairman -Max
Neurosciences Forum and Medical
Advisor



Prof (Dr). Subhash Gupta
Chairman - Max Centre for Liver Biliary
Sciences



Dr. Dinesh Khullar
Chairman - Nephrology & Renal
Transplant Medicine Max Saket
Complex



Dr. Anurag Krishna
Chairman – Paediatrics & Paediatrics
Surgery



Dr. Mradul Kaushik
Senior Director – Operations and
Planning & Chief Operating
Officer - Cluster 1



Umesh Gupta
Senior Director - HR & Chief People
Officer



Dr. Vinita Jha
Executive Vice President - Clinical
Directorate



Dr. Ajay Kumar
Chairman - Pan Max And HOD -
BLK-Max Institute For Digestive &
Liver Diseases Gastroenterology &
Hepatology



Dr. Anant Kumar
Chairman - Urology Renal Transplant
and Robotics of Max Saket Complex
and Uro-Oncology of MSSH Saket



Dr. Balbir Singh Makkar
Chairman & Head - Panmax - Cardiology

Awards and Recognition

A pat on the back for the work we do



Award	Unit
Abhay Soi, Chairman and MD, Max Healthcare Institute, winner of business transformation category EY Entrepreneur Of The Year 2021.	–
People Strong - New Code of Work - For scripting the new code of work (Mid-size enterprise)	Max Healthcare
National Best Employer Brands Award 2021	Max Healthcare
AHPI Award for Quality beyond Accreditation	Max Healthcare
'Green Champion Award' by Indian Green Building Council for 'Pioneer in healthcare sector with highest number of green hospitals in India'	Max Healthcare
Max Super Speciality Hospital, Saket won AHPI Award 2022 for Digital/ Smart Hospital during AHPI Global Conclave 2022	Max Saket
Time Ascent Award for the most powerful leader 2022 Max Saket	Max Saket
IAPEN state-level quality award Max Saket	Max Saket
AHPI Award 2021 Excellence in COVID Management	Max Saket
World- India Diabetes Foundation, Outstanding achievement award, 2021	Max Saket

Award	Unit
1 st prize in Excellence in COVID-19 Management by AHPI - 2021	Max Smart
Won INDIA TODAY – RPG Happiness Award for Compassionate Healthcare Provider (Hospital) 2022	Max Smart
Best Dental Care Service Provider- North Region by ET Healthcare Awards	Max Smart
Adjudged Best Private Hospital Combating COVID-19 management by India Today Group	Max Smart
Best hospital to work for by Association of Healthcare Providers (AHPI), India in March 2021	BLK-Max
AHPI Healthcare Excellence Award in the category of "Patient friendly hospital" 2022	BLK-Max
Special award by International Tourism Conclave & Travel Award (ITCTA) for serving the nation in pandemic BLK – Max Hospital	BLK-Max
ICC Healthcare Excellence award - Hospital of the year BLK – Max Hospital	BLK-Max
ICC Healthcare Excellence award - Quality Control CC Healthcare Excellence award - Healthcare Delivery	BLK- Max
Received Economic Times Best Multi Speciality Hospital- North Award and Economic Times Best Hospital- Orthopedic Award 2021	Max Patparganj
Awarded the Diamond status by the World Stroke Organisation 2021	Max Patparganj
WSO Angels Awards Q1 2021 - Platinum Status - Neurosciences	Max Patparganj
WSO Angels Awards Q3 2021 - Platinum Status	Max Patparganj
Best Hospital Nephrology North India in Economics Times Healthcare Awards 2021	Max Vaishali
Best Hospital Oncology North India in Economics Times Healthcare Awards 2021	Max Vaishali
Excellence Award in Intelligent Hospital category – announced by AHPI in March 2021	Nanavati Max
AHPI Patient Friendly Hospital Award – Global Conclave 2022	Nanavati Max
CIMS Healthcare Excellence Awards 2021	Nanavati Max
International Excellence award at the prestigious IHF (International Hospital Federation) Awards - 2021	Max Shalimar Bagh
Won AHPI Healthcare award under Excellence in community engagement category in March 22	Max Shalimar Bagh
ET Healthcare Awards 2021 - Best Hospital - Neurology North	Max Shalimar Bagh
ET Healthcare Awards 2021 - Best Hospital - Urology North	Max Shalimar Bagh
Won 1 st Prize "Excellence in Hospital Management during COVID Times", by Economic Times Healthcare Awards 2021	Max Mohali
Awarded as "Best Multi-speciality Hospital in Tricity" in Health Wellness Summit Awards 2021	Max Mohali
AHPI Healthcare Excellence Award in the category of "Excellence in Community Engagement" 2022	Max Gurugram
AHPI Award for patient friendly hospital Max 2022	Max Dehradun

Management Discussion and Analysis Report

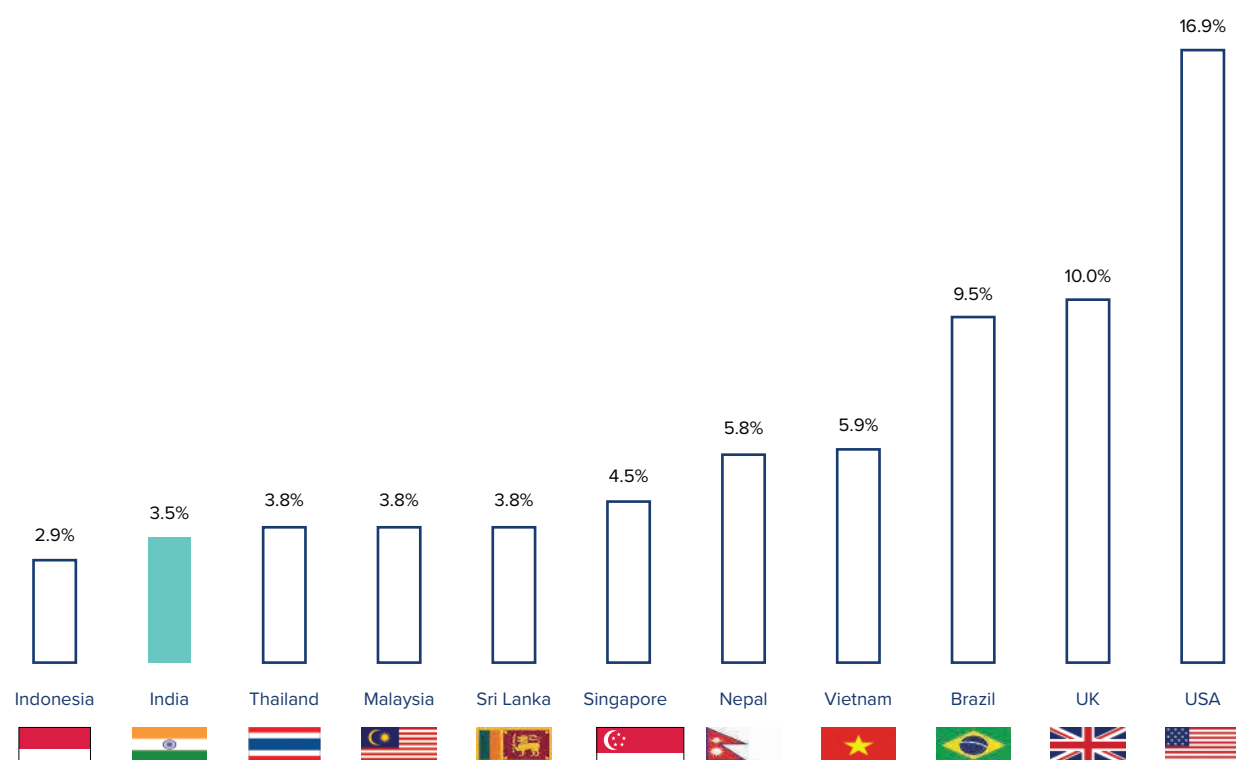
INDUSTRY STRUCTURE AND DEVELOPMENTS

India's economic growth and its tremendous future potential have been making global headlines for years. In FY21, the COVID-19 pandemic stalled economic progress around the world, ensuing a temporary blip in India's growth story as well. However, India's economy displayed great resilience, rebounding sharply, and growing by ~9% in FY22.

Despite being one of the fastest growing economies in the world, and the second most populous country, India's performance, when judged on healthcare parameters remains poor. Healthcare delivery in India remains largely underdeveloped with structural deficiencies on the supply side.

INDIA'S HEALTHCARE SPEND REMAINS LOW, COMPARED TO THE GLOBAL AVERAGE

Total Healthcare Expenditure as % of GDP



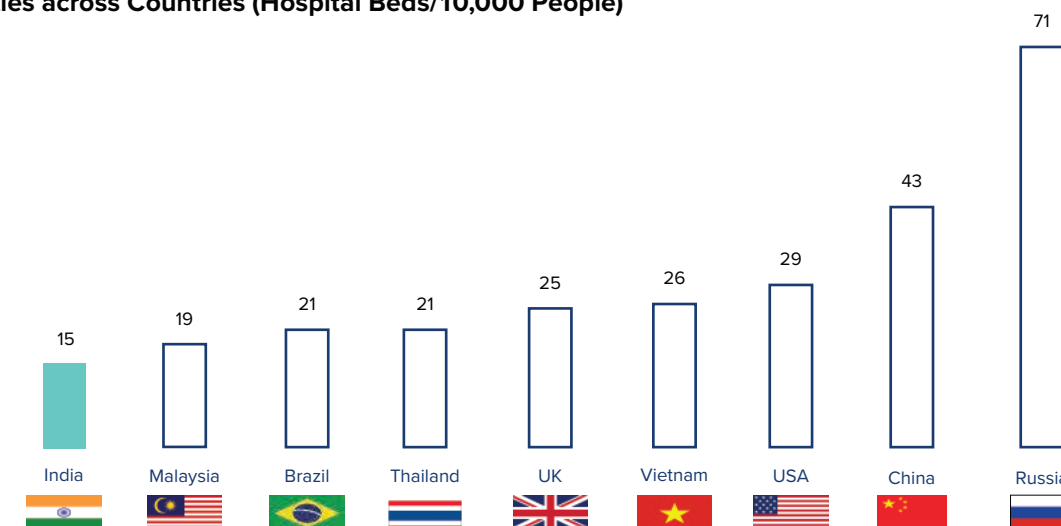
Source: Global Health Expenditure Database- World Health Organisation, CRISIL Research (2018) data

According to the Global Health Expenditure Database compiled by the World Health Organisation (WHO), India's expenditure on healthcare was 3.5% of gross domestic product (GDP) in 2018. India's real GDP in fiscal 2019 was INR 139.8 trillion (constant fiscal 2012 prices). Accordingly, India's healthcare expenditure during fiscal 2019 was approximately INR 4.9 trillion. India trails behind not just developed countries, such as the United States (US) and the United Kingdom (UK), but also developing countries, such as Brazil, Nepal, Vietnam, Singapore, Sri Lanka, Malaysia, and Thailand, in healthcare spending, in terms of percentage of GDP.

STRUCTURAL SUPPLY SIDE DEFICIENCIES; LAG IN KEY PARAMETERS

The adequacy of a country's healthcare infrastructure, and personnel, are the barometers of the quality of its healthcare. Similar to most of the other developing nations, India's healthcare infrastructure is currently inadequate to serve its growing population base. The country comprises nearly a fifth of the world's population, but has an overall bed density of merely 15 hospital beds per 10,000 people, with the situation being far worse in rural India. India's bed density not only falls far behind the global median of 29 beds, but also lags behind developing nations, such as Brazil (21 beds), Malaysia (19 beds), and Vietnam (26 beds).

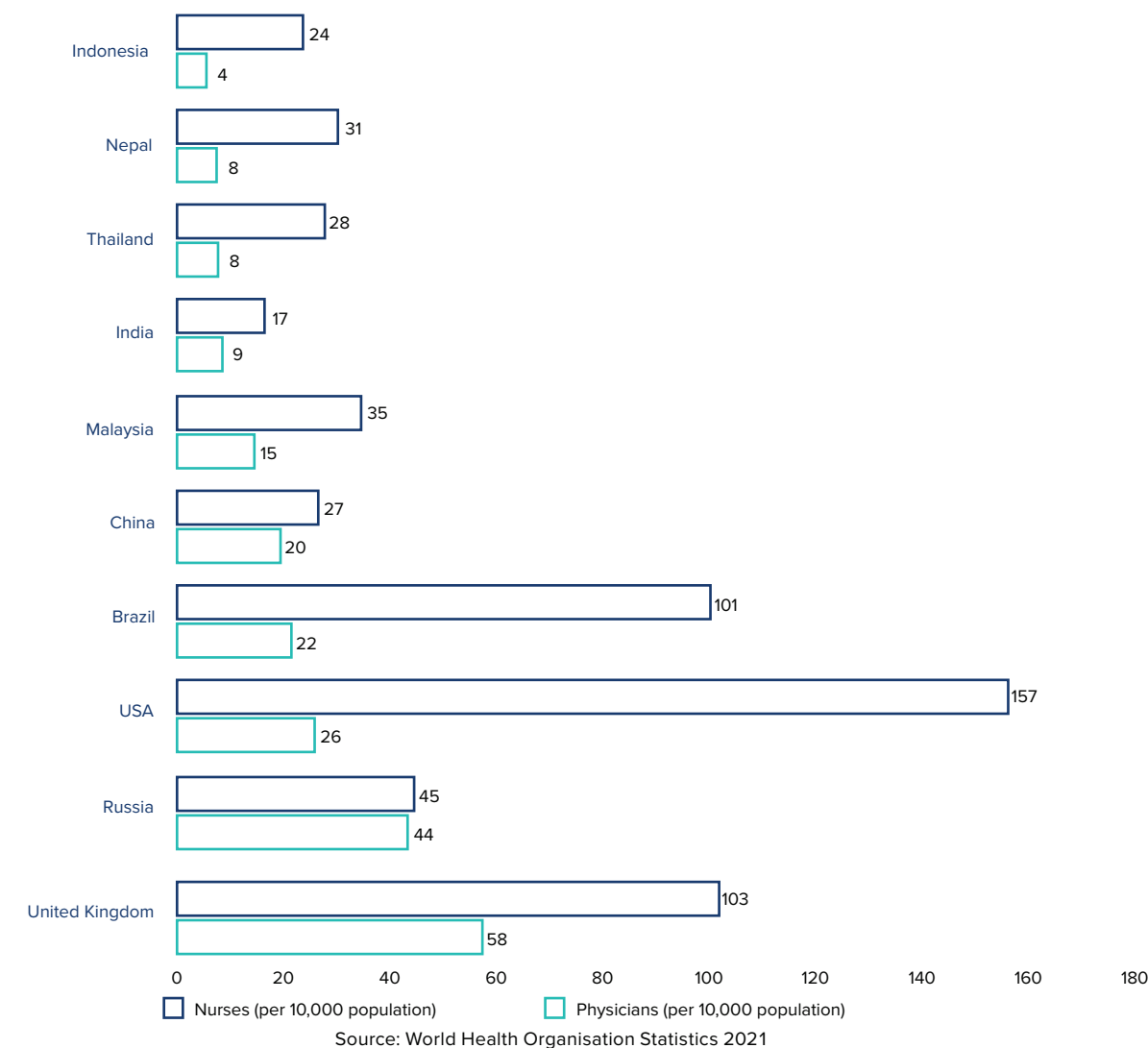
Bed Densities across Countries (Hospital Beds/10,000 People)



Note: India bed density is estimated by CRISIL Research for 2020. All countries data is as of 2018 as per WHO records.
Source: World Health Organisation Database, CRISIL Research

The paucity of healthcare personnel compounds the problem. As per WHO's World Health Statistics 2021, at 9 physicians and 17 nursing personnel per 10,000 population, India trails the global median of 17 physicians and 39 nursing personnel, while also lagging behind Brazil (22 physicians, 101 nurses) and Malaysia (15 physicians, 35 nurses).

Healthcare Personnel: India vs Other Countries



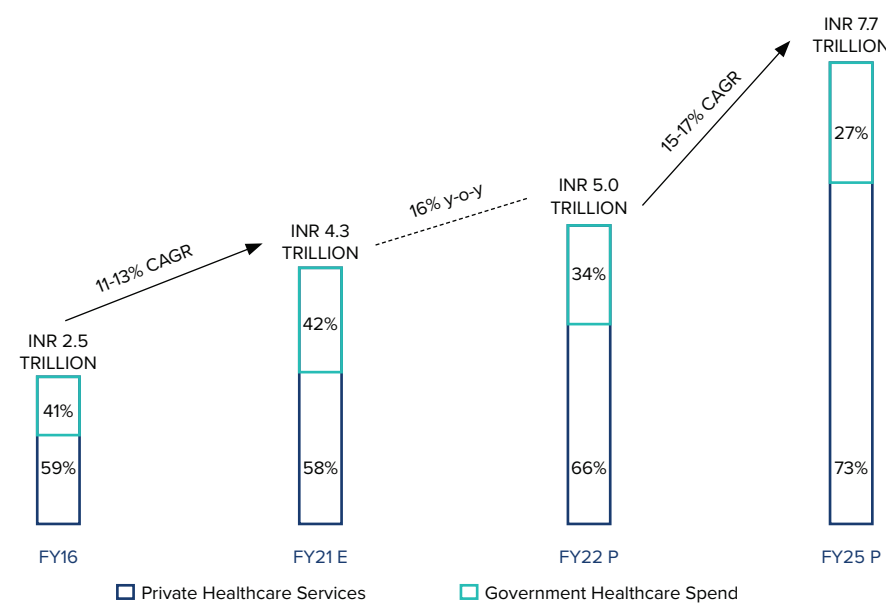
Source: World Health Organisation Statistics 2021

COVID-19 VACCINATION

Despite all the stumbling blocks, including low government spending, structural shortage of healthcare infrastructure, and limited supply of medical personnel, Indian healthcare confronted the COVID-19 pandemic with utmost strength, and took swift steps towards vaccination of the majority of its population. As of March 2022, India administered more than 1.83 billion doses since the nationwide immunisation drive was launched in January 2021. India also showed noteworthy leadership in the manufacturing of vaccines, by not only meeting the domestic demand, but also by being the foremost exporter of the vaccine to the world. The said feat also highlights the capability of Indian healthcare players to cater to both domestic and global healthcare needs.

HEALTHCARE DELIVERY INDUSTRY TO GROW BY 15-17%, TO INR 7.7 TRILLION BY 2025

Overall Healthcare Delivery Market

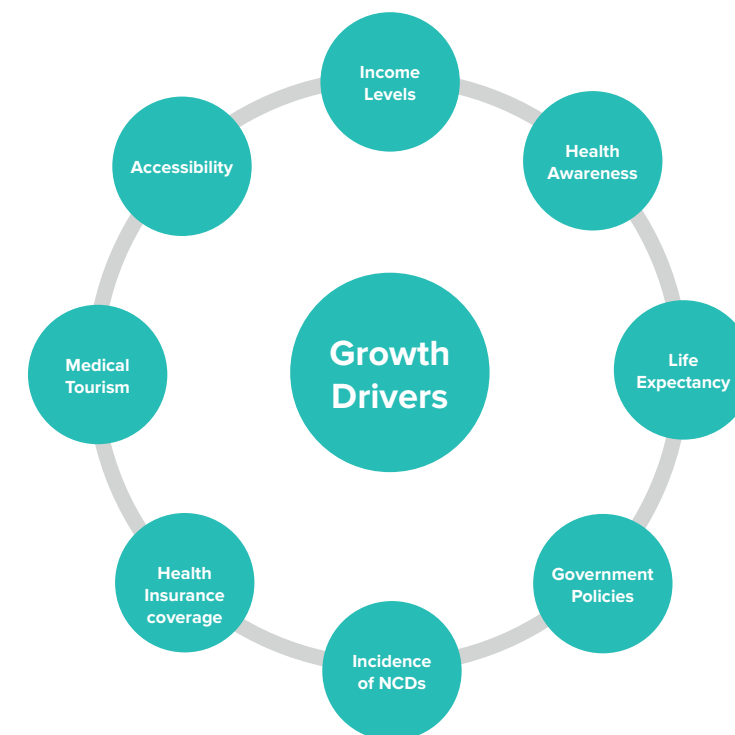


With renewed impetus from the Pradhan Mantri Jan Arogya Yojana (PMJAY), and the government focus shifting onto healthcare sector post COVID-19 crisis, the healthcare delivery market is expected to grow at 15% to 17% compounded annual growth rate (CAGR) and reach INR 7.7 trillion in fiscal 2025. As per the CRISIL research, over the last four years, major hospital chains increased the supply (~70% of their incremental supply came during the period) in tier 2 and 3 locations. This was aimed at creating a referral network into their main centre, by tapping into the underserved creamy tier 2 areas. Other contributors to the demand are more structural in nature, such as increase in lifestyle-related ailments, increasing medical tourism, rising incomes, and changing demographics.

In India, healthcare services are provided by the government and private players, and these entities provide both IPD and OPD services. However, the provision of healthcare services in India is skewed towards the private players (both for IPD and OPD). This is mainly due to the lack of healthcare spending by the government, high burden on the existing state health infrastructure, and quality of services offered. As of fiscal 2021, around 66% of the treatments, in value terms, were carried out by private hospitals/clinics in the country. Furthermore, going forward, the share of private hospitals/clinics in treatments (in value terms) is expected to increase to nearly 73% by fiscal 2025. The additional demand to be unleashed by the recently launched PMJAY can be met only by private participation, as government facilities are already over-burdened. Hence, going forward, a major share of treatments would be more inclined towards the private sector.

KEY DRIVERS OF HEALTHCARE DELIVERY INDUSTRY

A combination of economic and demographic factors, such as rising life expectancy, income levels and urbanisation, increasing proportion of middle-aged population, shift in disease profile towards lifestyle-related ailments, increasing penetration of health insurance, and medical tourism, are driving strong demand for Indian healthcare delivery services. These are well supported by conducive government policies and healthcare schemes.



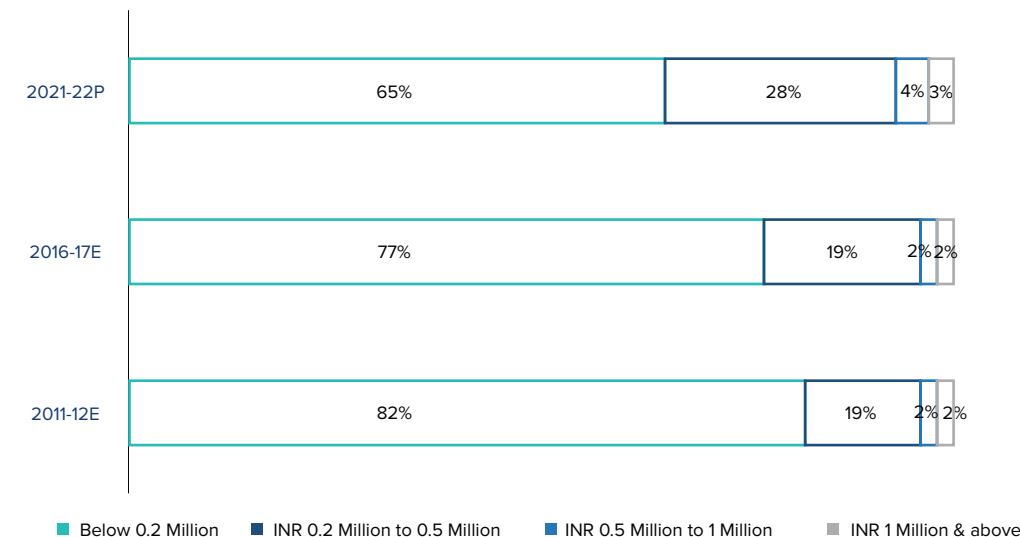
Source: CRISIL Research

1. Rising Income Levels Enhancing Healthcare Affordability

India's economic growth over the last few decades has been in tandem with an increased per capita income, and a rising middle class. Healthcare is considered a non- discretionary expense, given that an estimated 83% of households in India had an annual income of less than INR 0.2 million in fiscal 2012. Affordability of quality healthcare facilities remains a major constraint.

Growth in household incomes, and the resulting disposable incomes, are critical to the overall growth in demand for healthcare delivery services in India. The share of households falling in the income bracket above INR 0.2 million, is expected to go up to 35% in fiscal 2022 from 23% in fiscal 2017, providing potential target segment (with more paying capacity) for hospitals. The increased affordability is also set to enhance the demand for superior clinical care being offered by the private healthcare players.

Income Demographics



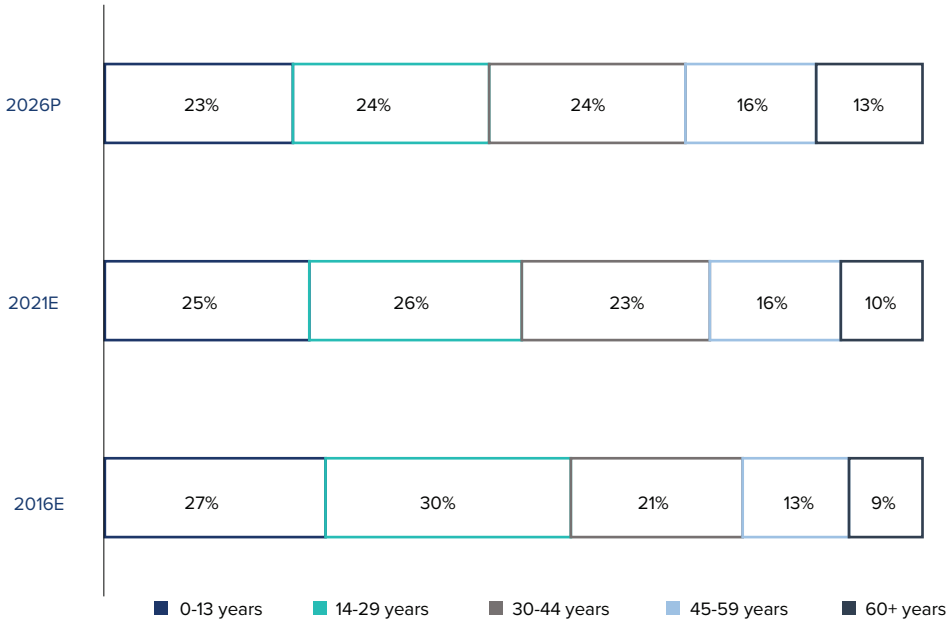
2. Increasing health awareness to boost hospitalisation rates

The recent pandemic has made people further realise the importance of their health and need for quality and timely interventions by medical experts. Further, with increasing urbanisation (migration of population from rural to urban areas) and awareness among the general populace regarding presence and availability of healthcare, services for both preventive and curative care would increase.

3. Improving Life Expectancy, Changing Demographics and Population Growth

Increased healthcare awareness and better clinical outcomes have led to improved life expectancy, bringing about a change in the country’s demographic profile. As of 2021, nearly 10% of the Indian population was more than 60 years old, and this is expected to surge to 12.5% of the population by 2026. However, the availability of a documented knowledge base concerning the healthcare needs of the elderly (60 years old, or more) remains a challenge. Nevertheless, the higher vulnerability of this age group to health-related issues is an accepted fact.

Population in 60+ Age Group to Grow Faster



Source: Census, CRISIL Research

According to the Report on Status of Elderly in Select States of India, 2011, published by the United Nations Population Fund (UNFPA) in November 2012, chronic ailments, such as arthritis, hypertension, diabetes, asthma, and heart diseases, were commonplace among the elderly, with ~66% of the said population reporting at least one of these. In terms of gender-based tendencies, men are more likely to suffer from heart, renal, and skin diseases, while women showed higher tendencies of contracting arthritis, hypertension, and osteoporosis.

With India’s population expected to grow to ~1.4 billion by 2026, and considering the aforementioned factors, the need to ensure healthcare services to this vast populace is an imperative. This also translates into a huge opportunity to expand into the geriatric care and related healthcare services.

4. Rising Incidence of Non-Communicable Diseases (NCDs)

While the rate of communicable diseases is declining, lifestyle-related illnesses or non-communicable diseases (NCDs) have been increasing rapidly in India over the past few years. The contribution of NCDs to the disease profile has risen from 30% in 1990 to 55% in 2016. Statistics show that these illnesses accounted for nearly 62% of all deaths in India in 2016. As per the World Economic Forum, the world will lose nearly USD 30 trillion by 2030 for NCD treatments, and India's burden from this will be USD 5.4 trillion.

NCDs exhibit a tendency to increase in tandem with rising income. WHO projects an upward trend in NCDs by 2030, following which, demand for healthcare services, associated with lifestyle-related diseases, such as cardiac ailments, cancer, and diabetes, is expected to rise.

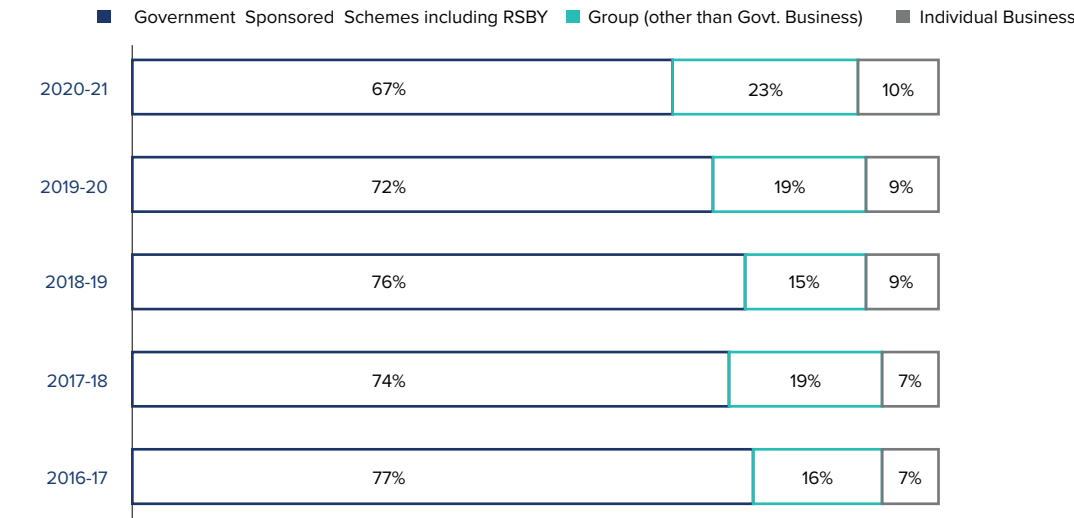
Another emerging medical speciality in the country is orthopaedics, which currently comprises a rather small proportion, compared with NCDs, but has a potential market in the country. The orthopaedics market can be classified into four different

segments, viz., knee, hip, trauma, and spine, of which the knee-replacement market holds the biggest share, followed by trauma and spine. Hip replacement in India is still a considerably small segment, compared to knee replacement, whereas it is the opposite around the world. Compared to the developed nations, the incidence of orthopaedic procedures is significantly low despite high prevalence of osteoporosis and arthritis amongst the population.

5. Increasing Health Insurance Penetration to Propel Demand

With the increased incidence of NCDs and need for superior healthcare services, the healthcare costs have been surging. In India, low health-insurance penetration is one of the major impediments to the growth of the healthcare delivery industry. In 2019, Out-of-pocket (OOP) expenditure on health accounted for nearly 55% of total health expenditure. Hence, affordability of quality healthcare facilities by the lower-income groups remains an issue. As per the Insurance Regulatory and Development Authority (IRDA), nearly 472 million people have health insurance coverage in India (as of FY19), as against 288 million (in fiscal 2015), but despite this robust growth, the penetration in fiscal 2019 stood at only 36%. While low penetration is a key concern, it also presents a huge opportunity for the growth of healthcare delivery industry in India. Further, the recent pandemic has acted as a catalyst to expedite the uptake of health insurance policies, and the private health insurance segment has reported healthy growth in the premiums in the last two years. With the PMJAY scheme, insurance coverage in the country is expected to directly increase to nearly 46% by fiscal 2025.

Percentage Share of Health Insurance Schemes



Source: IRDA Annual Report 2020-21

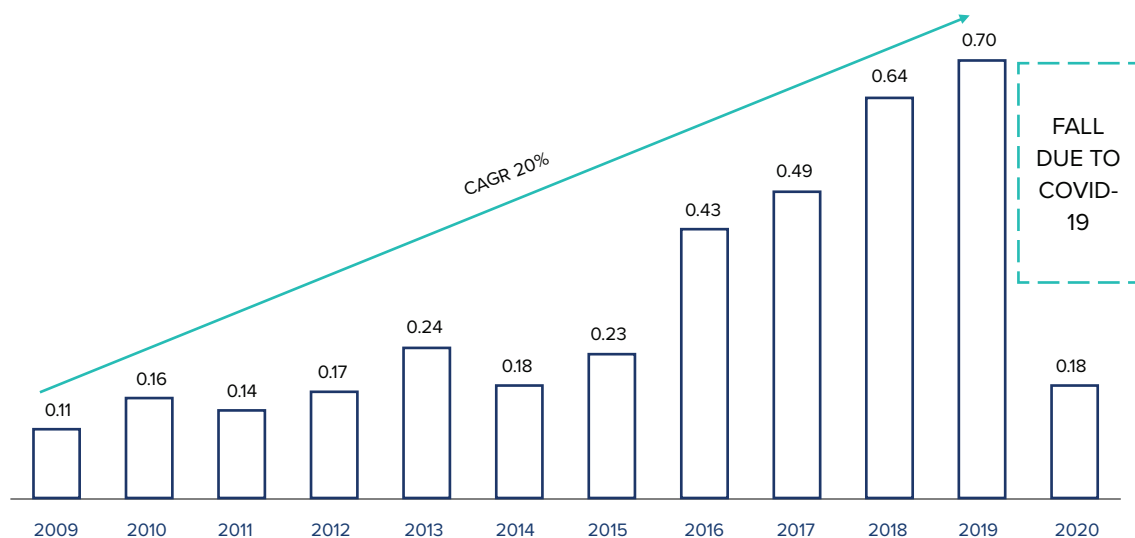
Additionally, with health insurance coverage in India on an upward growth trajectory, hospitalisation rates are likely go up. In addition, health check-ups, which form a mandatory part of health insurance coverage, are also expected to increase, boosting the demand for a robust healthcare delivery platform.

6. Rising Medical Tourism in India

Given the relatively low cost of surgery and critical care in India, the medical value travel has gained momentum in the country over the years, and is fast emerging as a major medical tourism destination. Some of the factors, which make India an attractive destination for the same, are the presence of technologically advanced hospitals with specialised doctors and facilities, and provisions such as e-medical visa.

Treatments mostly sought after in India are for heart surgery, knee implant, cosmetic surgery, and dental care, due to their relatively low costs. Medical tourism in India is driven by the private sector in India, with Delhi-NCR being one of the major hubs, due to its connectivity by air with all the major international destinations, complemented with the presence of modern medical facilities and technologies in the region.

Growth in Medical Tourists (in million)



Note: * includes all types of medical and medical attendant visa;
Source: Ministry of tourism

As per the Ministry of Tourism, countries such as Singapore, Malaysia, and Thailand, also offer medical-care facilities to foreigners. However, what differentiates India, besides the state-of-the-art infrastructure with reputed healthcare professionals, is holistic wellness provided by the traditional healthcare therapies, such as Ayurveda and Yoga, combined with allopathic treatments. More than 94% of the medical tourists are from countries like Africa, West, and South Asia. Also, medical tourists from countries like the United Kingdom and Canada are increasing in numbers, especially given the long waiting periods for availing treatments in their homelands.

According to the Ministry of Tourism, of the total foreign tourist arrivals in India, the proportion of medical tourists grew from 2.2% (0.11 million) in 2009 to 6.4% (0.6 million) in 2019. The industry is facing a temporary slowdown in the recent times due to the pandemic-induced travel restrictions across the borders, restricting travel to India. However, the situation is soon expected to bounce back to the pre-COVID levels, and beyond.

7. Better Healthcare Accessibility, Geographically and Digitally

With 65% of India’s population living in tier 2 and 3 cities, the government is incentivising private investments in these regions. However, the private players find it difficult to replicate the model that worked for them in tier 1 and creamy tier 2 locations, due to the relatively lower revenue per bed, and inability to recruit/relocate highly skilled clinical talent in these regions. Despite these challenges, major hospital chains have started to expand to tier 2 and 3 cities, with close to 70% aggregate bed additions in these cities contributed by 10 large hospitals in the past 4 years.

The lack of quality clinicians in India outside the metros or tier 1 cities, deprives patients in tier 2 and 3 cities of quality medical care. However, a marked increase in internet

penetration and digitalisation of service offerings have helped healthcare become accessible in the otherwise remote corners of the country. With the advent of video consultations and telemedicine, online consultations can be availed, irrespective of patient’s physical location. Similarly, the provision of electronic health records (EHRs) assists both, clinicians and patients, to easily view the medical records virtually. Further, many e-healthcare players offer doorstep diagnostic services, and delivery of pharmacy products, thereby, improving accessibility.

8. Government Policies to Improve Healthcare Coverage

As part of the Union Budget FY2022-23, the government has raised its healthcare allocations , with INR 86,200 crore to the Ministry of Health and Family Welfare (MoHFW), INR 37,000 crore to the National Health Mission, and INR 10,000 crore to the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY).

According to the government, inpatient hospitalisation costs have risen by 300% over the last decade, and nearly 6 million families had to sell assets or borrow money for treatments, thereby, driving them to poverty.

The PMJAY was launched on September 23, 2018 with the objective of providing affordable healthcare. The scheme primarily has three objectives –

a) Strengthening Physical Health Infrastructure: Sub-centres

Upgradation of 1.5 lakh 'health and wellness' centres to provide comprehensive healthcare, including coverage of non-communicable diseases, and maternal as well as child health services. These centres would also provide essential medicines and diagnostic services free of cost. Inclusion of new ailments under the ambit of the scheme would go a long way in ensuring focus on preventive care as opposed to only curative care. A strong referral network is vital in providing a continuum of care.

b) Strengthening Physical Health Infrastructure: Government Hospitals

Setting up of 24 new government hospitals and medical colleges, and upgradation of existing district hospitals. The intention is to have at least one medical college for three parliamentary constituencies. The government already has a scheme in place, Pradhan Mantri Swasthya Suraksha Yojana (PMSSY), to correct the geographical imbalance in the availability of tertiary healthcare. Six AIIMS campuses, one each at Patna (Bihar), Raipur (Chhattisgarh), Bhopal (Madhya Pradesh), Bhubaneshwar (Odisha), Jodhpur (Rajasthan), and Rishikesh (Uttarakhand), have been set up. Another AIIMS campus is under construction at Rae Bareli (OPD services have started), and 13 new ones have been announced by the government. The objective is to tackle issues of inadequate healthcare infrastructure and personnel through these initiatives.

c) Expansion of Health Insurance Coverage: Ayushman Bharat

This involves a provision of assured healthcare coverage of INR 5 lakh to each eligible family, selected on the basis of inclusion under the Socio-Economic Caste Census (SECC) list. Nearly 10.74 crore families will be covered under the scheme. All existing central and state health insurance schemes is planned to be subsumed under Ayushman Bharat. The model of implementation of the scheme (via an insurance company, trust, or mixed model) is the prerogative of the states. As of end of March 2022, more than 1.17 lakh Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.

As per the annual report of National Health Authority (2021), as of June 2021, PMJAY had empanelled more than 25,600 hospitals, issued more than 16 crore e-cards, and provided over 1.9 crore treatments.

However, healthcare delivery at affordable prices would require a shift in focus towards capitalising on volumes (with nearly 1,650 lakh new people coming under a healthcare scheme) rather than on value (via margins).

The government has started an initiative of National Health Stack (NHS), a shared digital framework for both private and public hospitals. It is expected to digitise all health records, and keep track of all details concerning healthcare enterprises in the country. The scheme is well-intentioned and holds huge potential for the healthcare delivery and allied industries, but the mechanism for quality control and monitoring along with raising resources for implementation, will be key performance drivers.

FUTURE TRENDS

Despite India’s healthcare delivery sector grappling with several issues, it also presents immense opportunities for the incumbent as well as the new players. Factors such as inadequate bed density and insufficient personnel, highlight India’s poor healthcare infrastructure versus global levels, reflecting the immense potential in store for healthcare delivery players in the country.

This potential is further augmented with information technology enabled services gaining widespread popularity, and with the

internet subscriber base expected to reach ~100 crore by FY24. Not only do these technologies broaden the reach of healthcare facilities to the current remote locations, but they also help players achieve better efficiencies.

Data from the healthcare space is growing at a steady pace, and this has driven hospitals to adopt artificial intelligence (AI)-based systems. These are expected to improve the operating metrics of the hospitals, and drive timely detection of diseases.

The section highlights how certain emerging business models and technologies will help extend the reach, and increase the efficiency of the healthcare industry.

a) Single Speciality Healthcare Units

Single-Speciality healthcare units are those that treat patients with specific medical conditions, with the need of specific medical/surgical procedures. A single-speciality healthcare unit can be a hospital, clinic, or care centre. The advantage of these units is, that by focusing on providing care in a single segment, they can increase efficiencies as well as create a niche in the target segments. Nowadays, birthing centres are among the fastest growing single speciality centres, with the private maternity care market expected to grow at a CAGR of 11-12% from fiscal 2021 to fiscal 2026. The occurrence of specific regulatory headwinds, however, can affect the margins of these business units.

b) Day-Care Centres

The concept of day-care centres has been gaining traction in order to reduce the need for overnight hospitalisation. In this type of setup, a patient is allowed to go home on the same day, after being treated. These centres have given rise to the concept of out-patient surgeries.

While this model is popular in the eye care segment, other segments, such as arthroscopic surgery, general surgery, cosmetic surgery, and dental surgery, have also been using this as a preferred care delivery model. The advantage of the day-care centre model is that patients can save on bed/room rentals associated with overnight hospitalisation. The healthcare units, on the other hand, can have a streamlined setup with optimum equipment, staff, and infrastructure, which helps bring down operational costs.

c) Geriatric Care Centres

The day-to-day challenges pertaining to medical assistance, overwhelming environment of hospitals, and the lack of individualised care, have encouraged many to opt for trustworthy external partners to assist their elderly and terminally ill family members.

The objective of end-of-life care centres or hospices and palliative care centres is to provide care and support to patients, who are suffering from terminal illnesses, with a life expectancy of six months or less. Hospice and palliative care focus more on pain management, and symptom relief, rather than continuing with curative treatment. These centres are designed to provide patients a comfortable life during their remaining days, and cover physical, social, emotional, and spiritual aspects, apart

from the medical treatment. Such type of care can be delivered onsite, where special facilities are set up, in the hospital premises, or at the patient's home.

Palliative care is delivered with the help of an inter-disciplinary team, which may consist of patient's physician, hospice doctor, a case manager, registered nurses, counsellors, a dietician, therapist, pharmacologist, social workers, and various trained volunteers. Depending upon the patient's ailment and medical condition, the team prepares a customised care programme, which comprises services, such as nursing care, social services, physician services, and trained volunteer support.

d) Home Healthcare

The pandemic has increased the demand for quality healthcare in the comfort of your home. In India, these services are still in the nascent stages. With increasing geriatric population, nuclearisation of families, and increasing disease burden, causing a strain on conventional health delivery systems, home healthcare will be a preferred alternative. Multiple healthcare start-ups have started vying for growth in this space, and the Indian home healthcare market is expected to grow to INR 1.5 trillion by FY25.

As the length of stay of a patient admitted in the hospital ICU increases, the daily hospital revenue decreases. Patients can avail of ICU care at home at nearly a fifth of the prices of hospital care and also avoid exposure to hospital-acquired infections. Hospitals can also benefit by this model not just through reduced overcrowding but also better utilisation of ICU beds. Hence, home healthcare has the potential to reduce the strain on both hospitals and patients.

The services currently offered are post-intensive care, rehabilitation, and services of skilled/unskilled nurses. Certain areas, such as home therapeutic care, for infusion and respiratory therapy, dialysis and convenience centred teleconsultation, among others, have huge potential for growth.

e) Leveraging Technology for Improving Healthcare Delivery and Affordability

Historically, digital uptake of healthcare has been slow. However, with the proliferation of data, increased availability and use of technologies, such as wearable tech, virtual reality (VR), and artificial intelligence (AI), the health systems are rapidly changing. Initially, the move will be towards digitalisation of transactions, tasks and processes (translational), and gradually, it will pave the way for fully integrated and personalised solutions (transformative). This is in line with the estimation that by FY25, e-health would comprise ~2% of the Indian healthcare market.

The new generation of customers will drive the adoption of digital technologies as healthcare moves away from the confines of a hospital. Remote care and telemedicine are ever-evolving approaches of diagnosis and treatments done remotely, using telecommunication technologies. A number of corporate hospitals, such as Apollo Hospitals, Fortis Hospitals, Max Healthcare, Narayana Health, and Tata Memorial, have introduced telemedicine

initiatives. The recent pandemic has necessitated remote consultations, with the telemedicine market in India estimated to grow from INR 7.7 billion in fiscal 2021 to INR 35.4 billion in fiscal 2026 at a CAGR of 34- 38%.

AI applications in healthcare are rapidly changing medical specialties, such as radiology, pathology, ophthalmology and oncology, among others. Primarily used for screening, monitoring and diagnostic assistance, AI applications include algorithms that analyse chest X-rays and other radiology images, read ECGs and spot abnormal patterns, automatically scan pathology slides, and also assess fundus images for signs of retinopathy. Data-based decisions help improve quality of care, clinician productivity, and address the challenges in scaling healthcare delivery to rural areas, and make a huge impact on the masses. For instance, an automated clinical decision solution developed by an Indian company has the potential to drastically reduce deaths due to breast cancer. The acceptability and incorporation of AI in healthcare, going forward, will increase efficiency, improve predictive capabilities and enable greater personalisation.

In the coming years, we are certainly going to see robotics playing a key role in the global as well as Indian healthcare market. While we are witnessing increased instances of robots being used for laparoscopic surgery, automated pharma, and so on, robot nurses, as a concept, still needs familiarisation. But with the growing aging population and medical staffing issues, it will be a necessity soon, and the trend is sure to catch up. The robotic surgery treatment will cut down on hospitalisation durations, reduce post-surgery discomfort, help faster recovery, reduce infection risks, minimise blood loss and limit surgical scarring on the body.

3D printing is another technological aspect that has the potential to revolutionise healthcare in the future. Medical uses for 3D printing can be organised into several broad categories, including tissue and organ fabrication, creation of customised prosthetics, implants and anatomical models, and pharmaceutical research regarding drug dosage forms, delivery, and discovery. 3D printing is a compelling new technology that can enable effective cardiac and orthopaedic interventions, including those relating to organ transplants.

COMPANY OVERVIEW

Currently, MHIL, its subsidiaries, and silos, comprise 13 healthcare facilities, including 5 hospitals and 3 medical centres in Delhi and the NCR region, with the others located in Mumbai, Maharashtra; Mohali and Bathinda in Punjab; and Dehradun in Uttarakhand. The super speciality hospitals in Mohali and Bathinda are under PPP arrangement with the government of Punjab. Across all our 13 healthcare facilities, we had an average of 2,275 operating beds.

In addition to the above, Max Healthcare Network has the following 4 partner healthcare facilities (PHFs):

- Max Super Speciality Hospital, Saket (a unit of DDF)
- Max Institute of Cancer Care, Lajpat Nagar (a unit of DDF)
- Max Super Speciality Hospital, Patparganj (a unit of BMDRC)

- Max Smart Super Speciality Hospital, Saket (a unit of GMHRC)

PHFs mean the hospitals and medical centres wherein the Company and its subsidiaries provide healthcare services in key specialties for a fee and/or for a share of revenue.

Additionally, we have the following 5 new upcoming healthcare facilities including PHFs:

- ~500 bed hospital in Sector-53, Gurugram
- ~500 bed hospital in Sector-56, Gurugram
- ~300 bed hospital in Dwarka, Delhi
- ~500 bed hospital in Saket (a unit of Vikrant Children's foundation and Research Centre)
- ~400 bed hospital in East Delhi (a unit of Nirogi Charitable and Medical Research Trust)

OUR SERVICE PROFILE

We provide a wide array of services, ranging from primary to quaternary care, including advanced cardiac care, orthopedics, oncology, renal sciences, neuro- sciences, transplants (liver, heart, kidney, lung, bone marrow, etc.), minimal access metabolic and bariatric surgery, and other services, including obstetrics and gynecology, pediatrics, nephrology and general surgery. We also provide outpatient services, including consultations for a range of ailments, preventive health screenings, and laboratory services as well as radiology, imaging and emergency services.

In addition to our core hospital business, we have two strategic business units (SBUs), Max Lab and Max@Home. Max Lab offers diagnostic services to patients outside our hospitals, directly as well as through a network of partners, such as clinicians, hospitals, nursing homes and pathology collection centres. It also offers pathology services to patients outside of our hospitals through a variety of other channels, including third-party hospital laboratory management. At the end of FY22, Max Lab has operations in more than 25 cities, including NCR region, Chandigarh, Panchkula, Mohali and other key cities in Punjab, Haryana and Uttarakhand.

Max@Home was launched in FY17, and employs a unique approach in re-defining homecare from traditional assistance-based services to more comprehensive, out-of-hospital-based services. It has amongst the largest suite of services in India, spanning preventive, pre and post hospitalisation care. The service offerings include critical care or ICU at home, assistance-based services (nursing and health attendant), physiotherapy and advanced rehabilitation care, pathology testing, x-rays, medicine delivery, nursing procedures, medical equipment, doctor visits and on-site medical rooms, among others.

ACCREDITATIONS AND AWARDS

Since our incorporation in the year 2000, we have been focused on providing quality healthcare services, and strive to adhere to the prescribed standards of clinical protocols in patient handling, surgical work, intensive care and emergency care. We aim to establish clinical and safety outcomes through a mix of accreditations (national and international), audits for continuous improvements, evidence-based practices, clinical leaderships, systems and protocols, patient safety goals and

clinical indicators. As a testimony to our commitment towards quality, three of our hospitals - Max Super Speciality Hospital, a unit of Devki Devi Foundation (East Block), Saket; Max Super Speciality Hospital (West Block), Saket and BLK Max Super Speciality Hospital, Rajender Place, are Joint Commission International (JCI) accredited (JCI is globally reputed for excellence in hospital accreditation). Further, all our healthcare facilities are National Accreditation Board for Hospitals and Healthcare Providers (NABH) accredited, except Max Noida, which had been recommissioned as a day care medical centre in the latter part of FY20. All 10 laboratories in our Network are National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited, and 5 blood banks are also accredited under the NABH Blood Bank Programme.

We have won several awards for our facilities at different platforms, such as (i) Max Super Speciality Hospital, Saket, and Shalimar Bagh, won AHPI Healthcare Excellence Awards 2022 under the categories of 'Digital/ Smart Hospitals,' and 'Excellence in Community Engagement,' respectively. (ii) BLK-Max Super Speciality Hospital and Max Super Speciality Hospital, Dehradun won the AHPI Healthcare Excellence Awards 2022 under the 'Patient Friendly Hospital' category (iii) Max Super Speciality Hospital, Saket has been ranked 1st across Delhi in the 'Best Multi Speciality Hospital' category by Outlook Health 2022 (iv) BLK-Max Super Speciality Hospital received a special award for serving the nation during the pandemic by International Tourism Conclave and Travel Awards (ITCTA).

Apart from this, we have been awarded the 'National Best Employer' by World HRD Congress (30th edition), recognising our exemplary HR practices and employer branding initiatives.

MEDICAL TECHNOLOGY

The healthcare industry and technology are changing rapidly in tandem with the evolving needs of the patients. The speed and accuracy of diagnosis are critical to successful treatment and better outcomes. Hence, we continue to invest in medical technology and equipment as well as the modernisation of our hospital facilities to offer quality healthcare services to our patients, while at the same time expanding our range of healthcare services. Our facilities are fitted with contemporary medical technology and equipment, including new generation surgical devices to conduct minimally invasive surgeries. We believe that investment in technology and equipment is critical to our operations as it leads to better outcomes, lowers ALOS, and attracts reputed clinical talent. During the year, we introduced

- 128 Slice CT scan and 3 Tesla MRI machines at Max Super Speciality Hospital, Mohali, the most advanced radiology technology that gives superior high-resolution images for accurate diagnosis
- VABB (vacuum assisted breast biopsy) machine in the department of interventional radiology at BLK-Max Super Speciality Hospital, for a safe and efficient procedure for the diagnosis and management of indeterminate and suspicious breast lesions
- Da Vinci Xi Surgical Robot at Max Super Speciality Hospital, Patparganj and Max Super Speciality Hospital, Vaishali, one of the most advanced technologies in India. Robotic surgeries are the safest and most effective across

specialities as they are minimally invasive, resulting in significantly lower blood loss and faster recovery. We have the same technology at our facilities in Saket, Shalimar Bagh, Rajender Place, and Mumbai

- (iv) RIS (radiology information system) PACS (picture archiving and communications systems) in nuclear medicine at Max Super Speciality Hospital, Saket, which offers a computerised database used by radiology departments to store, manipulate, and distribute patients' radiological data and imagery. The system generally consists of patient tracking and scheduling, result reporting and image tracking capabilities.

MAX INSTITUTE OF MEDICAL EXCELLENCE (MIME)

MIME is the education arm of our Company, which aims at improving the quality of healthcare delivery through its customised training programmes for medics and paramedic professionals. These programmes are focused on augmenting the skills and competency levels of doctors, nurses, allied health professionals and support personnels. It is one of the centres recognised by the Joint Royal Colleges of Physicians Training Board (JRCPTB) to deliver post-graduate internal medicine training outside the UK, and the programme has been awarded the Level 3 Accreditation by JRCPTB-UK, signifying equivalence to UK standards. We are the only accredited centre in north India to host the prestigious MRCP-UK PACES examination. We also have the largest number of examiners at a single centre in India, and we have been conducting this exam successfully since 2019. MIME conducts masters programmes in emergency training, in collaboration with the George Washington University, USA. In FY22, this 3-year skill building certificate course in emergency medicine was expanded to include BLK-Max Super Speciality Hospital and Nanavati Max Hospital, leading to a total of 8 administration sites. Due to the pandemic, the methods of imparting training and education had to be recreated, and use of online platforms, webinars and videos, gradually became the norm. The final exit exam was also conducted online, and the training was completed on time. Our students made us proud by being the frontline warriors in the face of the COVID-19 pandemic and providing exceptional services under the guidance of our stellar faculty.

CLINICAL RESEARCH

We built a strong foundation in managing several sponsored clinical trials, collaborative research, and investigator-initiated trials/studies, across all major therapeutic areas. This includes endocrinology, public health, NCD epidemiology, cardiology, oncology, neurology, internal medicine, critical care medicine, pulmonology, psychiatry, anaesthesia, minimal access metabolic and bariatric surgery, radiology, nephrology and kidney transplant, obstetrics and gynecology, IVF, urology, physiotherapy and rehabilitation, ophthalmology, gastroenterology, pediatrics, neonatology, urology, liver and biliary sciences, rheumatology and emergency medicine, covering the areas of drugs, devices, epidemiological, artificial intelligence and machine learning on clinical/medical data as well as post-marketing surveillance studies. Since 2005, through the clinical research programme established at our facilities, we have been able to successfully initiate 400+ sponsored clinical trials for the entire Max Healthcare Network. All our clinical trials related to drugs and devices are conducted

under the strict supervision of clinical trial registry India (CTRI) and are designed to be compliant with applicable laws and regulations governing such procedures. Medical and para medical staff, including academicians and researchers, publish their research work in high index peer-reviewed journals. Across our Network, over 400 publications were featured in FY22, including both non COVID-19 and COVID-19 research, and we were awarded 5 new grants. Also, we have taken a leading role in COVID-19 related research during the pandemic, which includes sero-epidemiological studies, investigator driven work, and sponsored drug and clinical trials.

DIGITAL TRANSFORMATION

The healthcare sector is undergoing a rapid transformation aided by new technologies in digital and artificial intelligence. In addition, technology is helping the healthcare players reach wider audience in a manner convenient to both, patient and clinical community. It is imperative that we not only evolve, but also lead the way within the healthcare sector, to drive better experiences and outcomes, and to make healthcare delivery more efficient and effective. We, at Max Healthcare, are committed to this cause and continue to invest heavily in technology, and other digital initiatives, to improve the patient and doctor experience. In the last financial year, besides focusing on building a digital team, our investments were primarily centred around laying a strong foundation to deliver our digital vision, and we have made commendable progress. We digitised the patient feedback system, and also rolled out electronic health records (EHRs) in two of our remaining Network facilities.

In FY22, our digital revenue through web-based marketing activities and online appointments, stood at ~11% of overall revenue. Further, this fiscal year, we embarked on a journey to consolidate our offerings into an app, which will not only help improve customer experience significantly, but also allow us to deploy marketing spend more efficiently. This initiative also includes rolling out a dedicated app for doctors, which will aid them in providing their services more efficiently, managing their calendars better and keeping a communication channel open with their patients. This is the first step towards providing our users a more coherent and consistent experience across all digital touchpoints, including the website. As we launch our new app, we will be moving closer to achieving our vision of providing our users a digital front door to quickly access Max Healthcare's services, besides being able to engage our users meaningfully and increase our reach.

We also recognise the broader shift, towards being more data-driven which is evident across industries, including healthcare. To this effect, we have invested heavily in setting up a data lake and have made significant strides around data gathering and analysis. We leveraged technology to provide 'video consultation' for our patients and conducted over 1.1 lakh video consults across our Network during FY22.

CORPORATE SOCIAL RESPONSIBILITY

Giving back to the society is one of our core beliefs, and even during the peak of COVID-19 pandemic we continued to serve the needy. During the year, we touched lives of over 2.95 lakh indigent patients across our Network and provided them free medical services worth over INR 157.8 crore. The free treatment was provided across almost all medical specialities

and included advanced lifesaving surgeries such as cardiac sciences, neuro sciences, orthopaedics and surgical oncology.

COVID-19 CRISIS MANAGEMENT

COVID-19 wreaked havoc during the first quarter of FY22, severely burdening the healthcare infrastructure and healthcare workers. Despite this, we continued to be at the forefront of the war against the deadly virus and not only provided care to the IP and OP patients, but also aided the success of the world's largest vaccination drive. We operationalised one of the largest COVID-19 vaccination centres across India, spread over 1.65 acres, that could operate 50 billing and 40 nursing counters with a capacity to administer ~10,000 vaccine doses in a day. We inoculated up to ~48,600 individuals in a single day across all the channels combined with a total of ~17 lakh doses, administered as of March 31, 2022. We installed oxygen generators at five Network hospitals in NCR, thereby reducing dependence on liquid medical oxygen. Our pathology team, both in-house and the retail network of Max Lab, offered a variety of COVID-19 related tests, including RTPCR, antigen, antibody, CBNAAT, D-Dimer, etc., while Max@Home offered home management and monitoring services to COVID-19 infected patients with mild symptoms, and also started a free helpline for COVID consults in Q4 FY22.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

- **Expansion in Existing Facilities and newly acquired land parcels**

We have a total bed build-out potential of 700+ in our existing facilities, through brownfield expansion. Additionally, there is a potential of adding ~1,600 beds in our PHFs, out of which 500 beds will be added as a result of a transaction consummated in FY22 where we acquired the rights to aid development of a hospital on 3.5 acres of land owned by Vikrant Children's Foundation. This land parcel falls between the two existing Max hospitals in South Delhi, paving way for an integrated medical complex spread over 23 acres of land with a potential for 2,300+ beds at a prime location in Delhi.

Further, during FY22, we purchased two land parcels in prime locations of Gurugram (aggregating ~11.4 acres) that will enable addition of 1,000 beds over and above our existing facility in the city.

We aim to explore the setting up of more hospitals over the next few years, and at the same time, add beds through extensions or additional wings in some of our existing facilities, in order to quickly ramp up the Network bed capacity.

- **Asset-light Models with Real Estate Investment Trusts (REITs) and Developers for Future Expansion**

We believe that our core competence lies in providing healthcare services ranging from primary care to quaternary care. The healthcare sector is capital intensive and requires constant working capital for operations and expansion. In addition to building out our brownfield expansion capacity, we seek to move towards an 'asset light model' for the delivery of healthcare services through operation and management contracts, which we believe

will enable us to focus on our core healthcare operations, and our key medical competencies. This model offers a rather attractive ROCE, with minimal development risk and our investment restricted to 30-35% of the project costs. We aim to implement this strategy by partnering with real estate developers, who could build the hospital facilities as per our specifications, and we would then operate and manage the hospital facilities by leveraging our brand and expertise in the healthcare industry.

Along the above lines, we consummated the first transaction in Q4 FY22 for a 300+ bed hospital in the attractive micro market of South West, Delhi. It is a 60-year-long exclusive operation and management agreement for the upcoming hospital in Sector 10, Dwarka, a region where we did not have any footprint. The upcoming hospital is well located on a 45-metre-wide road, open from all sides and accessible through the Metro corridor and Dwarka expressway. The structural work of the hospital is near completion and we expect to commission the hospital in FY24.

- **Inorganic Growth Opportunities**

In addition to our brownfield expansions, we plan to opportunistically look at acquisitions in the hospital and diagnostics space, in line with our expansion strategy. This will help us in broadening our customer base in existing markets, while reducing our time to market in new territories, with a focus on metros and tier 1 cities.

As part of the above strategy, in Q4 FY22, we entered into a definitive agreement for acquisition of Eqova Healthcare Pvt. Ltd., which has long-term exclusive rights to aid development of and provide medical services in the hospital to be setup on the land owned by Nirogi Charitable and Medical Research Trust. This deal has a potential to add a 400+ bed hospital in the East Delhi region, where we already have a presence through a 402-bed Max Super Speciality Hospital, Patparganj, which has been consistently witnessing very high occupancies for the last few years. The site is also on a Metro corridor and ~800 meters away from the existing Network facility. These two facilities will synergistically cater to the need for quality healthcare of the community in East Delhi and strengthen our Network footprint in NCR.

- **Invest in and Grow Retail Pathology and Home Care Services**

In addition to the core hospital services, we plan to further scale up our Max Lab and Max@Home offerings to provide healthcare services outside our healthcare facilities.

For Max Lab, our initial focus is to deepen and widen our presence in the cities wherein Max Healthcare already has a presence through Network facilities. In the long term, we plan to expand into new cities and grow our business by opening new collection centres, partnering with local collection centres for sample collection and signing new hospital lab management contracts. In FY22, we established the Max Lab Limited as a wholly owned subsidiary to incubate and further drive its growth independently. During the fiscal, Max Lab added ~370 channel partners to almost double its overall active clients

to 760 by the end of March 2022. Throughout the year, along with geographical expansion, our key focus has been on service enhancement and market activation programmes, including opening new company-owned and operated centres, along with strong patient and channel partner marketing programmes. With the launch of our new website, we are targeting higher traffic through the digital route and offering a convenient channel for the consumers to experience our services. The SBU has shown considerable traction during the pandemic times, and the service offerings have been widely accepted in the NCR region, which motivated us to expand into Punjab, Haryana and Uttarakhand.

Through Max@Home, we plan to leverage the increasing digitalisation of the healthcare industry due to COVID-19, by enhancing the current back-end service delivery platform to enable more remote and virtual enabled services, such as providing virtual assessment by medical caregiver. Using the power of digitalisation, Max@Home also plans to technologically enable and automate existing customer acquisition channels within our Network, by allowing customers to directly place a home care request over multiple online platforms (e.g., website, mobile-based applications) in order to grow our Max@Home brand. During the pandemic, Max@Home did pioneering work in extending COVID-19 based services at consumers' doorsteps – be it the home or the workplace. Max@Home ran one of the largest off-site COVID-19 vaccination drives in the country, covering 50 cities, successfully administering over 0.6 million doses with a peak administration of 26,000 doses in a day. This was a testimony to our robust service delivery mechanisms, allowing overnight scaling up of operations with wide, simultaneous geographic deployment. As an extension to remote COVID-management services, Max@Home launched a free COVID-19 consult helpline for patients, manned by its doctors. During the period, Max@Home offered ~1,000 free consults, along with additional COVID-based services to over 23,000 patients, including home isolation, lab services, rehabilitation and nursing support amongst others.

• Improve Case and Channel Mix

We continue to focus on investing in state-of-the-art medical technology, attracting skilled clinical talent, and developing our expertise in tertiary and quaternary care areas. This will help us add sophisticated procedures and hence, improve our case mix. Also, we intend to improve our channel mix by improving share of international, cash walk-in and private insured patients, which will enable us to improve the average revenue per occupied bed. In line with our strategy, our Network bed share of the institutional patients has been reduced to ~31% in FY22 compared to ~34% during FY21, partially due to dis-empanelment of few institutional accounts at some of the hospitals in NCR and Mohali, during H2 FY22.

Also, we intend to build on our upcountry markets to further improve the share of high-end tertiary care procedures as patients travel from far-flung areas to metro cities, such as Delhi-NCR and Mumbai, to get high-end treatments. MHIL gets drainage from all of North India, including Uttar

Pradesh, Bihar, Jharkhand, Punjab, Haryana, Rajasthan and other key states. We intend to deepen our reach in the country by penetrating new cities or regions, and establishing a greater number of sales offices or OPD centres to cater to the local population and refer to our tertiary care facilities for high-end procedures.

• Medical Tourism:

India is quickly emerging as a major medical tourism destination. We believe that India is highly competitive in terms of healthcare costs at equivalent clinical outcomes compared to the developed countries, such as the United States, the United Kingdom, and Singapore.

Country-wise Cost of Key Treatment Procedures (in USD)

Ailments (USD)	Malaysia	Thailand	Singapore	Korea	India
Hip replacement	8,000	17,000	13,900	21,000	7,200
Knee replacement	7,700	14,000	16,000	17,500	6,600
Heart bypass	12,100	15,000	17,200	26,000	7,900
Angioplasty	8,000	4,200	13,400	17,700	5,700
Heart valve replacement	13,500	17,200	16,900	39,900	9,500
Dental implants	1,500	1,720	2,700	1,350	900

Source: 2021 Niti Aayog Report

We continue to be amongst the leading providers of care to the international medical value travelers in the Delhi-NCR, and we intend to build on this further. We treat international patients from multiple countries, with key inflow from Iraq, Ethiopia, Kenya, Nigeria, Uzbekistan, etc. We intend to focus on attracting more medical value travellers from select markets, including those in the Middle East, Africa, Southeast Asia and CIS countries by increasing our marketing efforts in these regions. We also believe that international patients can help contribute to higher revenues per occupied bed day and increase our profitability. We intend to further leverage our brand recognition, and our direct and indirect presence, to attract medical tourists through own or partner representative offices, clinicians visiting for OPD consultations, health camps and our existing patient base.

In furtherance of this strategy, we had established a representative office in Nairobi, Kenya which continues its focus on promoting high-end and high-value procedures of bone marrow transplants, liver transplants and pediatric cardiac surgeries. Further, we have incorporated and operationalised subsidiaries in Nigeria and UAE (Dubai) to focus on increasing our direct partner and patient base from these markets.

THREATS

• Increasing Competition Intensity

Healthcare being a high growth sector is attracting a lot of new entrants, including established business houses and entrepreneurs. Most of these players are focused on metros and tier 1 cities. Thus, there is an increased

competition in these markets that adversely impacts the profitability and growth potential for the existing players. New players might offer lower rates, adopt unfair practices, and compete with us for doctors and other medical professionals. In that situation, we will reduce the price of our services or run the risk of not being able to attract patients, doctors and other healthcare professionals to our healthcare facilities, adversely impacting the business.

• Regulatory Risks Faced by the Healthcare Industry

Our business is susceptible to various challenges being faced by the Indian healthcare industry, including the provision of quality patient care in a competitive environment and managing costs at the same time. Healthcare costs in India have increased significantly over the past decade, and there have been and may continue to be proposals by legislators and regulators to limit the rate of tariff increase, cap margins and fix the price of procedures and diagnostics in order to lower the healthcare costs in India. In FY17, the government had capped prices of drug-eluting stent and knee implants, which have had an impact on our operating margins. During the COVID-19 pandemic, the government imposed a cap on the treatment costs in private hospitals in regions, such as Maharashtra and Delhi to ensure that healthcare remains affordable. Such proposals by the government of India impose limitations on the prices that we can charge for our services, and increase the cost for our services, rendering an impact on our operating margins. Further, there is risk of temporary requisitioning of the healthcare facilities due to any pandemic such as COVID-19.

• Technology Disruption

The market for healthcare equipment and products is characterised by rapid technological changes, frequent new healthcare equipment and product introductions and technology enhancements, changes in patients' needs, and evolving industry standards. New equipment and products based on new or improved technologies or new industry standards can render existing equipment and products obsolete. To provide services effectively at our facilities, we enhance and develop our equipment and facilities, as well as provide sufficient training to our professional staff on a timely basis to satisfy the increasingly sophisticated requirements of medical professionals, providing healthcare services at our hospitals.

Significant investment is required on an ongoing basis to prevent obsolescence of equipment and there is no

assurance that we will have sufficient funds to continually invest in such equipment and facilities, or access the latest technology on a timely basis. In the event that we are unable to keep up to date with the current trends and needs of the healthcare industry, our facilities may lose their competitiveness and market share, which may adversely affect our business.

• Availability of Skilled Clinical Talent

High-quality medical professionals are key to our success. Hence, we need to continue to attract, engage and train prominent, skilled doctors and other healthcare professionals, to be ahead of our competition. However, given the high demand of skilled clinicians and other medical talent, it may become difficult for us to retain them. Further, in case of any reputational damage to our brand, or negative publicity, or an increase in attrition rates, we may face delays in sourcing of skilled manpower, given the lack of skilled clinical talent in Indian market.

FINANCIAL PERFORMANCE

In FY21, pursuant to the merger of the healthcare undertaking of Radiant with MHIL, Radiant shareholders were issued equity shares of MHIL (merged entity) and its pre-acquisition stake of 49.7% were cancelled upon implementation of scheme. The merger resulted in Radiant promoters taking control of the merged MHIL.

The above transaction resulted in a business combination under Ind AS 103 'Business Combinations' and strictly applying the principles of Ind AS 103, the financial result of MHIL (merged) for the year ended on March 31, 2021, included 12 months of operations of Radiant and 10 months of operations of MHIL (merged), in addition to the comparative financial result of MHIL (merged), including 12 months of operations for the year ended on March 31, 2022. Hence, MHIL's consolidated financials for FY21 are not comparable with MHIL's consolidated financials for FY22, and investors might not be able to draw any meaningful comparative insights.

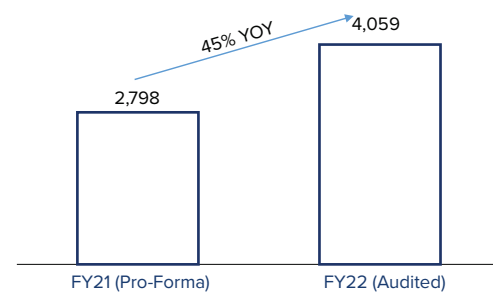
However, to assist investors in evaluating MHIL's consolidated performance (inclusive of subsidiaries), subsequent to the effectiveness of the scheme, we have provided below:

- **Summary of audited financial results for FY22 and FY21**
- **Combined results of Radiant and our Company for the 12 months ended on March 31, 2021, and (FY21 pro-forma)**

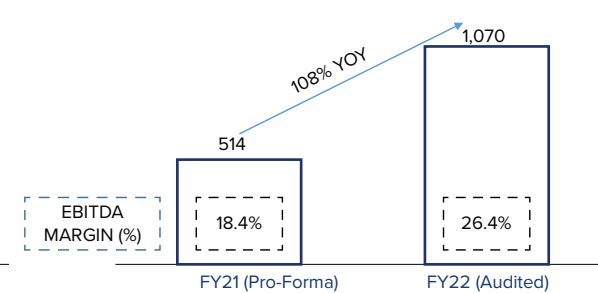
Financial Results of MHIL (Consolidated)

	For the year Ended 31 Mar 2022 (Audited)	For the year Ended 31 Mar 2021 (Audited)	For the year Ended 31 Mar 2021 (Pro-Forma)
Income			
Revenue from operations	3,931	2,505	2,683
Other income	127	114	115
Total income	4,059	2,619	2,798
Expenses			
Purchase of pharmacy, drugs, consumables and implants	930	580	626
(Increase)/decrease in inventory of pharmacy, drugs, consumables and implants	-8	14	13
Employee benefits expense	760	589	646
Professional and consultancy fee	809	533	579
Other expenses	497	385	420
Finance costs	101	179	199
Depreciation and amortisation expense	221	174	194
Total expenses	3,311	2,453	2,677
Net profit / (loss) before exceptional items, tax & share of profit/(loss) in associate	748	165	120
EBITDA	1,070	518	514
EBITDA Margin %	26.40%	19.80%	18.40%

Total income⁽¹⁾ (In Crore)



EBITDA⁽²⁾ (In Crore)



- Total income represents Total Income as per financial statement, excluding PHFs
- EBITDA before exceptional items and share of profit/(loss) in associates excluding PHFs

FY22 AUDITED RESULTS VS. FY21 PRO-FORMA

Total Income: Total income increased by INR 1,261 crore or 45% to INR 4,059 crore for FY22 (audited), from INR 2,798 crore for FY21 pro-forma, primarily due to increase in revenue from operations by INR 1,248 crore, a 46% YoY growth.

Revenue from Operations: Revenue from operations increased by INR 1,248 crore or 46% to INR 3,931 crore for FY22 (audited) from INR 2,683 crore for FY21 pro-forma. The increase was primarily driven by increase in the occupancies and OPD footfalls, driven by COVID-19 admissions in the first quarter, improved revenues from medical tourism, and increasing in penetration of insurance in the affording population. It was also supported by significant uptake in the COVID-19 vaccine administration during the fiscal.

Purchase of Pharmacy, Drugs, Consumables and Implants: Purchase of pharmacy, drugs, consumables and implants increased by INR 304 crore or 49% to INR 930 crore for FY22 (audited) from INR 626 crore for FY21 pro-forma. This was in line with the increase in the revenue from operations and along with additional expenditure towards PPE kit, other protection related consumables, such as mask, gloves, and the COVID-19 vaccine.

Employee Benefits Expense: Employee benefits expense increased by INR 114 crore or 18% to INR 760 crore for FY22 (audited) from INR 646 crore for FY21 pro-forma. The increase was primarily due to annual merit increase, complete restoration of temporary

reduction of remuneration of senior and middle management as undertaken in FY21, and addition of manpower to cater to higher occupancies.

Other Expenses: Other expenses increased by INR 77 crore 18% to INR 497 crore for FY22 (audited) from INR 420 crore for FY21 pro-forma. The increase was primarily due to (i) increase in legal and professional fees, especially pertaining to growth initiatives undertaken during the fiscal (ii) restoration of advertisement and publicity, post COVID-19, and increase in international patient volumes; (iii) increase in repairs and maintenance expenses that were deferred in FY21 due to COVID-19-related disruptions; (iv) and increase in patient catering expenses, etc. due to increased footfalls.

Professional and Consultancy Fees: Professional and consultancy fees increased by INR 231 crore or 40% to INR 809 crore for FY22 (Audited), from INR 579 crore for FY21 pro-forma. The increase was in line with the increase in the revenue from operations.

Finance Costs: Finance costs decreased by INR 98 crore or (49%) to INR 101 crore for FY22 (audited), from INR 199 crore for FY21 pro-forma. The decrease was primarily due to pre-payment of debt by utilising the receipt of QIP proceeds in mid-March 2021, supplemented by the cash flow from operations

Depreciation and Amortisation Expense: Depreciation and amortisation expense increased by INR 27 crore or 14% to INR 221 crore for FY22 (audited), from INR 194 crore for FY21 pro-forma.

Profit Before Exceptional Items, Tax, Share of Profit/(Loss) in Associate: Due to the reasons mentioned above, profit before exceptional items, tax, share of profit/(loss) in associate increased by INR 628 crore or 521% to INR 748 crore for FY22 (audited), from profit after tax of INR 120 crore for FY21 pro-forma.

During the year, the overall company performance improved considerably driven by the recovery post initial COVID-19 impact in FY21. We were better prepared to anticipate and act nimbly towards the pandemic-related disruptions to maintain continuity of care. With improved cash generation by the existing operations, we invested heavily in state-of-the-art diagnostic equipment and other technologies, to remain ahead of the competition. We also undertook a number of growth initiatives in order to deploy the cash generated for furthering our expansion strategy.

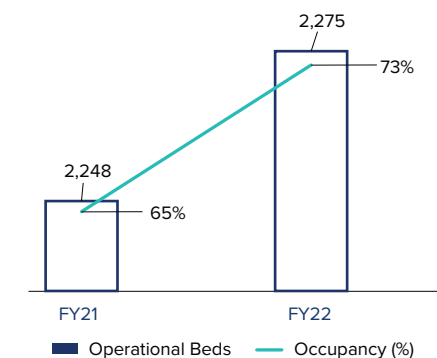
IMPROVEMENT IN NET DEBT POSITION

During the year, our net debt position (excluding lease liability) improved from INR 347 crore as on March 31, 2021 to INR 291 crore as on March 31, 2022. Improvement is primarily driven by INR 748 crore of cash, generated from cash flow from operating activities.

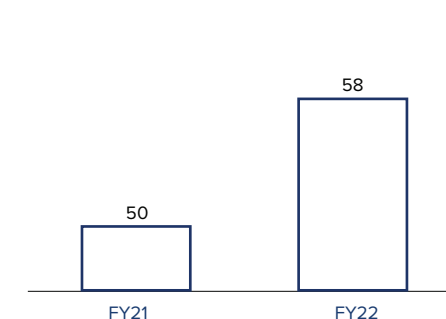
	March 31, 2022	March 31, 2021
Gross debt	727	920
Put option liability	139	82
Gross debt, including put option liability	865	1,002
Cash and bank balance	575	655
Net debt (excluding lease liability)	291	347
Amount invested in CAPEX and growth initiatives	663	117

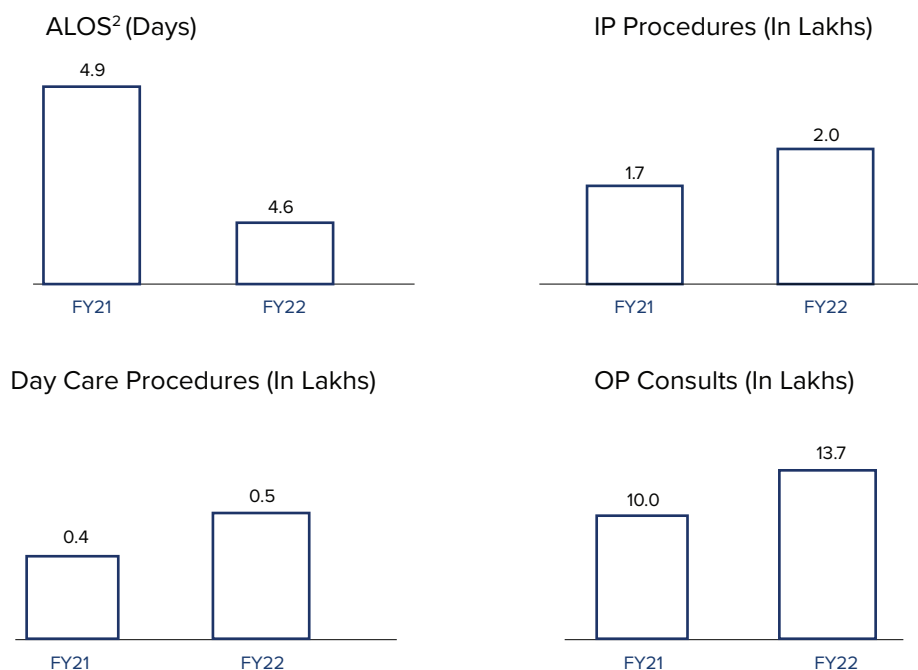
Operational Performance

Occupancy (%)



ARPOB (in INR '000)





1. ARPOB calculated as Gross Revenue/Total OBD. Gross Revenue excludes the revenue from COVID-19 vaccination & related antibody tests and Max Lab operations
2. ALOS calculated for discharged IP patients only

HUMAN RESOURCES

We strongly believe in the importance of having a pool of highly skilled and talented professionals to pursue our endeavour to be among the most well-regarded healthcare organisations, delivering the highest standards of clinical excellence. The HR function focused on the following interventions to help build an engaged workforce that is committed to high-quality patient care.

Learning and Development: Our organisational success is built on the engagement, commitment and capabilities of our employees. To put our strategies to action, we conducted 2.5 lakh hours of upskilling programmes in FY22. We also launched ‘Values we Value’ initiative, with an aim to create a value-based organisational culture that brings out the best in the employees, by creating awareness and defining behaviours. Additionally, we launched Indian Medical Association (IMA) affiliated Allied Healthcare Courses (AHC), with a goal to prepare industry-ready professionals and equip them with the skills they need to have for a successful long-term career in healthcare.

Employee Engagement: It is one of the most critical levers to drive talent retention, internal brand building, employee loyalty, and organisational performance improvement. With an intent to create a work environment that encourages excellence in performance by driving desirable behaviours, we revamped our ‘Reward and Recognition’ framework to build a transparent culture of recognition, institutionalise Max Healthcare value system of compassion, consistency, excellence and efficiency, and to acknowledge and celebrate individual and team achievements. Further, to encourage communication across all categories and cadres of employees, we have introduced various connect platforms like monthly function townhalls, HOD councils, discussion forums for hospital management committee members, nurses connect, doctors connect, doc talk, leaders talk, doc council, etc.

Environment, Social and Governance: We encourage ‘Diversity and Inclusion,’ which is well depicted with 48% of our employees and 14% of our board members being female as of March 2022. Further, we have 77 differently-abled employees. This is in compliance with ‘the Rights of Persons with Disabilities Act, 2016’. As part of ‘Project Vidyarthee,’ upskilling of apprentices was conducted through a programme run by the Ministry of Skill Development. In FY22, we engaged on an average of 800 apprentices across units. On the governance front, we introduced a formal HR governance plan to strengthen internal HR processes that enable us to be more efficient and transparent in our processes and decision-making.

Compensation and Benefits: We have defined an ‘employee ownership programme,’ through which, employees receive equity ownership through ESOP, and presently 87% of the beneficiaries are non-executive members. Our organisation believes in equal employment opportunities, wherein the remuneration is based on skill, irrespective of the gender.

Digital HR: We believe that our brand philosophy of ‘To Serve, To Excel,’ could only be fulfilled through empowering the frontline. Having over 70% of our workforce at the frontline, it becomes imperative that while they are on the go, we are able to communicate and engage with them at every step. Keeping this thought in view, we rolled-out the digital reward and recognition programme named ‘Umang - Pride Within.’ The digital platform has not only made recognition impactful with reward points and instant redemption, but has also driven a sense of purpose by connecting people at work through peer and social recognition. Further, Disha Learning, our LMS, was launched in May 2021, with a focus to build a learning culture in the organisation. This digital learning solution is a cloud-based programme with a 24/7 availability of training content on desktops or mobile devices.

ENVIRONMENT, ENERGY AND FIRE SAFETY MATTERS

The conservation of environment and energy is central to our operations as the hospitals operate 24/7, and are big consumers of energy and water, and also generate substantial medical and non-medical wastes. At Max Healthcare, we have invested in technologies, processes, and people, to ensure that we optimise the consumption of energy and water in our hospitals, and improve the parameters year-after-year. We have also invested in a company, generating hydropower in Himachal Pradesh, and thus, source green power. We undertake several initiatives, such as maximum recycling of treated wastewater, optimising water consumption in general and patient areas, re-use of dialysis RO reject water in cooling tower, organic waste convertors, installation of rainwater harvesting system, and other environment-friendly initiatives. Regular trainings are being conducted to better manage COVID-19, and other bio-medical wastes.

In FY22, green power constituted 44% of our total energy consumption across the Network facilities. We have installed 25 rain water harvesting (RWH) plants of an aggregate capacity of 700 KL pits in all big units to augment our water supply, and subsequently, support our water neutrality efforts. We conducted regular reviews of energy consumption, and devised ways for effective control on utilisation of energy, subsequently reducing the average energy consumed per bed by 10% in FY22 as compared to FY21.

Given the use of certain chemicals, such as alcohol, sanitisers, gases, fuel, and other inflammable materials at our facilities, we are exposed to the risk of fire accidents. In FY22, we undertook several initiatives to ensure fire safety at our hospitals, including the conducting of ~45 mock drills and 1,390 fire safety trainings, to spread awareness and better train our workforce in case of any fire-related accidents.

RISKS AND CONCERNS

Given the wide scale of operations, our Company is exposed to an array of strategic and operational risks. We have an elaborate risk management system in place, which is aimed at identifying, analysing, assessing, mitigating, and monitoring risks or potential threats to achievement of our strategic and business objectives covering various aspects of our business, including operations, legal, treasury, regulatory, strategic and financial. The Audit and Risk Management Committee (A&RM) has put in place appropriate risk management guidelines, including risk appetite policy, and periodically reviews the risk heat map and the mitigation plan for all high and critical risks or potential events that may have adverse impact on the reputation, operations, and financials of the Company. It also reviews and suggests measures undertaken by the Company to avoid, transfer, control, and mitigate such risks. The Company’s risk management framework is a combination of formally documented policies in certain areas, such as financial, legal, and regulatory, and an informal approach to risk management, among others. The risk management policies and systems are reviewed on a periodical basis to reflect changes in market conditions, business activities, and levels thereof.

In the opinion of the Board, none of the risks faced by our Company threaten its existence. However, keeping in view the

areas in which our Company operates, risks with respect to litigation by/against our Company or regulatory directions, may impact various cost lines, and become material in nature.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust and well-embedded system of internal controls, facilitated through appropriate IT system and workflows, which are reviewed and upgraded based on risk control testing, performed from time to time. Comprehensive policies, guidelines and procedures are laid down for all business processes, and these are accessible to the concerned employees, through the designated web page. The internal control system has been designed to ensure that financial and other records are reliable for preparing financial and other statements, management reporting for business performance management, and for maintaining accountability of assets.

An extensive risk-based programme of concurrent audits, internal audits, theme-based audits, exceptional reporting and IT based transaction controls, coupled with constant management reviews and dash boarding of data, provide assurance to the Board, regarding the adequacy and efficacy of internal controls. The internal audit plan is dynamic, and aligned to the business objectives of the Company, and is reviewed by the Audit and Risk Committee (A&RC) periodically, including the high and medium risk observations, emanating from such audits. Further, A&RC also monitors the status of management actions emanating from internal audit reviews. Even the Internal Audit function and its processes are subjected to audit by third party experts, periodically.

During the year under review, these controls were assessed and no reportable material weaknesses in the design or operations were observed. The statutory auditors, during the course of their audit, did not find any material weaknesses in controls and / or misstatements resulting from lack of internal controls.

OUTLOOK

FY22 was an eventful year despite its numerous challenges, and the Company improved its financial and operating performance considerably. The management team continues to focus on expanding the width and depth of our services, in order to continue serving increasing number of patients, while at the same time, improving the quality of care.

The Company enjoys patronage of a large population in the territories it operates in, and plans to expand its bed capacity by a variety of means, including brownfield, greenfield, and asset light models. In FY22, the Company announced four inorganic growth transactions, having a potential to add 2,200 beds, of which, projects for incremental ~1,350 beds are already under implementation.

As we step into the new fiscal year, we will continue to pursue our brownfield and other capacity expansion projects, improving operational metrics in the current facilities or businesses, while actively evaluating inorganic acquisition opportunities in parallel. We will also focus on further strengthening our digital capabilities, to ensure maximum reach and efficacy. Overall, we are confident of continuing our robust performance, and being the most well-regarded healthcare provider in India, committed to the highest standards of clinical excellence and patient care.

Directors' Report

Dear Members,

Your Directors are pleased to present the 21st Annual Report on the business and operations of the Company i.e. Max Healthcare Institute Limited ("MHIL") together with the Audited Financial Statements and the Auditors' Report thereon for the Financial Year ("FY") ended March 31, 2022.

FINANCIAL RESULTS - STANDALONE AND CONSOLIDATED

The highlights of the Company's audited financial results on Standalone and Consolidated basis are summarised below:
(INR in Crore)

Particulars	Standalone		Consolidated	
	FY ended March 31, 2022	FY ended March 31, 2021*	FY ended March 31, 2022	FY ended March 31, 2021*
Revenue from operations	1,729	1,031	3,931	2,505
Other income	125	106	127	114
Total income	1,854	1,137	4,059	2,619
Total expenditure	1,308	870	2,989	2,101
Operating profit	546	267	1,070	518
Less: Finance cost	44	112	101	179
Profit before depreciation, exceptional items, tax and share of (profit)/loss in Associates	502	155	969	339
Less: Depreciation/ Impairment and amortisation	99	91	221	174
Profit before exceptional items, tax and share of (profit)/loss in Associates	403	64	748	165
Exceptional items	-	(211)	9	(234)
Tax expenses	72	18	134	46
Net profit / (loss) after tax and before share of (profit) / loss in Associates	331	(165)	605	(115)
Share of profit / (loss) in Associates	-	-	-	(23)
Net profit / (loss) after tax Other comprehensive income / (loss) - Re-measurement loss on defined benefit	331	(165)	605	(138)
Total comprehensive income / (loss), net of tax	1	-	3	1
Earnings per equity share	332	(165)	608	(137)
Basic and diluted (INR)	3.42	(1.91)	6.24	(1.59)

*Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, where necessary.

PERFORMANCE HIGHLIGHTS

The Company's standalone revenue from operations improved to INR 1,729.08 Crore in the FY ended March 31, 2022 (includes revenues from healthcare services of INR 1,581.62 Crore and from sale of pharmaceutical supplies of INR 120.00 Crore) compared to INR 1,030.780 Crore in the previous FY ended March 31, 2021.

The performance for the year witnessed a marked improvement over the previous year due to higher bed occupancies, increased OPD footfalls and revenues from COVID-19 vaccination. In the first quarter of the year, the admissions and footfalls were driven by COVID-19 patients which accounted for ~ 41% of the occupied beds. The operations normalised in second and third quarter of the year with COVID-19 patients occupying less than 2% of the occupied beds. In the early part of fourth quarter, the Omicron wave impacted both OPD footfalls and admissions whereby COVID-19 patients contributed to ~ 4% of occupied beds. The revenues during the year were also driven by international medical value travellers and increased penetration of private insurance amongst the affording population. The Company also participated in the country-wide vaccination programme and administered more than 8 Lakh doses.

The material costs to operating revenue ratios stood at 25.6% during the year compared to 23.8% in the previous year. The adverse movement in the ratio was due to low margin revenue from sale of pharmacy and pharmaceutical supplies which grew by 138% while the revenue from operations grew by 68%.

Other costs to operating revenue (including employees, doctors, hospital services, sales and marketing, power and fuel etc.) ratio improved to 50% compared to 60.6% in the previous financial year. The improvement was mainly due to increased revenues and normalisation of operations during the major part of the year.

The earnings before interest depreciation and Amortisation (EBITDA) stood at INR 546.21 Crore (29.5%) during the year and reflects a marked improvement compared to INR 267.41 Crore (23.5%) in the previous year. Doubled EBITDA during this year is testimony to the trust and patronage enjoyed by the Company of people living in micro-market in which it operates.

Net Profit before tax for the year stood at INR 402.99 Crore and the Net Profit after tax was INR 331.13 Crore. This represents a marked change compared to Net Profit after tax before exceptional items of INR 46.22 Crore for the previous year.

STATE OF COMPANY'S AFFAIRS, OPERATING RESULTS AND PROFITS

The Company continued to scale new heights and has also been successful in laying sound foundation for all round growth in future.

With commencement of operations of Immigration Health Check and Dialysis Service Centre at Mohali in May 2021, the Network now consists of 17 Healthcare Facilities, including eight hospitals and four medical centres in Delhi and NCR region, with the remaining located at Mumbai in Maharashtra, Mohali and Bathinda in Punjab and Dehradun in Uttarakhand.

During the year, the Company acquired two parcels of land aggregating to ~11.4 acres at prime locations in Gurugram, with an opportunity to add ~1,000 beds in the coming years. The Company has also acquired 26% stake in Eqova Healthcare Private Limited which enables it to expand its network footprint in East Delhi with addition of 400 beds. The Company has also entered into a long term exclusive Operation and Management Agreement with Muthoot Hospitals Private Limited for an upcoming hospital at Dwarka, New Delhi in January 2022. This is an asset light model for expansion designed to generate significantly higher return on capital employed with minimal development risks.

The Company has expanded its network of offices in overseas countries and now has direct presence in Nairobi (Kenya), Lagos (Nigeria) and Dubai (United Arab Emirates). This is in addition to the indirect presence in four countries through partner offices. Nairobi office continued its focus on promoting high end and high value procedures of Bone Marrow Transplants, Liver Transplants and Paediatric Cardiac Surgeries etc. The Company has signed an agreement with Ministry of Health-Iraq (MOH) in the fourth quarter for treating Paediatric Cardiac & Liver Transplant patients referred by MOH. Further, the Company is maintaining focus on organ transplants and other high end surgical procedures across all its Network Hospitals.

The Company provides medical and operation & management services across secondary and tertiary care specialties, with a focus on oncology, neurosciences, cardiac sciences, orthopaedics, renal sciences, liver and biliary sciences and minimal access metabolic and bariatric surgery ("MAMBS"). In addition, the Company also provides, pathology, radiology, radiation oncology and clinical services, under fee for service and/ or revenue-sharing arrangements in select specialties or departments to third party Partner Healthcare facilities, diagnostics, radiation oncology and operation and management services to two Managed Healthcare Facilities.

The Company has also taken concrete steps to improve patient satisfaction, quality of care and medical outcomes in line with its objective of becoming most well regarded healthcare provider in India. The Company also invested in high-end equipment in its Network Hospitals during the year to further improve the level of available technology in its hospitals to treat patients and to ensure best-in-class diagnostics facilities. All facilities owned and operated by the Company follow globally accepted medical protocols and are accredited by NABH and JCI. The Company is focused on delivering the best possible clinical outcomes at reasonable costs. The Company is investing in people, processes and technology to ensure sustainability of its operations, while ensuring safety of its people and communities, protecting the environment from any impact of its operations and conduct business ethically.

A detailed discussion on operations of the Company (on consolidated basis) for the year ended March 31, 2022, is given in the Management Discussion and Analysis Report which forms part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company, prepared in compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), Indian Accounting Standards, issued by the Institute of Chartered Accountants of India and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") forms part of this Annual Report together with Auditors' Report thereon.

SIGNIFICANT EVENTS FOR THE COMPANY OCCURRED DURING THE YEAR UNDER REVIEW

(i) Compliance with Minimum Public Shareholding norms ("MPS norms"):

In accordance with the requirements of Rules 19(2)(b) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), Securities and Exchange Board of India ("SEBI") Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017, in connection with schemes of arrangement by listed entities and relaxation under sub-rule (7) of Rule 19 of SCRR, Regulation 38 of Listing Regulations read with Para 2(a) and Para 3 of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018 and pursuant to relaxation granted by SEBI to the Company vide letter dated August 17, 2021 w.r.t. the manner of achieving minimum public shareholding of 25% of issued and paid up equity share capital, one of the Promoters of the Company i.e. Kayak Investments Holding Pte. Limited ("Kayak") completed an open market sale of 27,26,754 (Twenty Seven Lakh Twenty Six Thousand Seven Hundred Fifty Four) equity shares on August 20, 2021, constituting 0.28% of the issued and paid-up equity share capital of the Company at that time.

Consequent to open market sale as aforesaid, the Company has complied with the MPS norms within the prescribed timelines i.e. with effect from August 20, 2021.

As at the end of FY 21-22, the public shareholding in the Company stood at 49.36%.

(ii) Acquisition of land in Gurugram, Haryana to augment beds capacity by ~ 1,000 beds in NCR region:

Pursuant to approval of Board of Directors of the Company ("the Board") accorded on October 4, 2021, the Company has purchased two parcels of land admeasuring ~ 5.26 acres and ~ 6.11 acres, located in Gurugram at Sector 56 and 53 respectively ("Land Parcels"), which were offered to the Company for allotment on freehold basis for setting up two hospitals, following acceptance of its bids made under e-auction of institutional properties arranged by Haryana Shehri Vikas Pradhikaran. The proposed addition of these two hospitals on the Land Parcels will expand the bed capacity of the Company in NCR region by ~1000 beds.

(iii) Operation and Management Agreement with Muthoot Hospitals Private Limited ("Muthoot"):

In order to get an asset light expansion of network bed capacity to strengthen Company's presence in Delhi NCR, the Company has entered into a long-term Services Agreement with Muthoot on January 20, 2022, for operations and management (O&M) of a ~300 beds hospital currently being constructed and developed at Sector-10, Dwarka, New Delhi ("Muthoot Hospital"). This is the First Phase of Muthoot Hospital on ~ 8.62 acres of land and has a potential to add another 1000+ beds in due course of time. The current arrangement is, however restricted to First Phase of Muthoot Hospital only. The Muthoot Hospital shall be operated under the name and style of Max Super Speciality Hospital, Dwarka.

(iv) Acquisition of stake in Eqova Healthcare Private Limited ("Eqova"):

The Company has entered into a Share Purchase Agreement and a Shareholders' Agreement and other definitive agreements on February 10, 2022 for acquisition of equity stake in Eqova in a phased manner.

Eqova has an agreement with Nirogi Charitable and Medical Research Trust ("Nirogi") in the form of an exclusive and long-term Medical Services Agreement under which it has exclusive rights to aid development of and provide medical services to a 400 beds hospital to be built on 2.1 acres of Nirogi's land in Patparganj, Delhi. Through this hospital, the Company will cater to the quality healthcare needs of East Delhi community. Further information on aforesaid acquisition is given in this Report under the heading 'Details of subsidiary companies/ joint ventures/ associates'.

(v) Re-classification of certain persons / entity from Promoter / Promoter Group to Public category:

Pursuant to the Composite Scheme of Amalgamation and Arrangement amongst erstwhile Max India Limited, the Company, Radiant Life Care Private Limited, Max India Limited (formerly known as Advaita Allied Health Services Limited) and their respective shareholders and creditors effective from June 1, 2020 ("the Scheme") and Regulation 31A(10) of the Listing Regulations, certain persons / entity belonging to Promoter / Promoter Group of the Company i.e. Max Ventures Investment Holdings Private Limited, Mr. Analjit Singh, Ms. Piya Singh, Ms. Neelu Analjit Singh,

Ms. Tara Singh Vachani and Mr. Veer Singh have been re-classified as Public Category in accordance with the approval accorded by stock exchanges viz. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") vide their letters dated March 24, 2022.

Therefore, 4,06,229 (Four Lakh Six Thousand Two Hundred and Twenty Nine) equity shares of the Company held by the above Promoter/ Promoter Group in aggregate, representing 0.04% of its total issued and paid up capital at that time, have been re-classified into 'Public' from 'Promoters / Promoter Group' category with effect from March 24, 2022. Subsequent to re-classification of Promoter / Promoter Group as aforesaid, the Company has only 2 (two) Promoters i.e. Mr. Abhay Soi and Kayak.

SHARE CAPITAL AND CHANGES IN THE CAPITAL STRUCTURE

As on March 31, 2022, the authorised share capital of the Company stands at INR 1,385,00,00,000 (Indian Rupees One Thousand Three Hundred Eighty Five Crore) divided into 126,00,00,000 (One Hundred Twenty Six Crore) Ordinary equity shares having a nominal value of INR 10 each and 12,50,00,000 (Twelve Crore Fifty Lakh) Cumulative Preference Shares having a nominal value of INR 10 each.

During the year under review, 36,68,449 (Thirty Six Lakh Sixty Eight Thousand Four Hundred and Forty Nine) equity shares were allotted to 76 (Seventy Six) eligible employees upon exercising of options granted to them under Max Healthcare Institute Limited- Employee Stock Option Plan 2020 ("2020 ESOP Scheme").

Accordingly, as on March 31, 2022, the issued, subscribed and paid up equity share capital stands at INR 969,61,34,550 (Indian Rupees Nine Hundred Sixty Nine Crore Sixty One Lakh Thirty Four Thousand Five Hundred and Fifty only) divided into 96,96,13,455 (Ninety Six Crore Ninety Six Lakh Thirteen Thousand Four Hundred Fifty Five) equity shares of INR 10 each fully paid up. The Company has only one class of equity shares having face value of INR 10 each.

DECLARATION OF DIVIDEND & TRANSFER TO GENERAL RESERVES

During the year under review, the Company has made net profit of ~INR 174.16 Crore after wiping-off its accumulated losses in the financial year under review. In view of the expanded operation and future expansion plans of the Company, the Board has considered it appropriate to plough back the profits and has not recommended dividend for the year under review. Further, no amount was transferred to general reserve during the year.

Pursuant to Regulation 43A of Listing Regulations, the Dividend Distribution Policy of the Company is available on its website viz. <https://www.maxhealthcare.in/investors>.

DETAILS OF SUBSIDIARY COMPANIES / JOINT VENTURES/ ASSOCIATES

As on March 31, 2022, the Company has ten (10) subsidiaries including one step down subsidiary i.e. (i) Hometrail Buildtech Private Limited ("HBPL") (100% stake), (ii) Alps Hospital Limited ("ALPS") (100% stake), (iii) Crosslay Remedies Limited ("CRL") (99.90% stake), (iv) Saket City Hospitals Limited ("SCHL") (100% stake) (v) Max Hospitals and Allied Services Private

Limited (formerly known as Radiant Life Care Mumbai Private Limited) ("MHASL") (100% stake), (vi) MHC Global Healthcare (Nigeria) Limited ("MGHL") (100% stake), (vii) Max Lab Limited ("Max Lab") (100% stake), (viii) Max Healthcare FZ-LLC, Dubai ("Max Healthcare Dubai") (100% stake), (ix) ET Planners Private Limited ("ET Planners") (100% stake through ALPS) and (x) Eqova (26% stake with majority control in the Board), in terms of applicable provisions of the Act. The Company regularly monitors the performance of these companies.

As on March 31, 2022, the Company has no associate / joint venture company.

Details of subsidiaries:

A separate statement containing the salient features of financial statements of the Company's subsidiaries, in the prescribed Form AOC-1, forms part of this Annual Report and hence, not repeated here for the sake of brevity. The contribution of subsidiaries to the overall performance of the Company is outlined in Note No. 35.19 of the Consolidated Financial Statements for FY ended March 31, 2022.

Copies of financial statements of the subsidiary companies are available on the Company's website viz. <https://www.maxhealthcare.in/investors/financial-reports> and shall also be kept open for inspection at the registered office of the Company and respective subsidiary companies. The Company shall also make available the annual accounts of these companies to any member of the Company who may be interested in obtaining the same.

In terms of Rule 8(1) of the Companies (Accounts) Rules, 2014, highlights of performance of subsidiaries during FY ended March 31, 2022 are as follows:

(i) **HBPL:** HBPL was incorporated on April 21, 2008 and having its registered office at N-110, Panchsheel Park, New Delhi-110017. HBPL is a wholly owned subsidiary of the Company.

Pursuant to the Concession Agreement(s) executed with the Government of Punjab for setting up of Super Speciality hospitals in Bhatinda and Mohali, HBPL is currently running and operating two hospitals (viz. Max Super Speciality Hospital, Bhatinda (Max Bhatinda) and Max Super Speciality Hospital, Mohali ("Max Mohali")) that provides high end medical care to residents of tricity of Chandigarh, Mohali, Panchkula and in the industrial town of Bathinda, Punjab along with other similar programmes for providing treatment and medical services. These hospitals have been set up as Public Private Partnership with Government of Punjab.

Max Bhatinda is a 200 bedded hospital offering key specialties such as Cardiac Sciences, Critical Care, Oncology, Nephrology, Pulmonology, Urology, General Surgery, Gastroenterology, Ophthalmology and Orthopaedics. It is equipped with catheterisation laboratory, Operating Theatres, oncology equipment like LINAC for radiotherapy, MRI and CT scan machines.

Max Mohali is a 220 bedded hospital offering key specialties such as cardiac sciences, critical care, oncology, kidney transplants, nephrology, pulmonology, urology, general surgery, gastroenterology and orthopaedics. It is equipped with catheterisation laboratory, operating

theatres with High Efficiency Particulate Air, Electronic Health Record, oncology equipment like linear accelerator for radiotherapy, 3 Tesla MRI and CT scan machines. The Board of directors of HBPL in its meeting held on January 14, 2022 approved an expansion plan by way of construction of a new tower for ramping up the bed strength of Mohali Hospital from 220 to ~390 beds.

During the year ended March 31, 2022, HBPL made a PAT of INR 6,731 Lakh and a total comprehensive income of INR 6,753 Lakh.

(ii) **ALPS:** ALPS was incorporated on May 26, 1989 and having its registered office at 401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai, Maharashtra-400056. ALPS is a wholly owned subsidiary of the Company.

ALPS focuses on establishing, maintaining and running a hospital in Gurugram, Haryana ("Max Hospital, Gurugram"). It also has dispensaries, maternity and family welfare centres, diagnostic and pathology centres, emergency and trauma centres, X-Ray and E.C.G centres etc. Also, in order to effectively manage radiology services and to provide the services round the clock cover, during the year, ALPS has outsourced its radiology and related services to SCHL.

With the intent to simplify the group structure, reduction of administrative cost, improving governance through effective control etc., the Board of ALPS and SCHL at their respective meetings held on March 26, 2021 approved the Scheme of Amalgamation (Merger by Absorption) ("ALPS SCHL Scheme") under the provisions of Section 230 to 232 of the Act whereby ALPS was proposed to merge into SCHL and accordingly, the Scheme was filed with Hon'ble National Company Law Tribunal, Mumbai Bench, on April 09, 2021 for necessary approval.

Later on, the Board of Directors of ALPS at its meeting held on August 23, 2021 approved raising of funds from the existing shareholders by way of issue of 6,83,990 (Six Lakh Eighty Three Thousand Nine Hundred Ninety only) equity shares of INR 10 (Indian Rupees Ten) each at a premium INR 721 (Indian Rupees Seven Hundred and Twenty One), for an aggregate amount not exceeding ~ INR 50 Crore (Indian Rupees Fifty Crore) on right basis towards expansion and modernisation and for other general corporate requirements. On August 25, 2021, ALPS issued and allotted 6,83,990 (Six Lakh Eighty Three Thousand Nine Hundred Ninety) equity shares to the Company on right basis, for an aggregate amount not exceeding ~ INR 50 Crore.

In order to integrate services at Max owned and partner facilities in South Delhi through ET Planners which has an exclusive and long term rights to provide medical services and aid development of the hospital on 3.5 acres of land situated between two of Max network facilities at Saket, South Delhi, having ~500 beds capacity of which 250 beds will be commissioned in first phase and will be operated under the aegis of Vikrant Children Foundation and Research Centre, ALPS completed acquisition of 100% equity stake in ET Planners on August 27, 2021 for an aggregate consideration ~INR 61 Crore and accordingly, ET Planners became step down wholly-owned subsidiary of the Company.

Consequent to investment made by ALPS for acquiring 100% stake in ET Planners and change in its business plan, the Board of ALPS and SCHL in their respective meetings held on November 29, 2021 accorded approval for withdrawal of petition filed in relation to ALPS SCHL Scheme before the Hon'ble NCLT/other concerned authorities.

During the year ended March 31, 2022, ALPS made a PAT of INR 2,653 Lakh and a total comprehensive income of INR 2,648 Lakh.

- (iii) **ET Planners:** ET Planners was incorporated on September 26, 2017 and having its registered office shifted at N-110, Panchsheel Park, New Delhi-110017. During the year under review, ALPS has acquired 100% equity shares (i.e. 10,000 equity shares of face value of INR 10 each) of ET Planners and accordingly, it became a step down wholly owned subsidiary of the Company w.e.f. August 27, 2021. The details relating to arrangement between ET Planners and Vikrant Children Foundation and Research Centre have been provided in the above para under the heading details of subsidiary.

During the year ended March 31, 2022, ET Planners made a net loss of INR 48 Lakh and a total comprehensive loss of INR 48 Lakh.

- (iv) **CRL:** CRL was incorporated on January 8, 2002 and having its registered office at N - 110, Panchsheel Park, New Delhi-110017. CRL owns and currently operates Max Super Speciality Hospital, Vaishali ("Max Vaishali Hospital") (erstwhile Pushpanjali Crosslay Hospital) and Max Multi Speciality Centre, Noida.

CRL provides all medical facilities under one umbrella including oncology, neurology, orthopaedics and joint replacement, general surgery, pediatric, OBS and gynaecology, cardiology & cardiothoracic surgery, emergency & critical care, gastroenterology etc.

Pursuant to Share Purchase cum Subscription Agreement dated May 28, 2015, the Company was holding 83.16% equity stake in CRL as at March 31, 2021. In terms of Share Purchase Agreement ("SPA") dated January 15, 2020, as amended from time to time, executed amongst CRL, Relevant Shareholders' Group and the Company, the Company continued to have the present ownership interest with the right to purchase the remaining equity shares in CRL from other relevant shareholders. Further, in terms of the Second Amendment Agreement to SPA dated April 05, 2021, the Company agreed to purchase 16.84% of the equity stake of CRL in one or more tranches, from other relevant shareholders of CRL. Consequently, the Company holds 99.90% stake in CRL as at March 31, 2022.

During the year under review, CRL recorded a total operational income of INR 57,282 Lakh (Indian Rupees Fifty Seven Thousand Two Hundred Eighty Two Lakh) registering a growth of 49.6% over the previous year. The Company recorded a Net Profit after tax at INR 10,663 Lakh (Indian Rupees Ten Thousand Six Hundred Sixty Three Lakh Only).

- (v) **SCHL:** SCHL was incorporated on January 8, 1991 and having its registered office at 401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai, Maharashtra-400056. SCHL is a wholly owned subsidiary of the Company and provides healthcare, construction, supply, erecting and installation of equipment and other related services.

SCHL witnessed growth of 39% of EBITDA from the previous FY and achieved EBITDA of INR 3,634 lakh in FY 21-22 as compared to INR 2,609 lakh in FY 20-21. During the year, SCHL has incurred profit before tax of INR 898 lakh against previous year losses before tax of INR 556 Lakh.

The details related to ALPS SCHL Scheme and withdrawal of petition filed in relation to this Scheme before the Hon'ble National Company Law Tribunal have been provided in para above under performance highlights of ALPS.

The Board of Directors of SCHL at its meeting held on December 18, 2021 accorded in-principle approval for its voluntary liquidation as per the provisions of Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, pursuant to which the entire business of SCHL will be distributed to its shareholder i.e. the Company, on a going concern basis, subject to compliance of applicable laws.

- (vi) **MHASL:** MHASL (formerly known as Radiant Life Care Mumbai Private Limited) was incorporated on May 21, 2014 and having its registered office at 401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai, Maharashtra – 400056.

MHASL is engaged in the business of setting up, maintaining and operating hospitals (whether with or without a medical school), nursing institutes and homes, clinics and medical centres offering medical facilities and to outfit Speciality medical units in existing hospitals, nursing homes and medical centres and operate, manage or exploit them and also to provide education respecting medical, surgical and pharmaceutical fields.

MHASL is having a long term Operations and Management Agreement dated July 16, 2014, with Dr. Balabhai Nanavati Hospital (a society registered under the Societies Registration Act, 1860 and a public charitable trust registered under the Maharashtra Public Trusts Act, 1950) for operating and managing a super speciality hospital i.e. Nanavati Max Super Speciality Hospital, situated at Vile Parle (West), Mumbai, Maharashtra. This agreement is valid for a period of 29 years from the effective date of the Operations and Management Agreement.

During the year, the Company purchased remaining 100 (One Hundred) equity shares of MHASL from other shareholder and accordingly, MHASL became wholly owned subsidiary of the Company w.e.f. January 28, 2022.

The Company has incurred loss before tax of INR 399 Lakh during the year compared to previous year losses before tax of INR 715 Lakh.

- (vii) **MGHL:** MGHL was incorporated on May 20, 2019 under the Companies and Allied Matters Act, 1990 as a wholly owned subsidiary of the Company and having its registered office at Kresta Laurel Complex, 4th Floor, 376, Ikorodu Road, Maryland, Ikeja, Lagos, Nigeria.

MGHL was incorporated in Lagos, Nigeria as a wholly owned subsidiary in line with Company's international strategy to serve an increasing number of patients from abroad through which we aim to provide consultation services to patients and assess whether the patient needs to be brought to India for surgery or operations. MGHL has not commenced its operations as at March 31, 2022.

MGHL was incorporated with minimum authorised share capital of 100 Million Naira consisting of 100,00,000 ordinary shares of 10 Naira each. MHIL could not infuse the funds in MGHL, due to COVID-19 outbreak and now is in the process of infusion of capital contribution.

- (viii) **MAX LAB:** A wholly-owned subsidiary viz. Max Lab, was incorporated on June 02, 2021 as a public limited company, having its registered office at N - 110, Panchsheel Park, New Delhi-110017, and the paid up share capital of INR 5 Crore as on March 31, 2022. Max Lab was incorporated inter-alia to provide range of diagnostic services including pathology lab services to retail and non-captive customers as well as third party Hospital Lab Management etc.

During the period March 31, 2022, Max Lab experienced gradual recovery of non-covid business and simultaneously rising trend of RT-PCR volumes and decline in price for tests as notified by the Government from time to time. As on March 31, 2022, Max Lab engaged 770 active clients including 25 at owned collection centres, 300+ from partner run collection centres, 155+ Phlebotomist at Site (PAS), 200+ Pick-up Points (PUP) supported by 28 third party Hospital Lab Management (HLM). Also, footprints of Max Lab have been expanded to 25+ cities with strong team of 650+ seasoned professionals and trained lab technicians and phlebotomologist.

During the period/year ended March 31, 2022, MaxLab has reported loss of INR 1663 Lakh. The total comprehensive loss is INR 1645 Lakh.

- (ix) **EQOVA:** Eqova was incorporated on February 24, 2021 having its registered office at E-362, T/F Nirman Vihar, Delhi-110092.

Eqova has an agreement with Nirogi in the form of an exclusive and long-term Medical Services Agreement under which it has exclusive rights to aid development of and provide medical services to a ~400 bed hospital to be built on 2.1 acres of Nirogi's land in Patparganj, Delhi. Under phase 1, 250 beds will be commissioned in H1, FY 25-26 and this hospital will have high end medical programmes such as oncology, organ transplant and offer multi-disciplinary care in the area of cardiac sciences, neurosciences, renal sciences, etc. Under phase 2, 150 beds will be operationalised after commissioning of the phase 1. This hospital, once fully operational, shall directly employ ~2,000 people and provide free treatment to ~60,000 patients belonging to the economically weaker section annually in its in-patient and out-patient departments.

With the intent to cater to the quality healthcare needs of the East Delhi community through this hospital as referred above, a Share Purchase Agreement and a Shareholders' Agreement and other definitive agreements were entered by the Company on February 10, 2022, for acquisition of entire equity stake in Eqova in a phased manner. In terms of this Shareholders' Agreement, the Company has acquired 26% equity stake (i.e. 26,000 equity shares with face value of INR 10 each) in Eqova on February 15, 2022. Further, the parties have also entered into an Escrow Arrangement for acquisition of additional 34% stake linked to achievement of certain milestone. In addition, the parties have agreed to call/put options for the balance stake, to be exercised on achievement of defined milestones. By virtue of Shareholders' Agreement, the Company has the right to appoint majority of Directors in Eqova, hence Eqova has been treated as a subsidiary of the Company.

During the year ended March 31, 2022, Eqova has made a net loss of INR 31 Lakh.

- (x) **Max Healthcare, Dubai:** Max Healthcare, Dubai was incorporated in Dubai, UAE on July 12, 2021 as a wholly owned subsidiary, in order to provide business support and marketing services to its business partners and associates located in the Gulf Co-operation Council region, West Asia, Commonwealth of Independent States, part of Africa and Eastern Europe. As on the date of this Board's Report, the Company has invested United Arab Emirates Dirham 14,00,000 (in aggregate) in Max Healthcare, Dubai towards capital contribution.

In terms of Listing Regulations, the Company has a policy in place for determining "material subsidiary" pursuant to the Listing Regulations. The said policy is available on the website viz. <https://www.maxhealthcare.in/investors/corporategovernance>.

Based on the Audited Financial Statements of the Company for FY 20-21, pursuant to Regulation 16(1) of Listing Regulations, HBPL and CRL were the material subsidiaries of the Company for FY 21-22 and CRL was the material subsidiary in terms of Regulation 24(1) of Listing Regulations for FY 21-22.

Also, basis Audited Financial Statements for FY 21-22, CRL and HBPL are the material subsidiaries of the Company for FY 22-23, in terms of Regulation 16(1) of the Listing Regulations, however, the Company does not have any material subsidiary in terms of Regulation 24(1) of the Listing Regulations for FY 22-23.

REPRESENTATIVE OFFICE IN KENYA

The Nairobi branch continued to play stellar role in representing the Company as a provider of high end medical care to medical value travellers from Kenya in a compassionate and caring manner. The Nairobi office continued its focus on promoting high end and high value procedures of Bone Marrow Transplants, Liver Transplants and Pediatric Cardiac Surgeries. The Company has been able to add more clients and expand its reach within Kenya as a provider of quality healthcare services for ailments not easily treatable domestically.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (“MD&A REPORT”)

As required under Regulation 34 read with Schedule V of Listing Regulations, the MD&A Report is presented in a separate section and forms an integral part of this Annual Report inter-alia covering details of the overall industry structure, economic developments, performance and state of affairs of the Company's business in India and abroad, risk management systems and other material developments (on consolidated basis) during the year under review.

BUSINESS RESPONSIBILITY REPORT (“BRR”)

The BRR, as required under Regulation 34 of Listing Regulations, is presented in a separate section and forms an integral part of this Annual Report. The Report provides a detailed overview of initiatives taken by the Company from environmental, social and governance perspectives.

REPORT ON CORPORATE GOVERNANCE (“CG REPORT”)

The Company has always placed thrust on managing its affairs with diligence, transparency, responsibility and accountability. The Board members support the broad principles of Corporate Governance and lays emphasis on its role to align and direct the actions of the Company in achieving its objectives. The CG Report for the year under review, as stipulated under Regulation 34 read with Schedule V of Listing Regulations is presented in a separate section and forms an integral part of this Annual Report.

The certificate from the Practicing Company Secretary (i.e. M/s. Sanjay Grover & Associates, Company Secretaries (Firm Registration No. P2001DE052900) confirming compliance with the conditions of Corporate Governance is enclosed as an annexure to the CG Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (“KMP”)

An active and informed Board is a pre-requisite for strong and effective corporate governance. The Board plays a crucial role in overseeing how the management safeguards the interests of all the stakeholders. The Board ensures that the Company has clear goals aligned to the shareholders' value and growth. The Board is duly supported by the Chairman & Managing Director and Senior Management Team in ensuring effective functioning of the Company.

As on March 31, 2022, the Board was comprised of 7 (seven) directors, out of which 1 (one) was a Promoter and Executive Director (Chairman and Managing Director), 2 (two) were Non-Executive and Non-Independent Directors (nominated by other Promoter i.e. Kayak) and 4 (four) were Non-Executive Independent Directors (including one Woman Independent Director).

Further, during FY 21- 22 and till date of this report, following changes occurred in directorship of the Company, however, no change occurred in Key Managerial Personnel positions:

- Mr. Upendra Kumar Sinha (DIN: 00010336) has stepped down from the position of Independent Director of the Company with effect from May 20, 2021 and accepted a

more active advisory role in the Company with effect from June 1, 2021 to help the Company / its subsidiaries in strategic and regulatory affairs, in view of the unprecedented challenging COVID-19 pandemic. Apart from this, there is no other material reason for his resignation.

- Ms. Harmeen Mehta (DIN: 02274379) was appointed as an additional director (Non-Executive Independent) on the Board of the Company with effect from May 24, 2021. Her appointment as an Independent Woman Director was later approved by the members of the Company at its Annual General Meeting (“AGM”) held on September 29, 2021 for a term of 5 (five) consecutive years, from the date of her appointment on the Board of the Company i.e. May 24, 2021 to May 23, 2026.
- Due to other commitments, Mr. Sanjay Omprakash Nayar (DIN: 00002615), nominee of Kayak, stepped down from the position of Non- Executive Non-Independent Director of the Company w.e.f. closure of business hours on February 12, 2022 and in his place, Mr. Prashant Kumar (DIN: 08342577) was appointed as an additional director (Non-Executive Non-Independent) on the Board of the Company w.e.f. February 13, 2022.
- Ms. Ananya Tripathi (DIN: 08102039) was liable to retire by rotation at the last AGM held on September 29, 2021 and being eligible offered herself for re-appointment. Accordingly, Ms. Ananya Tripathi was re-appointed as Non-Executive Non-Independent Director of the Company at its last AGM. Subsequently, due to other commitments, Ms. Ananya Tripathi, nominee of Kayak, resigned from the position of Non-Executive Non-Independent Director of the Company with effect from March 14, 2022 and in her place, Mr. Gaurav Trehan (DIN:03467781) was nominated and appointed as an additional director (Non-Executive Non-Independent) on the Board of the Company with effect from March 15, 2022.
- In terms of Regulation 17(1C) of Listing Regulations, appointment of Mr. Prashant Kumar and Mr. Gaurav Trehan (nominees of Kayak) as Non-Executive Non-Independent Directors were approved by the members by passing resolutions through postal ballot on May 05, 2022.
- Further, in terms of the provisions of Section 152 of the Act, Mr. Prashant Kumar, Non-Executive Non-Independent Director of the Company, is liable to retire by rotation at the ensuing AGM of the Company. Being eligible, he has offered himself for re-appointment. The Board members recommends his appointment at the ensuing AGM for due consideration and approval of members of the Company.

All Directors of the Company have provided declarations to the fact that they are not debarred from holding the office of Director by virtue of any SEBI order or any other Statutory Authority as required under the Circular dated June 20, 2018 issued by BSE and NSE.

The Board is of the opinion that independent directors as well as the director(s) proposed to be appointed/re-appointed, possess the requisite qualifications, experience and expertise and hold high standards of integrity, which are beneficial to the Company and its stakeholders. The list of key skills, expertise and core competencies of the Board is provided in the CG Report which forms an integral part of this Annual Report.

The disclosures with regard to resignation, appointment and re-appointment of Directors are available on the website viz. <https://www.maxhealthcare.in/investors/corporate-governance>.

As on March 31, 2022, Mr. Abhay Soi, Chairman and Managing Director (DIN: 00203597), Mr. Yogesh Kumar Sareen, Senior Director & Chief Financial Officer and Ms. Ruchi Mahajan, SVP-Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company in accordance with Section 2(51) and 203 of the Act read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

Further, apart from the above stated facts, there was no change in composition of the Board of Directors.

DECLARATION BY INDEPENDENT DIRECTORS OF THE COMPANY

Pursuant to provisions of Section 149 of the Act, all independent directors of the Company have submitted declarations that they are meeting the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) and 25(8) of the Listing Regulations. They are also in compliance with Rule 6(1) and (2) of the Companies (Appointment & Qualifications of Directors) Rules, 2014. Further, there has been no change in the circumstances affecting their status as independent directors of the Company.

MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board meets at least four times in a year, within a maximum time gap of 120 days between any two meetings, to discuss and review the quarterly results and other items of agenda, including the minimum information required to be placed before the Board, as per Part-A of Schedule II of the Listing Regulations. The dates for the Board and Committee Meetings are generally decided in advance and communicated to the directors in timely manner. The Board also meet and conduct additional meetings as and when required and thought fit.

The Management discuss the items to be included in the Board/Committee(s) agenda. The agenda of the meeting along with relevant supporting documents and explanatory notes is generally circulated in advance to all the Directors entitled to receive the same, to facilitate meaningful and quality discussions during the meeting. Where it is not practicable to attach any document to the agenda, it is tabled during the meeting with specific reference to this effect in the agenda. In case the detailed agenda is shared in less than seven days before the date of meeting, the agenda is taken up with the permission of Chairman of the meeting and with the consent of majority of the Board/Committee members present in the Meeting, including independent director(s). The Senior Management Officials are also invited to various Board / Committee meetings to provide additional input on the matters being discussed by the Board and its Committees.

As required under the Act and Listing Regulations, the Board has constituted five statutory committees viz. Stakeholders' Relationship Committee, Audit and Risk Committee (“A&RC”), Nomination and Remuneration Committee (“NRC”), Corporate Social Responsibility Committee (“CSR”) and Business Responsibility and Sustainability Committee (“BRSC”) and

the details of membership and key terms of reference of the Committees are disclosed in CG Report which forms an integral part of this Annual Report. Further, in line with the requirements as prescribed under Regulation 21 of the Listing Regulations, the Board has designated A&RC as the Committee for Risk Management since the Company is placed under the list of top 1,000 Companies basis market capitalisation data released by NSE and BSE as on March 31, 2021.

Keeping in view the requirements of the Act and Listing Regulations, as amended from time to time, the Board reviews the terms of reference of these Committees and the nomination of Board Members to various Committees as and when required. The recommendations of these Committees are submitted to the Board for approval, wherever applicable.

The details of meetings of Board and Committee(s) and changes in composition of the Committee(s) during the FY 21-22 have been provided under the CG Report forming part of this Annual report.

NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY

Pursuant to applicable provisions of the Act and Listing Regulations, NRC has formulated a Nomination, Remuneration and Board Diversity Policy for the appointment and determination of remuneration of Directors, KMPs, Senior Management and other employees of the Company and to ensure diversity at the Board level.

The NRC has also developed the criteria for inter-alia determining the qualifications, positive attributes and independence of Directors. It takes into consideration the best remuneration practices in the industry while fixing appropriate remuneration packages.

The Board members affirm that the remuneration paid to the Directors, KMPs, Senior Management and other employees is as per the Nomination, Remuneration and Board Diversity Policy of the Company.

In compliance with the Listing Regulations, the Company updates its Nomination, Remuneration and Board Diversity Policy from time to time as and when required, and no change was carried out in aforesaid policy during FY 21-22. The policy is available and can be accessed from the website viz. <https://www.maxhealthcare.in/investors/corporate-governance>.

The salient features of the Nomination, Remuneration and Board Diversity Policy are as under:

- Represents the approach of the Company for remuneration of Directors, Senior Management and other employees;
- Sets out the approach to have a diversity on the Board of the Company in terms of gender, age, cultural, educational background, profession, experience, skills, knowledge etc.;
- Compensation of Directors, KMPs, Senior Management and other employees is based on the following principles:
 - a. Aligning key executive and Board remuneration with the long-term interests of the Company and its shareholders;
 - b. Minimising complexity and ensuring transparency;

- c. Linked to long-term strategy as well as annual business performance of the Company;
- d. Promoting a culture of meritocracy and linked to key performance and business drivers; and
- e. Reflective of line expertise and market competitiveness so as to attract the best talent.

BOARD EVALUATION

Pursuant to applicable provisions of the Act and Listing Regulations, the Board, in consultation with NRC, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board, its Committees, Chairman and Individual Directors, including Independent Directors.

A structured questionnaire was prepared, covering various aspects of functioning of the Board and its Committees, such as adequacy of constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meetings, Board's focus, regulatory compliances and corporate governance, etc. Similarly, for evaluation of individual director's performance, the questionnaire covers various aspects like his/her skills, experience and level of preparedness which allows the person to clearly add value to discussions and decisions; sufficient understanding and knowledge of the Company and the sector in which it operates; understanding and fulfilling the functions as assigned to him / her as director; ability to function as an effective team member; actively takes initiatives with respect to various areas; availability for Board meetings and attends the meeting regularly and timely, without delay; adequate commitment to Board and the Company; effective contribution to the Company and in the Board meetings; demonstrating highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.) and exercise of his / her own judgment and voices opinion freely.

The Board members has submitted their response on a scale of 1 (strongly disagree) to 4 (strongly agree) and evaluated performance of Board, its Committees and individual directors, including Chairman of the Board. The Independent Directors has met separately on May 25, 2022, without the presence of Non-Independent Directors and discussed, inter-alia, the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman and Managing Director of the Company. They have also assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties. The NRC has also carried out evaluation of each Director's performance. The performance evaluation of Independent Director has been done by the entire Board, excluding concerned Director being evaluated and decision has been taken/ recommended accordingly.

Based on majority of the feedback, the directors expressed satisfaction with the overall evaluation process.

DIRECTORS' RESPONSIBILITY STATEMENT

As per Section 134(5) of the Act, your directors, to the best of their knowledge and belief confirms that:

- (i) in the preparation of annual accounts for the FY ended March 31, 2022, the applicable accounting standards have

been followed, along with proper explanation relating to material departures, if any;

- (ii) such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and of the profit of the Company for the FY ended March 31, 2022;
- (iii) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) annual accounts have been prepared on a going concern basis;
- (v) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PHANTOM STOCK PLAN ("2017 MHIL PS")

Prior to listing of securities of the Company on stock exchanges, pursuant to a resolution dated August 4, 2017 passed by the Board and resolution dated September 29, 2017 passed by the members, approval was accorded to 2017 MHIL PS to offer, issue and allot phantom stock options to eligible employees of the Company and its subsidiaries. 2017 MHIL PS includes cash settled rights wherein the employees of the Company are entitled to cash compensation based on the Company's fair value. 2017 MHIL PS does not entail issuance of any form of stocks or securities and is designed to draw benefits from the positive growth and appreciation in the enterprise value of the Company which means the grantee shall benefit by way of settlement of appreciation through cash outlays.

The total number of options granted pursuant to 2017 MHIL PS is 59,34,298 (Fifty Nine Lakh Thirty Four Thousand Two Hundred Ninety Eight). Out of the granted options, an aggregate of 26,00,460 (Twenty Six Lakh Four Hundred Sixty) options have been vested, 18,80,247 (Eighteen Lakh Eighty Thousand Two Hundred Forty Seven) options have been exercised, 37,43,396 (Thirty Seven Lakh Forty Three Thousand Three Hundred Ninety Six) options have been lapsed / cancelled and 3,10,655 (Three Lakh Ten Thousand Six Hundred Fifty Five) options are outstanding as on the date of this Report. The details of options outstanding under 2017 MHIL PS are mentioned in Note No. 31.4 to Standalone Financial Statements.

2020 ESOP SCHEME

Pursuant to approval accorded by the Board and members of the Company on September 1, 2020 and September 29, 2020 respectively, 2020 ESOP Scheme was introduced to issue and allot equity shares to the eligible employees.

The total number of stock options that can be granted pursuant to 2020 ESOP Scheme is 66,45,150 (Sixty Six Lakh Forty Five Thousand One Hundred Fifty) options in respect of 66,45,150 (Sixty Six Lakh Forty Five Thousand One Hundred Fifty) equity

shares. The Company has received approvals from time to time from stock exchanges i.e. BSE and NSE under Listing Regulations for the listing of the equity shares issued pursuant to 2020 ESOP Scheme.

Applicable disclosures as stipulated under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, with regard to 2020 ESOP Scheme are provided as **Annexure-1** to this report and are also available on the Company's website viz. <https://www.maxhealthcare.in/investors/corporateannouncements>.

The 2020 ESOP Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time and earlier regulations, as applicable and the related resolution passed by the members of the Company on September 29, 2020. The certificate in this regard from Secretarial Auditor of the Company shall be placed at the ensuing AGM for inspection by the members.

As on March 31, 2022, 36,68,449 (Thirty Six Lakh Sixty Eight Thousand Four Hundred Forty Nine) equity shares have been allotted to eligible grantees on exercise of the options granted to them pursuant to 2020 ESOP Scheme. Further, 20,937 (Twenty Thousand Nine Hundred Thirty Seven) equity shares have been allotted on April 11, 2022 to eligible grantees on exercise of the options.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures pertaining to remuneration and other details of Directors and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been provided in the **Annexure-2** forming part of this report. Further, the Annual Report is being sent to the members of the Company excluding information required under Section 197(12) of the Act read with Rule 5(2) and (3) of above rule in terms of Section 136(1) of the Act read with relevant rules. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished to the members.

CHANGE IN NATURE OF BUSINESS, MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION

Except as disclosed elsewhere in the Annual Report, no material change(s) occurred during the FY 21-22 in terms of Section 134(3) of the Act, in relation to:

- Nature of Company's business;
- Company's subsidiaries or in the nature of business carried out by them; and
- Classes of business in which the Company has an interest.

Further, there have been no material changes and commitments between the end of FY 21-22 and date of this Report except as disclosed elsewhere in the Annual Report, which can affect the financial position of the Company.

STATEMENT OF DEVIATION OR VARIATION IN UTILISATION OF PROCEEDS

The Company had raised funds amounting ~INR 1,200 Crore (Indian Rupees Twelve Hundred Crore) by issuing equity shares through Qualified Institutions Placement ("QIP") route on March 09, 2021. The details of utilisation of funds were submitted to stock exchanges in the prescribed format in accordance with SEBI notification dated December 24, 2019 read with Regulation 32 of Listing Regulations, and no deviation/variation was reported during the year under review, in the utilisation of proceeds as stated under "Use of Proceeds" in the placement document of QIP.

In compliance with Regulation 32(7A) of Listing Regulations, a status report as on March 31, 2022 on utilisation of funds raised through QIP is enclosed as an annexure to the CG Report.

INTERNAL FINANCIAL CONTROLS & ITS ADEQUACY

The Company has a robust and well embedded system of internal controls facilitated through appropriate IT system and workflows, which are reviewed and upgraded based on risk control testing performed from time to time. Comprehensive policies, guidelines and procedures are laid down for all business processes and these are accessible to the concerned employees through the designated web page. The internal control system has been designed to ensure that financial and other records are reliable for preparing financial and other statements, management reporting for business performance management and for maintaining accountability of assets.

An extensive risk based programme of concurrent audits, internal audits, theme based audits, exceptional reporting and IT based transaction controls, coupled with constant management reviews and dash boarding of data, provide assurance to the Board regarding the adequacy and efficacy of internal controls. The internal audit plan is dynamic and aligned to the business objectives of the Company and is reviewed by the Audit and Risk Committee ("A&RC") periodically, including the high and medium risk observations emanating from such audits. Further, A&RC also monitors the status of management actions emanating from internal audit reviews. Even the Internal Audit function and its processes are subjected to audit by third party experts, on periodical basis.

During the year under review, above controls were assessed and no reportable material weaknesses in the design or operation were observed. The Statutory Auditor of the Company during the course of their audit did not find any material weakness in controls and / or misstatement resulting from lack of internal controls.

PREVENTION OF INSIDER TRADING

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has a comprehensive Code of Conduct to Regulate, Monitor and Report trading by Designated Persons ("Code"). The said Code lays down guidelines which provide the procedure to be followed and disclosures whilst dealing with the shares of the Company. Further, the Company has complied with the standardised reporting of violations related to Code under PIT Regulations. The Company has also put in place the institutional mechanism

for prevention of insider trading along with policy for inquiry in case of leak of Unpublished Price Sensitive Information ("UPSI") or suspected leak of UPSI. The Company has set up a mechanism for monitoring the dealings in equity shares of the Company by the Designated Persons and their immediate relatives.

As part of the awareness programme, the Company imparts training to concerned persons by the subject matter expert and initiatives are being taken to educate and promote awareness on the practical aspects of PIT Regulations and the Code.

PUBLIC DEPOSITS

During the year under review, the Company has not invited or accepted any deposits from the public/ members of the Company pursuant to the provisions of Sections 73 and 76 of the Act read with Companies (Acceptance of Deposits) Rules, 2014. Accordingly, no amount on account of principal or interest on deposits from public/ shareholders of the Company was outstanding as on March 31, 2022.

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

As required under Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are given in "Annexure - 3" hereto and forms part of this Board Report.

WEB LINK OF ANNUAL RETURN

In terms of Sections 92(3) and 134(3)(a) of the Act, annual return of the Company for FY 22 is available under the investors' section of the Company's website viz. <https://www.maxhealthcare.in/investors/Corporate-Governance>.

CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with related parties has been provided in the CG Report which forms an integral part of this Annual Report.

All contracts, arrangements and transactions entered into by the Company with related parties during FY 21-22 were in the ordinary course of business and on an arm's length basis. The Company did not enter into any transaction, contract or arrangement with related parties that could be considered material in accordance with the Company's policy on dealing with related party transactions. Further, during the year under review, there were no materially significant related party transaction(s) entered by the Company which might have potential conflict with the interest of the Company at large.

Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. However, detailed disclosure on related party transactions as per IND AS- 24 containing name of related parties and details of the transactions entered into with them have been provided under Note No. 31.10 of the Standalone Financial Statements of the Company.

The "Related Party Transaction Policy" of the Company in place is in line with the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021. Said policy is available on the Company's website viz. <https://www.maxhealthcare.in/investors/corporate-governance>.

STATUTORY AUDITOR AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act read with rules made there under, M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 015125N) ("Deloitte"), were appointed as the Statutory Auditor of the Company at the AGM held on September 29, 2020 for a term of 5 consecutive years until the conclusion of the AGM of the Company to be held in the year 2025.

Deloitte has submitted its audit report on the financial statement (standalone and consolidated) of the Company for FY 21-22 and the same are self-explanatory and do not call for any further comments. These reports does not contain any qualification, reservation, adverse remark or disclaimer.

STATUTORY AUDITORS' CERTIFICATE ON COMPLIANCE WITH FOREIGN DIRECT INVESTMENT (FDI) NORMS

Pursuant to Reserve Bank of India circular ref. RBI / 2013-2014 / 117A.P. (DIR Series) circular No. 1 dated July 4, 2013 (as amended from time to time) and in terms of Rule 23(6) of Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Company has obtained a certificate from the Statutory Auditor as required under the said Rules regarding Downstream Investment ("DI"). In the said Certificate, the Statutory Auditor noted that the Company in certain cases has delayed the filing of form DI with Reserve Bank of India and intimation to Department for Promotion of Industry and Internal Trade within the prescribed timelines for FY 21-22. The Management informed the Statutory Auditor, that the delay was inadvertent and Company is taking necessary action to file these forms with late submission fees.

REPORTING OF FRAUD BY THE STATUTORY AUDITOR

During the year under review, the Statutory Auditor have not reported any fraud, which are committed against the Company by its officers or employees, as required to reported in terms of Section 143(12) of the Act read with rules made there under.

COST AUDITOR

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. Chandra Wadhwa & Co., Cost Accountants, as the Cost Auditor of the Company for FY 21-22. The Company has made and maintained the cost accounts and records as required in accordance with Section 148 (1) of the Act read with Companies (Cost Records and Audit) Rules, 2014. The Cost Auditor will submit their report for the FY 2021-22 on or before the due date.

Further, upon receipt of certificate confirming their eligibility and willingness for appointment as the Cost Auditor of the Company for FY 22-23 and based on the recommendation

of Audit & Risk Committee, M/s. Chandra Wadhwa & Co., has been appointed as Cost Auditor of the Company for FY 22-23 and their remuneration is being proposed for ratification by the members of the Company in the ensuing AGM.

SECRETARIAL AUDITOR AND THEIR REPORT

In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Listing Regulations, the Company had appointed M/s. Sanjay Grover & Associates, Company Secretaries, New Delhi (Firm Registration No. P2001DE052900) as the Secretarial Auditor for FY 21-22. The Secretarial Audit Report for FY ended March 31, 2022 is annexed herewith as "Annexure-4" to this Board Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remarks or disclaimer. Further, the Secretarial Auditor in its report have clarified that as per list of companies basis market capitalisation as on March 31, 2021, the Company appointed woman independent director on May 24, 2021 under Regulation 17(1)(a) of Listing Regulations.

In addition to the above and in compliance with SEBI Circular No. CIR/CFD/CMD/1/27/2019 dated February 08, 2019, a report on secretarial compliance issued by M/s. Sanjay Grover & Associates for the FY ended March 31, 2022 has been submitted to stock exchanges within the prescribed timeline.

The Company's unlisted material subsidiaries viz. HBPL and CRL have also undergone Secretarial Audit in terms of Regulation 24A of Listing Regulations. The Secretarial Audit Reports of HBPL and CRL are annexed herewith as "Annexure-4A and 4B" to this Board Report. The Secretarial Audit Report of these unlisted material subsidiaries does not contain any qualification, reservation, adverse remark or disclaimer.

Further, on the recommendation of A&RC the Company has appointed M/s. Sanjay Grover & Associates, Company Secretaries, New Delhi as the Secretarial Auditor for FY 22-23 pursuant to Section 204 of the Act read with Rules made there under.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, no amount was required to be transferred by the Company to the Investor Education and Protection Fund.

RISK MANAGEMENT

The Company has risk management system aimed at identifying, analysing, assessing, mitigating, monitoring risk or potential threat to achievement of its strategic and business objectives covering various aspects of our business, including operations, legal, treasury, regulatory, strategic and financial. The A&RC reviews the mitigation plan for high and critical risks events that may adversely affect the operations and profitability of business and suggest suitable measures to mitigate such risks. The Company's risk management framework is a combination of formally documented policies in certain areas such as financial, legal and regulatory and an informal approach to risk management in others. The Risk management policy and systems are reviewed on a periodical basis to reflect changes

in market conditions and business activities.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company promotes integrity and ethical behaviour in its business activities and has a Whistle Blower Policy in place to provide appropriate avenues to the stakeholders to raise bona-fide concerns relating to unethical and improper practices, irregularities, governance weakness, financial reporting issues or any other wrongful conduct and to prohibit the victimisation of the whistle blowers.

A whistle blower can raise his/her concerns with the designated official as defined under the Whistle Blower Policy and under exceptional circumstances with the A&RC. The investigations relating to the concern is required to be carried out by/or under the instructions of the Ethics and Compliance Committee comprising of three permanent members i.e. Head- HR, Head- Legal, Compliance & Regulatory Affairs (the Chairperson of the Committee), Head of Clinical Directorate and an independent third party appointed by the Board to assist and advice in the Investigation of reported Concerns. Any allegations that fall within the scope of the Concern are investigated and resolved appropriately. Further, during the year under review, no individual was denied access to the Chairman of A&RC for reporting concerns, if any. The A&RC periodically reviews the complaints received, if any, the action taken and appropriate closure of the complaint(s).

The Whistle Blower Policy is available on the Company's website viz. <https://www.maxhealthcare.in/investors/corporate-governance>. This Policy, inter-alia, provides direct access to the Chairman of A&RC and has been appropriately communicated within the Company across all levels and the details of establishment of vigil mechanism for directors and employees to report genuine concerns, are provided therein.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided under the provisions of Section 186 of the Act, along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient have been disclosed in the Standalone Financial Statements under Note No. 31.23 which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Company has a well-documented CSR Policy, which has been amended in line with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 dated January 22, 2021 issued by the Ministry of Corporate Affairs and the same is available on the Company's website viz. <https://www.maxhealthcare.in/investors/corporate-governance>. The CSR Policy of the Company outline its CSR focus areas, guiding principles for CSR activities, identified sectors, reporting mechanism etc.

As per aforesaid Policy, MHIL shall undertake CSR activities in all or any of the CSR activities as prescribed under the Act read with Schedule VII of the Act, however, it shall give primary importance to the identified sectors viz., Health & Hygiene,

ANNEXURE - 1

Education (exclusively for the selected Village / Grams / any other geographical clusters selected for development project), nutrition to underprivileged women and children and livelihood by way of vocational training and creating and supporting self-help groups for single women led households in villages identified for adoption by the Company.

In view of the losses arrived at as per Section 198 of the Act, during the preceding three FYs viz. FY 18-19, FY 19-20 and FY 20-21, the Company has no obligation for CSR spend during FY 21-22. However, MHIL as a Group (its subsidiaries, partners healthcare facilities and managed healthcare facilities) always believe in extending a helping hand to those who are in need.

Annual Report on CSR activities for the FY 21- 22 in terms of Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached to this report as **Annexure-5**.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("POSH")

The Company strongly believes in providing a safe and harassment free workplace for every individual working here through various interventions, policy and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of all employees of MHIL, network hospitals and visitors at these hospitals including off site locations (as defined in the policy for POSH) and lays down the guidelines for identification, reporting and prevention of sexual harassment. The Company has complied with the provisions relating to constitution of Internal Complaints Committee (ICC) under POSH. There is an ICC at every work locations/hospitals, which is responsible for redressal of complaints related to sexual harassment in accordance with the guidelines provided in the policy.

Details regarding complaints pending at the beginning, received and disposed of during the FY 21-22 etc. are disclosed in the CG Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has duly complied with the applicable Secretarial Standards (SS) viz. SS-1 and SS-2 on meetings of the Board and General Meetings respectively.

STATUTORY DISCLOSURES

Your Directors states that there being no transactions with respect to following items during the year under review, hence no disclosure or reporting is required in respect of the same:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme, save and except ESOP/ESOS referred to in this report;
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future; and
4. Buy-back of shares.

The Chairman & Managing Director of the Company has not received any remuneration or commission from any of its subsidiaries during the year under review. As on March 31, 2022, there is no other Whole-time Director appointed/holding office in the Company.

Further, neither any application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 nor any settlement has been done with banks or financial institutions, during the year under review.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central Government, State Governments and all other Government agencies and encouragement they have extended to the Company.

Your Directors also thank the Shareholders, Financial Institutions, Banks/other Lenders, Vendors and other Stakeholders for their confidence in the Company and its Management and look forward for their continuous support.

Your Directors also take this opportunity to extend a special thanks to the medical fraternity for their continued cooperation, patronage and trust reposed in the Company.

The Board wishes to place on record its appreciation for the dedication and commitment of the Company's employees at all levels which has continued to be our major strength.

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Place: Mumbai

Dated: May 25, 2022

Chairman & Managing Director

DISCLOSURES PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 ("ESOP GUIDELINES") AND OTHER RELEVANT PROVISIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

The description of Max Healthcare Institute Limited - Employee Stock Option Plan 2020 ("the Scheme") is summarised as under:

Sl. No.	Particulars	Details
1.	Date of shareholders' approval	September 29, 2020
2.	Total number of options approved under the Scheme	66,45,150 (Sixty Six Lakh Forty Five Thousand One Hundred Fifty)
3.	Vesting requirements	Vesting requirements under the Scheme are as under: - The stock options granted under the Scheme shall vest not earlier than 1 (one) year and not later than 5 (five) years from the relevant Grant Date. The vesting date(s) shall be determined by Nomination and Remuneration Committee of Board of Directors of the Company ("NRC") in its sole discretion and may vary across Grantees or class of Grantees; - The NRC shall have the right to establish procedures and conditions for vesting, including conditions and procedures to accelerate, postpone or prevent vesting of stock options in respect of any Grantee or group of Grantees, subject to compliance with applicable laws; - The vesting of stock options shall be contingent upon the Grantee remaining employed with the Company or Subsidiary Company, as applicable, from the time of the Grant until the completion of the vesting period, unless otherwise provided in this Scheme. Specific vesting requirements with respect to the stock options granted under the Scheme by NRC on September 29, 2020 are as under: - Vesting schedule 1st Tranche (Grant Date - September 29, 2020) - At the end of the 1st year from the Grant Date- 70% of the granted options; - At the end of the 2nd year from the Grant Date- 30% of the granted options. 2nd Tranche (Grant Date - November 10, 2021) - At the end of the 1st year from the Grant Date- 100% of the grant options. Vesting conditions: The Grantee should have minimum met expectations rating in the last performance review cycle and there should not be any disciplinary issue/action against such Grantee. Exercise Price or Pricing formula under the Scheme: - Subject to compliance of the Scheme and applicable laws, the Exercise Price shall be determined by the NRC at its sole discretion with respect to each Grant, and such Exercise Price shall not be less than the face value of the Shares as on date of such Grant and it may be different for different class/classes of Eligible Employees falling in the same tranche of Grant of Stock Options; - Subject to compliance of the Scheme and applicable laws, the NRC may alter the Exercise Price of any stock options which have not been exercised (irrespective of whether or not such stock options have Vested), if the stock options are rendered unattractive due to a fall in the market price of the equity shares, provided that such alteration shall not be detrimental to the interests of the Grantees and approval of the shareholders of the Company has been obtained for such alteration. Exercise Price w.r.t. both the above Grants is INR 10 per stock option. The stock options granted to a Grantee under the Scheme shall be capable of being exercised within a period of not exceeding three years from the respective vesting date. Primary - Subject to applicable laws, the NRC will at its absolute discretion have the right to modify / amend the Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification / amendment shall not be detrimental to the interest of the Grantees/ Employees and approval wherever required for such modification / amendment is obtained from the shareholders of the Company in terms of the ESOP Guidelines; - During the year under review, no amendment /modification/variation has been introduced in terms of stock options granted by the Company.
4.	Exercise price or pricing formula	
5.	Maximum term of options granted	
6.	Source of shares (primary, secondary or combination)	
7.	Variation in terms of options	

Sl. No.	Particulars	Details
8.	Method used to account for the ESOP – intrinsic or fair value	The employee compensation cost has been calculated using the fair value method for stock options using the Black- Scholes Options Pricing Model. The employee compensation cost as per the fair valuation method for FY 21-22 is INR 33.93 Crore.
9.	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	Not Applicable, as the Company has calculated employee compensation cost using fair value method.
10.	Weighted- average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the Stock	- Weighted- average exercise price of the stock options granted under the Scheme is INR 10/-. - Weighted-average fair values of the stock options granted under the Scheme is INR 104.63/-

Sl. No.	Particulars	Details
11.	Option movement during the FY 21-22	
	Number of options outstanding at the beginning of the period i.e. April 01, 2021	59,30,769 (Fifty Nine Lakh Thirty Thousand Seven Hundred Sixty Nine)
	Number of options granted during the year	3,75,924 (Three Lakh Seventy Five Thousand Nine Hundred Twenty Four)
	Number of options forfeited/lapsed during the year	1,95,259 (One Lakh Ninety Five Thousand Two Hundred Fifty Nine)
	Number of options vested during the year	40,55,452 (September 28, 2021, is the date of first vesting under the Scheme)
	Number of options exercised during the year	36,70,449 (Thirty Six Lakh Seventy Thousand Four Hundred Forty Nine)
	Number of shares arising as a result of the exercise of options	36,68,449 (Thirty Six Lakh Sixty Eight Thousand Four Hundred Forty Nine)
	No. of options vested but not exercised	3,85,003 (Three Lakh Eighty Five Thousand Three)
	Money realised by exercise of options (INR), if scheme is implemented directly by the Company	INR 3,67,04,490 (Three Crores Sixty Seven Lakh Four Thousand Four Hundred Ninety)*
	Loan repaid by the Trust during the year from exercise price received	NA
	Number of options outstanding at the end of the year	24,40,985 (Twenty Four Lakh Forty Thousand Nine Hundred Eighty Five)
	Number of options exercisable at the end of the year (i.e. March 31, 2022)	3,85,003 (Three Lakh Eighty Five Thousand Three)
	*During the year ended March 31, 2022, out of 36,70,449 exercised option, the Company allotted 36,68,449 shares to the eligible employee. Remaining 2,000 shares were allotted on April 11, 2022.	

12.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	The weighted-average values of share price of option granted	113.40 (1 st tranche) and 343.45 (2 nd tranche)
	Exercise price (INR per stock option)	10/-
	Expected volatility	39.2% (1 st tranche) and 44.89% (2 nd tranche)
	Expected option life, (Vesting & exercise period) in years	2.50
	Expected dividends,	NA
	Average Risk-free interest rate	4.70% (1 st tranche) and 4.74% (2 nd tranche)
	The method used and the assumptions made to incorporate the effects of expected early exercise;	An average of exercise period has been considered to cater the effects of expected early exercise to calculate time to maturity.
	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	Expected Volatility has been calculated.

Whether and how any other features of the Inputs mentioned above such as risk-free rate, stock price, and volatility are already option grant were incorporated into the considered considering market conditions. measurement of fair value, such as a market condition.

13. Employee wise details as on March 31, 2022 (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

(a) Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

No fresh options were granted to Senior Managerial Personnel during FY 21-22

(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year-

Sl. No.	Name	Designation	Number & percentage of options granted during FY 21-22	Exercise Price per option (INR)
a.	Dr. Harit Kumar Chaturvedi	Chairman - Max Institute of Oncology	3,04,517 (81%)	10/-
b.	Mr. Sandeep Vinod Seksaria	Associate General Manager-Supply Chain Management	31,956 (8.5%)	
c.	Mr. Surjeet Rathore	Manager - Accounts & Finance	20,869 (5.6%)	

Note: Total no. of options granted during FY-22 is 3,75,924

14. Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant
15. Diluted EPS on issue of shares pursuant to the Scheme covered under the regulation shall be disclosed in accordance with Indian Accounting Standard 33 any other relevant Indian accounting standards as prescribed from time to time. (in INR)
16. Relevant disclosures in the terms of the "Guidance note on the accounting for employee share-based payments" issued by ICAI or any other relevant Indian accounting standards as prescribed from time to time.
- None
- (1.91)
- All relevant disclosures have been made in the financial statements which forms part of the Annual Report for FY 21-22.

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Chairman & Managing Director

Place: Mumbai

Dated: May 25, 2022

ANNEXURE - 2

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 ("THE ACT") READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. Comparison and ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the FY 21-22:

Sl. No.	Name of the director	Designation	Ratio	Remuneration (INR in Crore)
1.	Mr. Abhay Soi	Chairman & Managing Director	1:0.0028	14.06
2.	Ms. Harmeen Mehta	Non-Executive Independent Director	1:0.1538	0.26
3.	Mr. K Narasimha Murthy	Non-Executive Independent Director	1:0.1212	0.33
4.	Mr. Michael Thomas Neeb	Non-Executive Independent Director	1:0.0028	0.30
5.	Mr. Mahendra Gumanmalji Lodha	Non-Executive Independent Director	1:0.1212	0.33
6.	Mr. Upendra Kumar Sinha*	Non-Executive Independent Director	1:4	0.01

*Mr. Upendra Kumar Sinha resigned from the Board of the Company w.e.f. May 20, 2021 and sitting fee was paid for Board/Committee meeting(s) attended for the period viz. April 01, 2021 to May 20, 2021.

- Remuneration is the gross salary as per "Salary defined in provisions to Section 17(1) of the Income-Tax Act, 1961" and value of perquisites is as per Section 17(2) Income-Tax Act, 1961 for FY 21-22.
- Besides Mr. Abhay Soi (Chairman & Managing Director), Non-Executive Independent Directors (viz. Mr. Mahendra Gumanmalji Lodha, Mr. Michael Thomas Neeb, Ms. Harmeen Mehta and Mr. Kummamuri Narsimha Murthy) were paid sitting fee amounting to INR 1 Lakh per Board/Committee meetings. Further, Non-Executive Independent Directors were paid remuneration of INR 26 Lakh per annum each w.e.f. October 01, 2021 as approved by the members in the last AGM held on September 29, 2021
- Non-executive Non-Independent Directors were not entitled for any fee/remuneration during FY 21-22.
- Remuneration paid to Non-Executive Independent Directors above in the table includes sitting fee and remuneration of INR 26 Lakh per annum w.e.f. October 01, 2021, wherever applicable.

2. Median remuneration of employees during FY 21-22 is INR 0.04 Crore.

3. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 21-22:

Sl. No.	Name of the director & KMP	Designation	% increase in Remuneration
1.	Mr. Abhay Soi	Chairman & Managing Director (KMP)	Nil
2.	Mr. Yogesh Kumar Sareen	Senior Director and Chief Financial Officer (KMP)	9.0
3.	Ms. Ruchi Mahajan	Senior Vice President- Company Secretary and Compliance Officer (KMP)	13.0

w.e.f. June 21, 2019 and was re-designated as a non-retiring director w.e.f. July 15, 2019. Thereafter, he was appointed as Chairman and Managing Director of the Company w.e.f. June 19, 2020 for a period of three years on terms & conditions as approved by the Board of Directors on June 19, 2020 and the members on July 30, 2020. The details of the remuneration have been provided in the CG Report. There has been no increase in his remuneration from June 19, 2020 till date.

3. Since Non-Executive Independent Directors were entitled for sitting fee of INR 1 Lakh each for attending Board/Committee meetings and remuneration of INR 26 Lakh per annum each w.e.f. October 01, 2021, no increase effected in their remuneration during FY 21-22.
4. The percentage increase in median remuneration of employees in the FY 21-22: 7.7%
5. The number of permanent employees on the rolls of Company as on March 31, 2022: 4,436 (Four Thousand Four Hundred and Thirty Six) (Previous Year – 4,464 (Four Thousand Four Hundred Sixty Four).
6. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **During the FY 21-22, 6.8% is the average increment other than managerial personnel (i.e. Chairman & Managing Director) from FY 20-21 to FY 21-22. There has been no change in the overall remuneration of Mr. Abhay Soi being Chairman and Managing Director during FY 21-22.**
7. It is hereby affirmed that remuneration is in line with the Nomination, Remuneration and Board Diversity Policy of the Company.

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Place: Mumbai

Dated: May 25, 2022

Chairman & Managing Director

1. % increase in remuneration is the difference in salary payment as on March 31, 2021 and March 31, 2022.

2. Initially, Mr. Abhay Soi was appointed as Non-Executive Chairman of the Company (retiring director)

ANNEXURE - 3

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 ("the Act") read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

A. CONSERVATION OF ENERGY**(i) & (ii) Steps taken or impact on energy conservation / utilising alternate source of energy:**

The Company accords highest priority to energy conservation and is committed for energy conservation measures including regular review of energy consumption and effective control on utilisation of energy. The Company has designed its facilities keeping in view the objective of minimum energy losses. During the year under review, the Company has taken following significant energy conservation measures across its various hospitals:

- Replacement of existing fixtures with energy efficient LED lights was continued on an ongoing basis;
- Replacement of old air conditioning chiller with energy efficient chiller;
- Automatic tube cleaning systems have been installed on chiller to derive better efficiency from these chillers;
- Control on HVAC systems contributed by way of efficient monitoring and regulation of temperature in Operation Theatres (OTs) and use of winter chillers;
- More than 99% uptime of all major engineering equipment and systems across all hospitals;
- Observing Earth Hour across all hospitals of the Company (including partner healthcare facilities and managed healthcare facilities) leading to saving of 16000 KWH units and 12000 kgs. in carbon emissions;
- Procuring green power in significant amount through various green power sources leading to reduction in carbon emissions;
- PNG based gas generator are being installed in place of High Speed Diesel / electricity generators, wherever applicable;
- Monitoring and benchmarking of power consumption per occupied bed, optimising actual vs. designed efficiency of major equipment and spreading awareness to conserve our environment amongst various stakeholders are some of the efforts which have helped conserve power consumption while the hospitals cater to increased footfalls;

- Recycling of water and optimising water consumption in OT and other patient areas;
- Old air compressor has been replaced with energy efficient screw type compressor for medical gas system;

Impact of measures at (i) & (ii):

The energy conservation measures taken from time to time by the Company have resulted in considerable reduction of energy and thereby reducing the cost.

(iii) Capital investment on energy consumption equipment for FY 21-22: ~INR 142.7 Lakh.**B. TECHNOLOGY ABSORPTION:****(i) & (ii):**

Efforts in brief, made towards technology absorption and benefits derived as a result of these efforts, e.g. product improvement, cost reduction, product development, import substitution etc.

The Company employs high end medical technologies, state of the art equipment and modern hospital facilities to offer quality healthcare services to patients and expand its range of healthcare services. On the same theme, during the FY 21- 22, the Company has implemented and enhanced various medical applications which is offered to the clinicians with a prime purpose to provide an optimised user interface, enhanced product and better user experience.

As a next step, Artificial intelligence (AI) /decision support initiatives are Company's other focused areas to augment reporting and decision making. AI applications have been implemented for Radiology which helps the clinicians in quick diagnosis. In the journey of digitalisation, the Company has digitalised patient feedback system which helps in measuring and tracking important patient experience metrics. In the same way, the process is digitalised by devising an application for Oncology team to capture the radiation and surgical data performed on patients. This standardised data helps to reduce manual errors and saves lots of time. Virtual Tumor Board is another initiative which offers an end-to-end collaborative workflow that enables coordinating, scheduling, preparing, presenting and documenting information for multidisciplinary Tumor Boards. It's a software solution for managing Tumor Boards and aligning the entire oncology care team on treatment decisions.

In order to establish clinical and safety outcomes as per prescribed standards, your Company measures over 50 clinical and managerial indicators on a monthly basis through clinical outcome application.

The Company has adopted Robotic Process Automation ("RPA") as a technology for uploading thousands of COVID result per day to ICMR website. RPA automatically bulk upload COVID results on ICMR website which saves lots of time and resources.

Above initiatives have helped the Company to provide improved medical quality and holistic care to our patients in a more effective manner.

(iii) In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year), following information may be furnished:

Not Applicable

(iv) The expenditure incurred on Research and Development for FY 2021-22: ~ INR 32.77 Lakh

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Total foreign exchange earned and used FY 2021-22:

Earnings: INR 4,391.09 Lakh

Expenditure: CIF Value of Imports: INR 689.01 Lakh

Others: INR 1,086.79 Lakh

For and on behalf of the Board

Abhay Soi

Place: Mumbai

DIN: 00203597

Dated: May 25, 2022

Chairman & Managing Director

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2022

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

To,
The Members
Max Healthcare Institute Limited
(L72200MH2001PLC322854)
401, 4th Floor, Man Excellenza,
S. V. Road, Vile Parle (West),
Mumbai, Maharashtra-400056

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

We report that-

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis and we adhered to best professional standards and practices as could be possible while carrying out audit.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 {Not applicable during the audit period};
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 {Not applicable during the audit period};
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 {Not applicable to the Company during the audit period};
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {Not applicable to the Company during the audit period}; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2022

To
The Members

HOMETRAIL BUILDTECH PRIVATE LIMITED
CIN: U45400DL2008PTC176962

Registered Address: N-110, Panchsheel Park, New Delhi 110017

We report that

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hometrail Buildtech Private Limited (hereinafter called "the Company") for the financial year ended March 31, 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 (hereinafter referred as "period under review") according to the provisions of:

- The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable)
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and

Participants) Regulations, 2018; (Applicable to the extent of shares held in Dematerialised form)

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

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); To the extent applicable as the Company is a material wholly-owned subsidiary of Max Healthcare Institute Limited in terms of Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

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

- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable and Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 to the extent applicable, prior to its repealment;

- The Securities and Exchange Board of India (Issue and Listing of convertible Securities) Regulations, 2021;

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

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

- The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

- Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945;

- Atomic Energy Act, 1962 and Atomic Energy (Radiation Protection) Rules, 2004 and Guidelines to set up Nuclear Medicine Facility;

- The Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and Rules made there under;

- Medical Termination of Pregnancy Act, 1971 and Rules made there under;

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India. The Company was generally regular in filing of e-forms with the Registrar of Companies.

During the audit period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines and Standards, as mentioned above and the Company appointed woman independent director on May 24, 2021 under Regulation 17(1)(a) of the LODR Regulations, based on the market capitalisation as on March 31, 2021.

- The Company is engaged in maintaining and running hospitals, clinics, nursing homes, health centres in primary/ secondary/ tertiary care, pharmacy/ chemist shops, diagnostic and pathology centres and other similar establishments and programmes for providing treatment and medical services in all its branches/ centres by all available means in all kinds of research including clinical research and development work required to promote, assist or engage in setting up hospitals and facilities including setting of laboratories, purchase, take on lease and acquire any facility, equipment, instrument, required for carrying out medical research, to educate and train medical students, nurses, midwives and hospital administrators and to grant such diploma and degrees as recognition as the Company may prescribe or deem fit from time to time and to provide healthcare, medical, incidental and related services. It is engaged in the healthcare delivery services and networks of multispeciality hospitals, homecare business and pathology business under brand names Max@Home and Max Lab respectively.

Based on nature of its business activities, following are some of the laws specifically applicable to the Company:-

- The Clinical Establishment (Registration and Regulation) Act, 2010 and Rules made thereunder;
- The Drugs Control Act, 1950 and Rules made thereunder;
- Drugs and Cosmetics Act, 1940 and Rules made thereunder;
- Delhi Nursing Homes Registration Act, 1953 and Rules made thereunder; and similar Registration Acts of other States, wherever applicable;
- The Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and Rules made thereunder;
- Medical Termination of Pregnancy Act, 1971 and Rules made thereunder;
- Narcotic Drugs and Psychotropic Substances Act, 1985 and Rules made there under and Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013;
- The Nursing Council Act, 1947;

- Indian Medical Council Act, 1956
- The Transplantation of Human Organs Act, 1994 and bye laws made thereunder;
- Atomic Energy Act, 1962 ("Atomic Energy Act") and the rules thereunder and the Safety Code for Medical Diagnostic X-Ray Equipment and Installations, 2001;
- The Pharmacy Act, 1948
- Water (Prevention and Control of Pollution) Act, 1974;
- Air (Prevention and Control of Pollution) Act, 1981;
- Environment Protection Act, 1986;
- Bio-Medical Waste Management Rules, 2016;
- Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

On the basis of management representation, recording in the minutes of Board of Directors and our check on test basis, we are on the view that the Company has ensured the substantial compliance of laws specifically applicable on it.

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for those meetings which were held at shorter notice and which were in due compliance of Act and Secretarial Standards-1 issued by ICSI and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Shareholders of the Company through special resolution by way of postal ballot on 10th November, 2021 approved amendments to Articles of Association of the Company pursuant to the Second Letter Amendment Agreement dated September 28, 2021 to Post Merger SHA and other amendments following therefrom.

For Sanjay Grover & Associates

Company Secretaries
Firm Registration No.: P2001DE052900

Devesh Kumar Vasisht

Partner

Place: New Delhi
Dated: May 25, 2022

CP No.: 13700 / Mem. No. F8488
UDIN: F008488D000384842

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

- (e) Narcotic Drugs and Psychotropic Substances Act, 1985 and Rules made there under and Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013;
- (f) The Transplantation of Human Organs Act, 1994 and Rules made there under;
- (g) Food Safety and Standards Act, 2006 and Rules made there under;
- (h) The Bio Medical Waste (Management & Handling Rules), 2016;
- (i) Indian Explosives Act, 1884 and Rules made there under;
- (j) Payment of Gratuity Act, 1972 and rules made thereunder;
- (k) Payment of Bonus Act, 1965 and rules made thereunder;
- (l) Employees Provident Fund Scheme, 1952 and rules made thereunder;
- (m) Employees State Insurance Corporation, 1952 and rules made thereunder;
- (n) Other Environment and Labour Laws Act, 2006 and rules made thereunder.

which were placed before the Board meeting, based on the reports received by the Company from various hospitals, along with action taken/ to be taken, wherever required, as part of the Company's Compliance Management and Reporting System.

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings held during the period under review were carried out with requisite majority or unanimously, as recorded in the minutes of the meetings of the Board of Directors of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no specific events took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Varuna Mittal & Associates**
Company Secretaries

Varuna Mittal
Proprietor
M. No.: 57727
COP: 23575

Place: New Delhi
Dated: 25.05.2022

UDIN: A057727D000380203

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

To

The Members
HOMETRAIL BUILDTECH PRIVATE LIMITED
 CIN: U45400DL2008PTC176962
 Registered Address: N-110, Panchsheel Park, New Delhi 110017

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Varuna Mittal
Proprietor
M. No.: 57727
COP: 23575
UDIN: A057727D000380203

Place: New Delhi
Dated: 25.05.2022

ANNEXURE - 4B

SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2022

To
The Members
CROSSLAY REMEDIES LIMITED
CIN: U24239DL2002PLC113719
Registered Address: N-110, Panchsheel Park, New Delhi 110017

We report that

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

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 (hereinafter referred as “period under review”) according to the provisions of:

- (i) The Companies Act, 2013 (the ‘Act’) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; (Not Applicable)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; (Applicable to the extent of shares in Dematerialised form)

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’); Not Applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable and Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 to the extent applicable, prior to its repealment;
 - (e) The Securities and Exchange Board of India (Issue and Listing of convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
 - (a) Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945;
 - (b) Atomic Energy Act, 1962 and Atomic Energy (Radiation Protection) Rules, 2004 and Guidelines to set up Nuclear Medicine Facility;
 - (c) The Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 and Rules made there under;
 - (d) Medical Termination of Pregnancy Act, 1971 and Rules made there under;
 - (e) Narcotic Drugs and Psychotropic Substances Act, 1985 and Rules made there under and Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013;
 - (f) The Transplantation of Human Organs Act, 1994 and Rules made there under;

- (g) Food Safety and Standards Act, 2006 and Rules made there under;
- (h) The Bio Medical Waste (Management & Handling Rules), 2016;
- (i) Indian Explosives Act, 1884 and Rules made there under;
- (j) Payment of Gratuity Act, 1972 and rules made thereunder;
- (k) Payment of Bonus Act, 1965 and rules made thereunder;
- (l) Employees Provident Fund Scheme, 1952 and rules made thereunder;
- (m) Employees State Insurance Corporation, 1952 and rules made thereunder;
- (n) Other Environment and Labour Laws Act, 2006 and rules made thereunder.

We have also examined compliance with the applicable clauses/Regulations of the following, to the extent applicable:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Not Applicable

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

Note: For clause (vi) above, the scope of our audit was limited to check the representation, requisite licenses, permissions and registration under the specified Acts as provided by the management of the Company. For the purpose of examining the adequacy of compliances with other applicable laws including industry/ sector specific, under both Central and State legislations, reliance has been placed on the Compliance Certificate issued by the Management, on a quarterly basis, which were placed before the Board meeting, based on the reports received by the Company from various hospitals, along with action taken/ to be taken, wherever required, as part of the Company’s Compliance Management and Reporting System.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of

the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board & Committee Meetings, agenda and detailed notes on agenda were sent in advance and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings held during the period under review were carried out with requisite majority or unanimously, as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following specific events took place having a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.-

1. During the financial year ended March 31, 2022, the transfer of shares were taken place pursuant to the share purchase agreement dated 15th January 2020 as amended from time to time, executed amongst: (i) Persons set out in Schedule 1A of the Share Purchase Agreement (“Resident Sellers”) (ii) Persons set out in Schedule 1B of the Share Purchase Agreement (“Non Resident Sellers”) (iii) Max Healthcare Institute Limited (“MHIL/Buyer”) and (iv) Crosslay Remedies Ltd. (“the Company”) (hereinafter referred to as the “SPA”).

For **Varuna Mittal & Associates**
Company Secretaries

sd/-
Varuna Mittal
Proprietor
M. No.: 57727

Place: New Delhi
Dated: May 24, 2022
UDIN: A057727D000372206

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

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

To

The Members
CROSSLAY REMEDIES LIMITED
CIN: U24239DL2002PLC113719
Registered Address: N-110, Panchsheel Park, New Delhi 110017

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Varuna Mittal & Associates**
Company Secretaries

sd/-
Varuna Mittal
Proprietor
M. No.: 57727
COP: 23575
UDIN: A057727D000372206

Place: New Delhi
Dated: May 24, 2022

ANNEXURE - 5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES OF MAX HEALTHCARE INSTITUTE LIMITED (“COMPANY”) FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

1. A brief outline on Company’s Corporate Social Responsibility Policy (“CSR Policy”):

As per the CSR Policy, the Company shall undertake CSR activities in all or any of the CSR activities as prescribed under Schedule VII to the Companies Act, 2013 (“Act”) and amendment thereof, however, it shall give primary importance to the identified sectors viz., Health & Hygiene, Education (exclusively for the selected Village/Grams/any other geographical clusters selected for development project), nutrition for underprivileged women and children and livelihood by way of vocational training and creating and supporting self-help groups for women led households in villages identified for adoption by the Company.

2. The Composition of the CSR Committee as on March 31, 2022:

The composition of CSR Committee meets the requirements of Section 135 of the Act. The composition of the Committee as on March 31, 2022, is as under:

Sl. No.	Name	Position	Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Abhay Soi	Chairman	Executive Director	1	1
2.	Ms. Ananya Tripathi*	Member	Non-Executive Non Independent Director	1	1
3.	Mr. Mahendra Gumanmalji Lodha	Member	Non-Executive Independent Director	1	1
4.	Mr. Prashant Kumar*	Member	Non-Executive Non Independent Director	-	-

*Consequent upon resignation of Ms. Ananya Tripathi from the Board of the Company w.e.f. March 14, 2022, Mr. Prashant Kumar was co-opted as a member of the CSR Committee w.e.f. March 15, 2022

In terms of Section 135 of the Act read with Companies (Corporate Social Responsibilities Policy) Rules, 2013, the Company was not required to spend on CSR for the FY 21-22

- Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:** <https://www.maxhealthcare.in/investors/corporate-governance>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Rules if applicable (attach the Report):** The Company does not falls under the criteria in terms of Rule 8 (3) of Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence, impact assessment is not applicable.
- Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 and amount required for set off for the FY 21-22, if any:** Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (INR)	Amount required to be setoff for the financial year, if any (INR)
1.	NA	NIL	NIL

- Average net profit of the Company (for FY 21-22) as per Section 135(5) of the Act:** NIL (due to carry forward losses).
- Two percent of average net profit of the Company as per section 135(5) of the Act:** Not Applicable
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable
 - Amount required to be set off for the financial year, if any:** NIL
 - Total CSR obligation for the financial year (7a+7b-7c):** NIL

8. (a) CSR amount spent or unspent for financial year: Not Applicable

Total Amount Spent for the Financial Year (in INR)	Amount unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in INR)	Amount spent in the current financial Year (in INR)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency
				State	District					CSR Registration no.
1.	NA	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (in INR)	Mode of implementation-Direct (Yes/No)	Mode of Implementation Through Implementing Agency

(d) Amount spent in Administrative Overheads: Not Applicable**(e) Amount spent on Impact Assessment, if applicable:** Not Applicable**(f) Total amount spent for the Financial Year (8b+8c+8d+8e):** Nil**(g) Excess amount for set off, if any:** Not Applicable

Sl. No.	Particulars	Amount in (INR)
(i)	Two percent of average net profit of the company as per section 135(5) of the Act	-
(ii)	Total amount spent for the financial year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) of the Act (in INR)	Amount spent in the Reporting Financial Year (in INR)	Amount transferred to any fund specified under Schedule VII as per section 135(6) of the Act, if any			Amount remaining to be spent in succeeding financial years (in INR)
				Name of the Fund	Amount (in INR)	Date of transfer	
1.	Financial Year 2018-19	NA	NA	NA	NA	NA	NA
2.	Financial Year 2019-20	NA	NA	NA	NA	NA	NA
3.	Financial Year 2020-21	NA	NA	NA	NA	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in INR)	Amount spent on the project in the reporting Financial Year (in INR)	Cumulative amount spent at the end of reporting Financial Year (in INR)	Status of the project Completed /Ongoing
1.	NA	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

- (a) Date of creation or acquisition of the capital asset(s): **None**
- (b) Amount of CSR spent for creation or acquisition of capital asset: **NIL**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: Not Applicable

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Chairman and Managing Director
Chairman of CSR Committee

Place: Mumbai

Dated: May 25, 2022

Corporate Governance Report of Max Healthcare Institute Limited ("MHIL" / "the Company")

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance essentially is the system of structures, processes, rights, duties and obligations by which Companies are directed and controlled. It specifies the distribution of rights and responsibilities among different participants in an Organisation (such as the Board of Directors ("Board"), Management, Shareholders, Creditors, Auditors, Regulators and other Stakeholders). Good corporate governance underpins the success and integrity of the organisations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment. Good governance practices stem from the culture and mind-set of the organisation.

At MHIL, Corporate Governance is a reflection of its value system encompassing its culture, policies and relationships with its Stakeholders. The principles of Corporate Governance are based on integrity, transparency, accountability and focus on sustainable success of the Company over the long-term. Corporate Governance is the key attribute in ensuring commitment to values, ethical business conduct, investors' protection, good work environment for its people leading to maximisation of its shareholders' value legally, ethically and sustainably. MHIL beholds Corporate Governance measures as an integral part of business.

The Company believes that timely disclosures, transparent accounting policies and a strong independent Board go a long way in maintaining good Corporate Governance, gaining Shareholders' trust and maximising long-term value. For establishing good Corporate Governance, the Company has put systems, procedures, policies, practices, standards in place to ensure effective strategic planning, optimum risk management, integrity of internal control and financial reporting. The Company's philosophy on Corporate Governance is, thus, concerned with the ethics, values and morals of the Company and its Directors who are expected to act in the best interests of the Company and remain accountable to various stakeholders for their actions and properly comply with all the applicable legal and regulatory requirements.

BOARD OF DIRECTORS

Composition, category & size of the Board:

The Company's policy is to have an appropriate blend of Executive and Non-Executive Directors including Independent Directors and Woman Director, representing a judicious mix of professionalism, knowledge and experience, in line with the Managements' commitment for principle of integrity and transparency in business operations for good Corporate Governance.

As on March 31, 2022, the Board was comprised of 7 (seven) Directors, out of which 1 (one) was a Promoter and Executive Director (Chairman and Managing Director), 2 (two) were Non-Executive and Non Independent Directors (nominated by other Promoter i.e. Kayak Investments Holding Pte. Ltd. ("Kayak")) and 4 (four) were Non-Executive Independent Directors (including one Woman Independent Director). The

composition of the Board is in conformity with the Companies Act, 2013 ("the Act") and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, as on the date of this Corporate Governance Report, the composition of the Board is same.

The details of Director(s) seeking appointment/re-appointment at the ensuing Annual General Meeting ("AGM") of the Company, have been provided in the Board Report forming part of the Annual Report.

Board membership criteria and selection process:

The Nomination and Remuneration Committee ("NRC") is responsible for identifying and evaluating a suitable candidate for the Board. While selecting a candidate, the NRC reviews and evaluates the Board's composition and diversity to ensure that the Board and its Committees have an appropriate mix of skills, experience, independence, knowledge etc. for continued effectiveness.

MHIL acknowledge the importance of diversity in the Boardroom as a driver of effectiveness. For the Board, diversity encompasses plurality in perspective, relevant experience, gender equality, suitability and other personal attributes. To ensure a transparent selection process, the guidance on eligibility criteria and attributes for an individual's appointment on the Board, including Independent Directors, has been defined in the Nomination, Remuneration and Board Diversity Policy of the Company. The candidate is, inter-alia, screened based on knowledge, skills, abilities, professional experience and functional expertise, educational and professional background, personal accomplishment, age, experience in the healthcare sector, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the NRC might consider relevant and applicable from time to time towards achieving a diverse Board.

The NRC recommends the appointment of a candidate based on the defined criteria and attributes. The Board, on the recommendation of NRC and based on profile of the candidate etc., recommends the appointment of Directors to the Shareholders of the Company, wherever applicable, for their approval.

Board functioning & procedure:

Background:

With a view to institutionalise all corporate affairs and setting up systems and procedures for advance planning for matters requiring discussion and decision by the Board, the Company has defined procedures for meetings of Board of Directors and Committees thereof.

The Board is committed to ensure good governance through a self-governing style of functioning. The Directors have complete freedom to express their opinion/views. The decisions are taken on the basis of consensus / majority arrived at after detailed discussions. The Directors are also free to bring up any matter for discussion at the Board/Committee Meetings.

Scheduling and selection of agenda items for the Board/ Committee meetings:

The Board of Directors is the apex body constituted by the Shareholders and is vested with the powers of governance, giving strategic and operational directions and to control the affairs of the Company. In order to make an informed decision, the Board of Directors have access to all relevant information and are free to approach the Management of the Company as well as its subsidiaries. Driven by the principles of Corporate Governance philosophy, the Board strives to work in best interest of the Company and its Stakeholders.

The Board meets at least four times in a year, within a maximum time gap of 120 days between any two meetings, to discuss and review the quarterly results and other items of agenda, including the minimum information required to be placed before the Board, as per Part A of Schedule II of the Listing Regulations. The dates for the Board and Committee meetings are decided in advance and communicated to the Directors. The Board also meet and conduct additional meetings as and when required and thought fit.

The Chairman & Managing Director, Senior Director & Chief Financial Officer, Senior Director- Corporate Affairs and Company Secretary & Compliance Officer, discuss the items to be included in the Board/Committee agenda and seek inputs from other Management team members wherever required. The agenda of the meeting along with relevant supporting documents and explanatory notes is generally circulated in advance to all the Directors entitled to receive the same, to facilitate meaningful and in-depth quality discussions during the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In case the detailed agenda is shared in less than seven days before the date of meeting, the agenda is taken up with the permission of the Chairman of the meeting and with the consent of majority of the Board/Committee members present in the meeting, including Independent Director(s). The Senior Management officials are also invited to various Board / Committee meetings to provide additional input on the matters being discussed by the Board and its Committees.

Minimum information placed before the Board Members:

At MHIL, we believe that a diversified, active and well informed Board is necessary to ensure highest standards of Corporate Governance. Accordingly, in addition to the regular business items and update, the Company provides the following information to the Board in terms of Part A of Schedule II of Listing Regulations, as and when applicable, either as part of the agenda papers or by way of presentations and discussion during the meetings:

- Annual operating plans & budgets and any updates;
- Capital budgets and any updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of meetings of the Audit and other Committees of Board;

- Information on recruitment and remuneration of Senior Officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Fatal or serious accidents, dangerous occurrences and any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue which involves possible public or product liability claims of substantial nature including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement, if any;
- Transactions, if any, that involve substantial payment towards goodwill, brand equity or intellectual property;
- Any significant labour problems and their proposed solutions;
- Any significant development in human resources/industrial relations front;
- Any sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken to limit the risks of adverse exchange rate movement if material;
- Non-compliance of any Regulatory, Statutory or Listing requirements and Shareholders service such as non-payment of dividend, delay in share transfer, etc.

Recording minutes of meetings of the Board & its Committees and Shareholders:

The minutes of the proceedings of each Board / Committee / Shareholders' meetings are recorded. Draft minutes of the Board / Committee meetings are circulated amongst all members of the Board/Committee for their feedback/comments within prescribed timelines. The finalised minutes are entered in the respective minute's books within the prescribed timelines. A certified copy of the signed minutes are also circulated to the Board and respective Committee Members in compliance with the Secretarial Standard-1 on meetings of the Board of Directors.

Post meeting follow-up mechanism:

In adherence to good Corporate Governance, the important and significant decisions taken at the Board / Committee levels are communicated to the concerned functionaries and departments. Moreover, the action taken in respect of such decisions is also reported to the Board / relevant Committee.

Board meetings and attendance:

During the financial year 21-22, eight (8) Board meetings were held on April 06, 2021, May 28, 2021, August 10, 2021, October 04, 2021, November 12, 2021, December 18, 2021, February 10, 2022 and February 12, 2022.

The attendance of directors at Board meetings and last AGM held on September 29, 2021 and number of other Directorships and Committee memberships/Chairmanships held by them as on March 31, 2022, is as under:

Sl. No.	Name of the director & category of directorship	No. of board meetings held during FY21-22 & entitled to attend	Attendance at meetings held during FY21-22		No. of directorship and committee memberships/ chairmanship held in other companies			Name of other listed companies & categories of directorship	
			Board	Whether attended last AGM held on 29.09.2021	Directorship [§]	Committee Membership ^{§§}	Committee Chairmanship	Name of the Company	Category
1	Mr. Abhay Soi (DIN: 00203597) - Promoter & ED-CMD	8	7	Yes	7	-	-	-	-
2	Ms. Ananya Tripathi (DIN: 08102039) - NENID***	8	7	Yes	→	→	Not Applicable	←	←
3	Mr. Sanjay Omprakash Nayar (DIN: 00002615)-NENID**	8	7	Yes	→	→	Not Applicable	←	←
4	Mr. K Narasimha Murthy (DIN: 00023046)-NEID	8	7	Yes	9	7	4	Max Financial Services Limited	NEID
								Nelco Limited	NEID
								Max Ventures and Industries Limited	NEID
5	Mr. Mahendra Gumanmalji Lodha (DIN: 00012920)-NEID	8	8	Yes	11	2	2	-	-
6	Mr. Upendra Kumar Sinha (DIN: 00010336)-NEID*	1	1	No	→	→	Not Applicable	←	←
7	Mr. Michael Thomas Neeb (DIN: 08522685)-NEID	8	8	Yes	-	-	-	-	-
8	Ms. Harmeen Mehta (DIN: 02274379)-NEID*	7	6	Yes	-	-	-	-	-
9	Mr. Prashant Kumar (DIN: 08342577)-NENID**	-	-	Not Applicable	5	3	-	J B Chemicals and Pharmaceuticals Limited	NENID
								KKR India Asset Finance Limited (Debt Listed entity)	NENID
10	Mr. Gaurav Trehan (DIN: 03467781)-NENID**	-	-	Not Applicable	3	-	-	J B Chemicals and Pharmaceuticals Limited	NENID

Notes:

- CMD - Chairman & Managing Director, ED- Executive Director,
- NENID - Non-Executive Non-Independent Director, NEID - Non-Executive Independent Director
- The details pertaining to number of directorship and committee memberships/ chairmanship held in other companies and name of other listed companies and categories of directorship have not been mentioned for the directors who are not associated with the Company on March 31, 2022.
- Above details are on the basis of disclosures received by the Company.

[§] Excluding directorship held in foreign companies.

^{§§} In accordance with Regulation 26(1) of Listing Regulations, memberships/chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies (listed and unlisted) excluding private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Companies Act, 2013, have been considered.

* Mr. Upendra Kumar Sinha resigned from the Board of the Company w.e.f. May 20, 2021 and Ms. Harmeen Mehta was appointed on the Board as Woman Independent Director w.e.f May 24, 2021 (an Ordinary Resolution for appointment of Ms. Mehta for a term of 5 (five) years w.e.f. May 24, 2021 in the AGM held on September 29, 2021 was carried with requisite majority).

** Due to other commitments, Mr. Sanjay Omprakash Nayar stepped down from the Board w.e.f. February 12, 2022 and Mr. Prashant Kumar joined the Board in his place as a nominee of Kayak w.e.f February 13, 2022.

*** Due to other commitments, Ms. Ananya Tripathi resigned from the position of Non-Executive Non-Independent Director w.e.f. March 14, 2022 and Mr. Gaurav Trehan joined the Board in her place as a nominee of Kayak w.e.f March 15, 2022.

The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Act and the Listing Regulations. None of the Directors of the Company is serving as an Independent Director or as a Director in more than 7 (seven) listed companies. Further, none of the Independent Director of the Company is/ are serving as a Managing Director / Whole time Director in any listed company.

Disclosure of relationships between Directors inter-se:

Pursuant to Shareholders' Agreement dated December 24, 2018 (executed amongst Mr. Abhay Soi and Kayak Investments Holding Pte. Ltd. ("Kayak") and in respect of which the Deed of Accession and Adherence was executed by the Company on June 1, 2020 ("Post Merger SHA"), Kayak has the right to nominate 3 (three) Directors on the Board of the Company. As at April 1, 2021, Mr. Sanjay Omprakash Nayar and Ms. Ananya Tripathi were Non-Executive Non-Independent Directors (nominated by Kayak) on the Board of MHIL. Mr. Prashant Kumar and Mr. Gaurav Trehan are nominees of Kayak on the Board of the Company.

Mr. Sanjay Omprakash Nayar resigned from the Board of the Company w.e.f. February 12, 2022 and consequent upon his resignation, Mr. Prashant Kumar was nominated in his place and appointed as Non-Executive Non-Independent Director w.e.f. February 13, 2022. Further, Ms. Ananya Tripathi resigned from the Board w.e.f March 14, 2022 and consequent upon her resignation, Mr. Gaurav Trehan was nominated in her place and appointed as Non-Executive Non-Independent Director w.e.f. March 15, 2022.

As on March 31, 2022, none of the Director(s) is / are related to any other Director on the Board.

Number of shares and convertible instruments held by Non-Executive Directors (including Non-Executive Independent Directors):

As on March 31, 2022, Mr. K Narasimha Murthy, Independent Director, holds 4,950 (Four Thousand Nine Hundred Fifty) equity shares of MHIL (on account of his shareholding in erstwhile Max India Limited prior to the merger and these equity shares were allotted to him by virtue of the merger pursuant to the Composite Scheme of Amalgamation and Arrangement amongst erstwhile Max India Limited, the Company, Radiant Life Care Private Limited ("Radiant"), Max India Limited (formerly known as Advaita Allied Health Services Limited) and their respective Shareholders

and creditors effective from June 1, 2020 ("Scheme"). Except above, none of the Non-Executive Directors (including Non-Executive Independent Directors) hold any shares or convertible instruments in the Company (either on their own or on behalf of any other person on beneficial basis).

Familiarisation programme for the Independent Directors:

The Company conducts familiarisation programme for the Independent Directors in terms of the provisions of the Listing Regulations. All Independent Directors are briefed about their roles, functions and responsibilities in the Company. A formal letter of appointment together with the induction kit is provided to the Independent Directors at the time of their appointment, setting out their roles, functions, duties, responsibilities and their fiduciary duties as a Director of the Company.

Independent Directors are provided with, amongst other documents, copy of the constitutional documents of the Company, latest annual report and internal policies to familiarise them with the Company's procedures and practices.

Interactions are held between the Directors and Senior Management of the Company to familiarise the Independent Directors with the Organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to the Company. Apart from the above, periodic presentations are made at meetings of the Board/ various Committees of the Board, to familiarise the Independent Directors with the Company's strategy, business performance, business environment, regulatory framework, operations review, risk management and other related matters.

The familiarisation programme aims at helping the Board members to understand the functions and operations of the Company, its management, its business model and business risks, nature of industry in which it operates, the regulatory challenges apart from their roles, rights, responsibilities in the Company, etc. Details of the familiarisation programme conducted for the Independent Directors are put up on the Company's website at <https://www.maxhealthcare.in/investors/corporate-governance>.

Key qualifications, core skills, expertise and attributes available with the Board:

In terms of requirement of the Listing Regulations and in the context of Company's business operations and activities, the Board has identified the knowledge / expertise / core skills/ behavioral traits of the Directors, as given below:

Core skills/ Expertise	Mr. Abhay Soi	Ms. Ananya Tripathi (resigned w.e.f. March 14, 2022)	Mr. Upendra Kumar Sinha (resigned w.e.f. May 20, 2021)	Mr. Sanjay Omprakash Nayar (resigned w.e.f. February 12, 2022)	Mr. K Narasimha Murthy	Mr. Mahendra Gumanmalji Lodha	Mr. Michael Thomas Neeb	Ms. Harmeen Mehta (appointed w.e.f. May 24, 2021)	Mr. Prashant Kumar (appointed w.e.f. February 13, 2022)	Mr. Gaurav Trehan (appointed w.e.f. March 15, 2022)
People of proven business capability, people of integrity and reputation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experience in handling senior level responsibility (especially in large complex Organisations) either business or otherwise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Members are from diverse background that bring different perspective and experiences	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Exposure and understanding of corporate governance, systems and control	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experience in health care industry	✓	-	-	✓	✓	✓	✓	✓	✓	✓
Background in finance, risk management and control	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Background in general management, human resources, technology and administration	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

As far as skills namely business leadership, strategic thinking/ planning skills, problem solving skills, analytical skills, decision making skills and behavioral traits namely integrity, genuine interest, interpersonal skills/ communication and active participation are concerned, all Directors of the Company possess the same.

The Board is satisfied that it is comprised of highly qualified members who possess requisite skills, expertise, diversity and competencies for effective functioning of the Company and allow them to make effective contributions for the functioning of the Board and its Committees.

Confirmation regarding independence of Independent Directors:

The Nomination, Remuneration and Board Diversity Policy sets out the criteria for appointment of Independent Directors. Each Independent Director, at the time of appointment, and thereafter at the beginning of each financial year submits a declaration confirming their independence as well as compliances under section 149(6) and the Rules made thereunder, Schedule IV of the Act and Regulation 16 and 25 of Listing Regulations and all other applicable provisions of the Act and Listing Regulations. The declaration of independence received from

the Independent Directors are noted and taken on record by the Board.

On the basis of confirmations/ declarations/ disclosures received from the Independent Directors and on evaluation of the relationship disclosed, the Board confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the Act and Listing Regulations and are independent of the Company's Management.

Independent Directors' databank registration:

In terms of Section 150 of the Act read with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have registered themselves on the data bank maintained by the Indian Institute of Corporate Affairs. Requisite disclosures in terms of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, have also been received from the Independent Directors in this regard.

Also, in terms of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors are exempt from the requirement of passing the proficiency test.

Detailed reasons for the resignation of an Independent Director who resigns from the Board before the expiry of his tenure:

During the year under review, Mr. Upendra Kumar Sinha resigned from the position of Independent Director of the Company with effect from May 20, 2021 as he accepted a more active advisory role in the Company with effect from June 1, 2021 to help the Company/its subsidiaries in strategic and regulatory affairs, in view of the unprecedented ongoing challenging COVID-19 pandemic time.

Except as mentioned above, no other material reason was quoted by Mr. Sinha, while submitting his resignation to the Company.

Separate meeting of Independent Directors:

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of Listing Regulations, for the FY21-22, a separate meeting of Independent Directors was held on May 25, 2022 without presence of Management of the Company. All Independent Directors attended this meeting.

The Independent Directors at the meeting, inter-alia, reviewed the following:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairman and Managing Director of the Company, taking into account the views of Non-Executive Directors (including Independent Directors);
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors inter-alia suggested that the Board need to spend more time in strategic discussion during this growth phase of the Company. Based on majority of the feedback, the Directors expressed satisfaction with the overall evaluation process.

Code of Conduct:

The Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The said Code has been communicated to the Directors and Senior Management Personnel and is also available on the website of the Company at <https://www.maxhealthcare.in/investors/corporate-governance>.

Declaration from the Chairman & Managing Director confirming that the Company has received affirmations from the Board members and the Senior Management Personnel regarding the compliance of Code of Conduct during the year under review, is annexed as **Annexure - I** and forms part of this Report.

Succession Planning:

The Company believes that sound succession plan for the senior leadership is very important for creating a robust future for the Company. The NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments on the Board and in Senior Management.

The Company strives to maintain an appropriate balance of skills and experience within the Organisation and the Board, in an endeavor to introduce new perspectives while maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company puts necessary financial and human resources in place so that its objectives can be met. The Board members also bring to the table their broad and diverse skills and viewpoints to aid the Company in advancing its strategy. In addition, promoting Senior Management within the Organisation fuels the ambitions of the talent force to earn future leadership roles.

COMMITTEES CONSTITUTED UNDER THE ACT AND LISTING REGULATIONS:

Audit & Risk Committee ("A&RC")

Composition:

The composition of A&RC of Board of Directors of the Company meets the requirements of Section 177 of the Act and Regulation 18 of Listing Regulations. The composition of A&RC as on March 31, 2022 (including changes occurred in composition during FY21-22) is as under and stands same as on the date of this Corporate Governance Report:

Sl. No.	Name	Position	Category
1.	Mr. Mahendra Gumanmalji Lodha	Chairman	Non-Executive Independent Director
2.	Mr. Abhay Soi	Member	Executive Director
3.	Ms. Harmeen Mehta*	Member	Non-Executive Independent Director
4.	Mr. K. Narasimha Murthy	Member	Non-Executive Independent Director
5.	Mr. Michael Thomas Neeb	Member	Non-Executive Independent Director
6.	Mr. Prashant Kumar**	Member	Non-Executive Non Independent Director
7.	Mr. Sanjay Omprakash Nayar**	Member	Non-Executive Non Independent Director
8.	Mr. Upendra Kumar Sinha*	Member	Non-Executive Independent Director

Notes:

Names are in alphabetical order (except A&RC Chairman)

*Mr. Upendra Kumar Sinha, Non-Executive Independent Director and member of A&RC, resigned from the Board of the Company w.e.f. May 20, 2021 and consequent upon his resignation, Ms. Harmeen Mehta was appointed on the Board of the Company as a Woman Independent Director w.e.f May 24, 2021 and also co-opted as member of A&RC in place of Mr. Upendra Kumar Sinha.

**Mr. Sanjay Omprakash Nayar, Non-Executive Non-Independent Director and member of A&RC, resigned from the Board of the Company w.e.f. February 12, 2022 and consequent upon his resignation, Mr. Prashant Kumar was appointed on the Board as Non-Executive Non-Independent Director w.e.f. February 13, 2022 and also co-opted as a member of the A&RC in place of Mr. Sanjay Omprakash Nayar.

As shown above, A&RC comprises of directors with majority being Independent Directors. All members of the Committee are financially literate having vast experience in the area of finance, accounts, strategy and management. The Chairman of the Committee is an Independent Director.

The Company Secretary of the Company is acting as the Secretary to the A&RC.

The Management is responsible for the Company's internal controls and financial reporting process, while the statutory auditor is responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has entrusted A&RC to supervise these processes and thus, ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

Terms of reference:

The terms of reference and scope of the A&RC includes the following:

- Oversee Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommend to the Board, the appointment/ re-appointment, remuneration and terms of appointment of Auditors;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the Management, the Annual Financial Statements and Auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board Report in terms of Section 134(3)(c) of the Act;
 - Any changes in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by Management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with Listing and other legal requirements relating to Financial Statements;
 - Disclosures of any related party transactions; and
 - Qualifications/ Modified opinion(s) in the draft audit reports.
- Reviewing with the Management, the quarterly Financial Statements before submission to the Board for approval;
- Reviewing with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), if any, the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Approval of, or any subsequent modification of, transactions of the Company with related parties as may be applicable from time to time;
- Scrutiny of inter-corporate loans and investments;

- Reviewing the utilisation of loans and/ or advances from/ investment by the Company in the subsidiary exceeding INR 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its Shareholders;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the Management, performance of Statutory and Internal Auditors and the adequacy of internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussions with Internal Auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussions with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- Review the functioning of the Whistle blower Mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carry out any other function as mentioned / added in the terms of reference of the Audit & Risk Committee;
- Carry out any other duties/terms of reference which are incidental/necessary for the fulfilment of the above mentioned terms of reference and any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

Review of information by A&RC:

Apart from other matters, as per Regulation 18(3) of the Listing Regulations, the A&RC reviews, to the extent applicable, the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the A&RC), submitted by the Management (omitted from Listing Regulations w.e.f. April 01, 2022);
- Management letters / letters of internal control weaknesses, if any, issued by Statutory Auditors;
- Internal Audit Reports relating to internal control weaknesses;
- Appointment, removal and terms of remuneration of the Internal Auditors; and
- Statement of deviations, if applicable:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations;
 - Annual statements of funds utilised for purposes other than those stated in the offer documents/ prospectus/ notice, if applicable, in terms of Regulation 32(7A) of the Listing Regulations.

Risk Management Committee

In due compliance of Regulation 21 of the Listing Regulations, the Board of Directors at its meeting held on May 28, 2021 designated A&RC as the Committee for Risk Management and authorised that A&RC shall also perform risk management functions as follows:

- Formulation of a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - (c) Business continuity plan.
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically reviewing the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; and

- Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

During FY 21-22, the A&RC performed the functions relating to the Risk Management Committee in its respective meetings in line with Regulation 21 of Listing Regulations.

Meetings of A&RC held during FY21-22 and attendance of members thereto:

During the financial year 21-22, 7 (seven) meetings of A&RC were held on May 28, 2021, July 31, 2021, August 10, 2021, November 12, 2021, December 18, 2021, February 10, 2022 and February 12, 2022. The attendance of members of A&RC at these meetings was as follows:

Sl. No.	Name	No. of meetings entitled to attend during FY21-22	No. of meetings attended during FY21-22
1.	Mr. Mahendra Gumanmalji Lodha (Chairman)	7	7
2.	Mr. Abhay Soi	7	6
3.	Ms. Harmeen Mehta*	7	5
4.	Mr. K. Narasimha Murthy	7	7
5.	Mr. Michael Thomas Neeb	7	7
6.	Mr. Prashant Kumar*	-	-
7.	Mr. Sanjay Omprakash Nayar*	7	6
8.	Mr. Upendra Kumar Sinha*	-	-

* Please refer notes given in the table above for 'Composition' of A&RC.

The A&RC meets at least four times in a year, within a maximum time gap of 120 days between any two meetings.

Senior Director & Chief Financial Officer, Director-Legal, Compliance & Regulatory Affairs, Senior Vice President-Accounts and Finance and Senior Director-Corporate Affairs and Senior Director-Operations & Planning, are the permanent invitees to the meetings of A&RC and provide such information and clarifications as is required by the A&RC. Apart from them, other officials of the Company attended one or more of the A&RC meetings during the year under review, as may be required from time to time.

The Statutory Auditor, Cost Auditor and Internal Auditor also attend the respective A&RC meetings, where statutory audit reports, financial results or limited review reports/ cost audit reports/ internal audit reports are placed before the Committee.

The Chairman of A&RC, Mr. Mahendra Gumanmalji Lodha was present at the last AGM of the Company held on September 29, 2021.

Nomination & Remuneration Committee ("NRC") Composition:

The composition of NRC of Board of Directors of the Company meets the requirement of Section 178 of the Act and Regulation 19 of Listing Regulations. The composition of NRC as on March 31, 2022 (including changes occurred in composition during

FY21-22) is as under and stands same as on the date of this Corporate Governance Report:

Sl. No.	Name	Position	Category
1.	Mr. K Narasimha Murthy	Chairman	Non-Executive Independent Director
2.	Ms. Ananya Tripathi**	Member	Non-Executive Non-Independent Director
3.	Mr. Gaurav Trehan**	Member	Non-Executive Non-Independent Director
4.	Ms. Harmeen Mehta*	Member	Non-Executive Independent Director
5.	Mr. Mahendra Gumanmalji Lodha	Member	Non-Executive Independent Director
6.	Mr. Upendra Kumar Sinha*	Chairman (till May 20, 2021)	Non-Executive Independent Director

Notes:
Names are in alphabetical order (except NRC Chairman)
*Mr. Upendra Kumar Sinha resigned from the Board of the Company w.e.f. May 20, 2021 and consequent upon his resignation, Mr. K Narasimha Murthy was designated as Chairman of the Committee simultaneously. Further, Ms. Harmeen Mehta was co-opted as member of the NRC w.e.f. May 24, 2021.
**Ms. Ananya Tripathi resigned from the Board of the Company w.e.f. March 14, 2022 and consequent upon her resignation, Mr. Gaurav Trehan was co-opted as a member of the NRC in place of Ms. Ananya Tripathi w.e.f. March 15, 2022.

Terms of reference:

The terms of reference of NRC, inter-alia include the following:

- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees;
- Evaluate the balance of skills, knowledge and experience for every appointment of an Independent Director on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.

- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of the Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in

accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;

- Recommending to the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of report of performance evaluation of Independent Directors;
- Recommending to the Board, all remuneration, in whatever form, payable to Senior Management;
- Review the adequacy of the Organisation structure of the Company in keeping with, and in the context of, the objectives of the Company;
- Review the adequacy and existence of a training and development framework to support the talent strategy of the Company;
- Review and satisfy itself that appropriate succession plans are in place;
- Administer, monitor and formulate detailed terms and conditions of the Employees’ Stock Option Schemes; and
- Carry out any other duties/ terms of reference which are incidental/ necessary for the fulfillment of the above mentioned terms of reference and any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

Meetings of NRC held during FY21-22 and attendance of members thereto:

During the financial year 21-22, four (4) meetings of NRC were held on May 28, 2021, August 10, 2021, November 12, 2021 and February 12, 2022. The attendance of the members of the NRC at these meetings was as follows:

Sl. No.	Name	No. of meetings entitled to attend during FY21-22	No. of meetings attended during FY21-22
1.	Mr. K Narasimha Murthy* (Chairman)	4	4
2.	Ms. Ananya Tripathi*	4	4
3.	Mr. Gaurav Trehan*	-	-
4.	Ms. Harmeen Mehta*	4	2
5.	Mr. Mahendra Gumanmalji Lodha	4	4
6.	Mr. Upendra Kumar Sinha*	-	-

*Please refer notes given above for ‘Composition’ of NRC.

The Company Secretary of the Company is acting as the Secretary to the NRC.

The Chairman of NRC viz. Mr. K Narasimha Murthy was present at the last AGM of the Company held on September 29, 2021.

Performance evaluation criteria for Independent Directors:

A formal evaluation of performance of the Board, its Committees, the Chairman and individual Directors was carried out during the year under review, details of which are provided in the Board’s Report.

STAKEHOLDERS’ RELATIONSHIP COMMITTEE (“SRC”)

Composition:

The composition of SRC meets the requirements as prescribed under Section 178 of the Act and Regulation 20 of Listing Regulations. The composition of SRC as on March 31, 2022 (including changes occurred in composition during FY21-22) is as under and stands same as on the date of this Corporate Governance Report:

Sl. No.	Name	Position	Category
1	Mr. K Narasimha Murthy	Chairman	Non-Executive Independent Director
2	Mr. Abhay Soi	Member	Executive Director
3	Ms. Ananya Tripathi*	Member	Non-Executive Non Independent Director
4	Mr. Prashant Kumar*	Member	Non-Executive Non Independent Director

Notes:
Names are in alphabetical order (except SRC Chairman)
*Ms. Ananya Tripathi resigned from the Board of the Company w.e.f March 14, 2022 and Mr. Prashant Kumar was co-opted as a member of SRC w.e.f. March 15, 2022.

Role & terms of reference:

The SRC plays an important role in acting as a link between the Management and ultimate owners of the Company i.e., the Shareholders. The Committee looks after the redressal of investors’ grievances and performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

The terms of reference of SRC inter-alia, includes the following:

- Resolve and monitor the redressal of complaints related to transfer/transmission of shares, non-receipt of annual report and non-receipt of declared dividends, general meetings, approve issue of new/duplicate certificates and new certificates on split/consolidation/renewal etc.;
- Review the measures taken for effective exercise of voting rights by Shareholders;
- Review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the Shareholders of the Company;
- Perform all functions relating to the interests of stakeholders of the Company and as assigned by the Board, as may be required under the provisions of the Act and relevant Rules made thereunder, Listing Regulations as amended from time to time, and guidelines issued by the Securities and Exchange Board of India or any other regulatory or statutory authority, as applicable to the Company.

Meeting of SRC and attendance of the members:

During the FY21-22, One (1) meeting of SRC was held on March 30, 2022. The attendance of members of SRC at this meeting was as follows:

Sl. No.	Name	No. of meetings entitled to attend during FY21-22	No. of meetings attended during FY21-22
1.	Mr. K Narasimha Murthy (Chairman)	1	1
2.	Mr. Abhay Soi	1	1
3.	Ms. Ananya Tripathi*	-	-
4.	Mr. Prashant Kumar*	1	1

*Please refer notes given above for ‘Composition’ of SRC.

Ms. Ruchi Mahajan, Company Secretary & Compliance Officer of the Company is acting as the Secretary to the SRC. She is responsible for ensuring prompt and effective services to the Shareholders and for monitoring the dedicated email address for receiving investor grievances.

The Chairman of SRC, Mr. K Narasimha Murthy was present at the last AGM of the Company held on September 29, 2021.

No complaint was pending at the beginning of FY21-22 and during the year under review, the Company received 1 (one) investor complaint which was disposed of appropriately.

The Company put utmost priority to the satisfaction of its Shareholders. The Company maintains continuous interaction with its Registrar and Share Transfer Agent viz. Link Intime India Private Ltd. (“Link Intime”) and takes proactive steps and actions for resolving shareholders complaints/queries. The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent/ issues have been resolved expeditiously, except in case of dispute over facts or other legal constraints.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (“CSR COMMITTEE”)

Composition:

In terms of Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted CSR Committee and its composition as on March 31, 2022, (including changes occurred in composition during FY21-22) is as under and stands same as on the date of this Corporate Governance Report:

Sl. No.	Name	Position	Category
1	Mr. Abhay Soi	Chairman	Executive Director
2	Ms. Ananya Tripathi*	Member	Non - Executive Non-Independent Director
3	Mr. Mahendra Gumanmalji Lodha	Member	Non-Executive Independent Director
4	Mr. Prashant Kumar*	Member	Non - Executive Non-Independent Director

Notes:
Names are in alphabetical order
* Consequent upon resignation of Ms. Ananya Tripathi from the Board of the Company w.e.f. March 14, 2022, Mr. Prashant Kumar was co-opted as a member of the CSR Committee w.e.f. March 15, 2022.

Terms of reference:

The terms of reference of the CSR Committee inter-alia, include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII in areas or subject, specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities; and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Amendment to CSR Policy

The CSR Policy of the Company was amended on May 28, 2021, in line with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified on January 22, 2021.

The CSR Policy is available on the Company's website at <https://www.maxhealthcare.in/investors/corporate-governance>

In terms of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was not required to spend on CSR for the FY21-22.

Meeting of CSR Committee and attendance of the members:

During the FY 21-22, One (1) meeting of CSR Committee was held on May 28, 2021. The attendance of members of CSR Committee at this meeting was as follows :

Sl. No.	Name	No. of meetings entitled to attend during FY21-22	No. of meetings attended during FY21-22
1.	Mr. Abhay Soi (Chairman)	1	1
2.	Ms. Ananya Tripathi*	1	1
3.	Mr. Mahendra Gumanmalji Lodha	1	1
4.	Mr. Prashant Kumar*	-	-

*Please refer notes given above for 'Composition' of CSR Committee.

The Company Secretary of the Company is acting as the Secretary to the CSR Committee.

OTHER COMMITTEE(S)

Business Responsibility and Sustainability Committee ("BRSC")

In terms of Regulation 34(2)(f) of Listing Regulations, the Board of Directors at its meeting held on August 10, 2021 constituted the BRSC to oversight/supervise policy relating to Business Responsibility Statement. The composition of BRSC as on March 31, 2022, (including changes occurred in composition during FY21-22) is as under and stands same as on the date of this Corporate Governance Report:

Sl. No.	Name	Position	Category
1	Mr. Abhay Soi	Chairman	Executive Director
2	Ms. Ananya Tripathi*	Member	Non - Executive Non-Independent Director
3	Mr. Michael Thomas Neeb	Member	Non-Executive Independent Director
4	Mr. Prashant Kumar*	Member	Non - Executive Non-Independent Director

Notes:

Names are in alphabetical order

* Consequent upon resignation of Ms. Ananya Tripathi from the Board of the Company w.e.f. March 14, 2022, Mr. Prashant Kumar was co-opted as a member of BRSC w.e.f. March 15, 2022.

Terms of reference:

The terms of reference of BRSC provides that it shall:

- Guide the creation of Environmental, Social, and Governance ("ESG") vision & ambitions of the Company and continuously take into updates on the ESG vision and goals thereon;
- Review the Business Responsibility Sustainability Management Committee and its working. The Committee may form and delegate authority to subcommittees as and when appropriate;
- Ensure that the Company is taking the appropriate measures to undertake and implement actions to further its ESG vision and ambitions. The Committee shall have access to any internal information necessary to fulfill its role, in this regard;
- Review any statutory requirements for Business and Responsibility Sustainability Reporting;
- Have the authority to obtain advice and assistance from internal or external experts/ advisors.

Meeting of BRSC and attendance of the members:

During the FY21-22, One (1) meeting of BRSC was held on March 30, 2022 and all the members viz. Mr. Abhay Soi, Mr. Michael Thomas Neeb and Mr. Prashant Kumar, attended that meeting.

CONFIRMATION ON RECOMMENDATIONS OF COMMITTEES OF THE BOARD

During FY21-22, the Board of Directors has accepted all recommendations of the Committees of the Board.

NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY:

This Policy inter-alia represents the approach of the Company for payment of remuneration to Directors & Senior Management and on Board Diversity which set out the approach to have a diversity on the Board in terms of profession, experience skills and knowledge etc.

The compensation of Directors, Key Managerial Personnel, Senior Management and other employees is inter-alia based on the following key principles:

- Aligning key executive and Board remuneration with the longer term interests of the Company and its Shareholders;
- Minimising complexity and ensuring transparency;
- Linked to long term strategy as well as annual business performance of the Company;
- Promoting a culture of meritocracy and linked to key performance and business drivers; and
- Reflective of line expertise and market competitiveness so as to attract the best talent.

The policy is available on the Company's website and can be accessed at <https://www.maxhealthcarein/investors/corporate-governance>.

REMUNERATION OF DIRECTORS

Remuneration to Executive Director (Chairman and Managing Director ("CMD")):

Remuneration of Executive Director i.e. Mr. Abhay Soi, Chairman & Managing Director ("CMD"), as recommended by NRC and the Board of Directors at their respective meetings held on June 19, 2020 and approved by Shareholders of the Company by passing resolution through postal ballot on July 30, 2020, is in accordance with Schedule V to the Act.

The remuneration is arrived at after considering various factors such as qualification, experience, expertise, criticality of the position held, prevailing remuneration in the industry etc. The remuneration commensurate with the roles and responsibilities/ duties and time commitment etc.

The details of all elements of remuneration paid to the CMD during the FY 21-22 are as under:

(INR in Lakh)			
Name of the Director & Designation	Basic Salary	Perquisites and Allowances	Total
Mr. Abhay Soi (CMD)	490	910	1,400

Notes:

- The tenure of Mr. Abhay Soi as CMD is for a period of three years with effect from June 19, 2020.
- The terms and conditions of the appointment of Mr. Abhay Soi is governed by the MD Employment Agreement executed between him and the Company effective from June 19, 2020 as amended from time to time.
- The above amount excludes the provision for gratuity and leave encashment, as the same is calculated on overall company basis.
- Notice period: it is governed by the MD Employment Agreement which inter-alia provides that (i) One Hundred Eighty days' prior written notice by Mr. Abhay Soi on or before May 31, 2023; and (ii) One Hundred Eighty days' prior written notice by Mr. Abhay Soi and Ninety days' prior written notice by the Company after May 31, 2023. However, the Company may, at its election, waive such notice.
- Severance fees: is governed by the MD Employment Agreement which inter-alia provides that in case Mr. Abhay Soi terminates MD Employment Agreement on account of change in control of the Company, the Company shall pay compensation equal to the 50% of the Annual Remuneration to Mr. Abhay Soi.

Held for financial year	Date	Time	Venue	Special Resolution(s) Passed
2020-21	29.09.2021	12:00 Noon	Convened through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") in compliance with the Circulars issued by Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") in this regard. The deemed venue for the AGM was registered office of the Company.	Payment of INR 26 Lakh per annum to each of Independent Directors of the Company w.e.f. October 1, 2021
2019-20	29.09.2020	12:00 Noon	Convened through VC/ OAVM in compliance with the Circulars issued by MCA and SEBI in this regard. The deemed venue for the AGM was registered office of the Company.	Approval of 'Max Healthcare Institute Limited Employee Stock Options Plan- 2020' and grant of employee stock options to the eligible employees of the Company;

Remuneration to Non-Executive Directors:

The Non-Executive Independent Directors of the Company are entitled for sitting fee of INR 1 Lakh (Indian Rupees One Lakh) for attending each meeting of the Board and its Committees. In addition, Shareholders of the Company at their AGM held on 29th September, 2021 approved payment of remuneration of INR 26 Lakh per annum to each of the Non-Executive Independent Director w.e.f. October 1, 2021.

The details of payments made to Non-Executive Independent Directors during financial year 21-22 are as under:

(INR in Lakh)		
Name of the Director	Sitting Fees	Remuneration
Mr. K Narasimha Murthy	20	13
Mr. Mahendra Gumanmalji Lodha	20	13
Ms. Harmeen Mehta**	13	13
Mr. Michael Thomas Neeb	17	13
Mr. Upendra Kumar Sinha*	01	-

*Mr. Upendra Kumar Sinha resigned from the Board of the Company w.e.f. May 20, 2021.

** Ms. Harmeen Mehta was appointed on the Board of the Company as a Woman Independent Director w.e.f May 24, 2021.

The Independent Directors are also entitled for reimbursement of the expenses incurred by them for attending the meeting of the Board and / or Committee thereof. There are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the Board's and Corporate Governance Report and/or Financial Statements for the year under review.

Further, Non-Executive Non-Independent Directors are not entitled to any remuneration/fee from the Company.

GENERAL BODY MEETINGS

AGMs:

Details of last three AGMs of the Company along with special resolutions passed there at are as under:

Held for financial year	Date	Time	Venue	Special Resolution(s) Passed
				- Grant of employee stock options under 'Max Healthcare Institute Limited ESOP Plan-2020' to employees of the Holding Company, if any and/or subsidiary company(ies) of the Company; - Issue of securities to Qualified Institutional Buyers for an aggregate amount up to INR 1200 Crore; - Issue of Non-Convertible Debentures on Private Placement basis up to an aggregate amount of INR 550 Crore; - Amendment to Articles of Association ("AOA") of the Company pursuant to the amendment in Post-merger SHA relating to criteria and conditions subject to the fulfilment of which, Mr. Soi shall be entitled to receive the Cost Saving Incentive.
2018-19	24.09.2019	11:30 a.m.	167, Floor 1, Plot-167A, Ready Money Mansion, Dr. Annie Besant Road, Worli, Mumbai- 400018.	- Re-appointment of Mr. Narasimha Murthy Kummamuri (DIN: 00023046) as an Independent Director of the Company; - Appointment of Dr. Mradul Kaushik as Manager of the Company and approval of his terms of appointment including remuneration; - Offer and issue of Non-Convertible Debentures in one or more series/ tranches aggregating up to an amount not exceeding INR 483.90 Crore.

Extra-Ordinary General Meetings ("EGM"):

The details of EGM held during the preceding three years and special resolutions passed thereat are as under:

Financial Year	Date	Time	Venue	Special Resolution(s) Passed
2019-20	25.03.2020	06:00 p.m.	Meeting Room, Max Medcentre (Immigration Check), 26/A, 1 st Floor, Ring Road, Lajpat Nagar, New Delhi – 110024.	No special resolution was passed at this meeting.
2019-20	25.02.2020	02:00 p.m.	LOCUS, Board Room, 7 th Floor, Tower A, DLF Centre Court, DLF City, Phase-V, Gurugram – 122002.	- To increase the limit to make loan(s) or give guarantee(s) or provide security(ies) or make investment(s) in excess of the prescribed limit under Section 186 of the Act read with the Rules made thereunder, which shall not exceed a sum of INR 3,500 Crore; - To increase the borrowing limits under Section 180(1)(c) of the Act which at any point of time shall not exceed INR 3,500 Crore; - To increase the limits under Section 180(1)(a) of the Act for creation of charge on movable and immovable assets of the Company both present and future, in respect of borrowings, which at any point of time shall not exceed INR 3,500 Crore;

Financial Year	Date	Time	Venue	Special Resolution(s) Passed
				Offer and issue of Non-convertible debentures, aggregating to a nominal value up to INR 100 Crore.
2019-20	12.08.2019	11:00 a.m.	LOCUS, Board Room, 7 th Floor, Tower A, DLF Centre Court, DLF City, Phase-V, Gurugram – 122002.	- To increase the borrowing limits under Section 180(1)(c) of the Act which at any point of time shall not exceed INR 1500 Crore; - To increase the limits under Section 180(1)(a) of the Act, for creation of charge on movable and immovable assets of the Company both present and future, in respect of borrowings which at any point of time shall not exceed INR 1,500 Crore.
2019-20	15.07.2019	11:00 a.m.	LOCUS, Board Room, 7 th Floor, Tower A, DLF Centre Court, DLF City, Phase-V, Gurugram – 122002.	No special resolution was passed at this meeting.
2019-20	21.06.2019	06:30 p.m.	LOCUS, Board Room, 7 th Floor, Tower A, DLF Centre Court, DLF City, Phase-V, Gurugram – 122002.	Adoption of new set of AOA of the Company in terms of Shareholders' Agreement dated December 24, 2018 entered amongst the Company, erstwhile Max India Limited ("Max India") and Radiant Life Care Private Limited ("Radiant") and Share Purchase Agreement dated December 24, 2018, entered into amongst the Company, Life Healthcare Group International Proprietary Limited ("the Seller") and Radiant, to incorporate the rights and obligations conferred on Radiant, Max India and the Company, by virtue of the same.
2019-20	19.06.2019	09:00 a.m.	Ground Floor, Conference Room, N-110, Panchsheel Park, New Delhi – 110017.	- Approval of terms of remuneration of Mr. Rajit Mehta as MD & CEO for the period starting from April 1, 2019 till July 28, 2019; - Terms of remuneration of Mr. Yogesh Kumar Sareen as a Whole- time director of the Company for the period, starting from April 1, 2019 till March 31, 2022.

No EGM was held during the FY20-21 and 21-22.

Postal Ballots:

During the FY21-22 and as on the date of this Report, the Company passed following special resolution on November 10, 2021 through e-voting conducted by way of Postal Ballot, result of which was declared on November 11, 2021:

Special Resolution(s) Passed	Votes casted in favour		Votes casted against	
	Number of votes	% of Votes	Number of votes	% of votes
Approval for amendments to Articles of Association of the Company pursuant to the Second Letter Amendment Agreement to the Post-merger SHA	85,19,17,212	98.83	1,00,81,386	1.17

Subsequent to FY21-22 and as on the date of this Corporate Governance Report, no special resolution is proposed to be conducted by the Company through postal ballot.

Person conducted the postal ballot exercise:

Mr. Devesh Kumar Vasisht (holding ICSI Membership No. F8488), Partner, M/s Sanjay Grover & Associates, Company Secretaries, New Delhi (Firm Registration No. P2001DE052900), was appointed as the Scrutiniser for conducting the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

Procedure for Postal Ballot:

A detailed procedure followed by the Company for conducting the Postal Ballot during the year under review and to the date of this Corporate Governance report is provided hereunder:

Relevant provisions under which postal ballot activity carried out	In compliance with provisions of Sections 108 and 110 and other applicable provisions of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”), as amended from time to time, and in accordance with the General Circulars issued by the MCA vide Nos.14/2020, 17/2020, 22/2020, 33/2020, 39/2020 and 10/2021 dated April 08, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020 and June 23, 2021 respectively, issued by MCA on account of the outbreak of COVID-19 pandemic, the Company extended only the remote e-voting facility for its Shareholders, to enable them to cast their votes electronically instead of submitting the postal ballot form.	In compliance with provisions of Sections 108 and 110 and other applicable provisions of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”), as amended from time to time, and in accordance with the General Circulars issued by the MCA vide Nos.14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021 and 20/2021 dated April 08, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021 and December 8, 2021, respectively, issued by MCA on account of the outbreak of COVID-19 pandemic, the Company extended only the remote e-voting facility for its Shareholders, to enable them to cast their votes electronically instead of submitting the postal ballot form.
Agency engaged for providing remote e-voting facility	The Company availed the services of Registrar and Share Transfer Agent of the Company viz. Link Intime, for the purpose of providing e-voting facility to all its Shareholders.	
Matters proposed	Resolution no. 1- Ordinary Resolution Approval for proposed amendments relating to the upside share and early exit upside share, in line with amendments to the Post-merger SHA, pursuant to Regulation 26(6) of Listing Regulations Resolution no. 2- Special Resolution Amendments to AOA of the Company pursuant to the Second Letter Amendment Agreement to the Post-merger SHA	Resolution no. 1- Ordinary Resolution Appointment of Mr. Prashant Kumar (DIN: 08342577) as Non-Executive Non-Independent Director of the Company Resolution no. 2- Ordinary Resolution Appointment of Mr. Gaurav Trehan (DIN: 03467781) as Non-Executive Non-Independent Director of the Company
Dispatch of Notice	The dispatch of Postal Ballot Notice pursuant to the Act, Secretarial Standard-2 and relevant MCA Circulars for passing the resolutions as set out in the said Postal Ballot Notice whose names appeared in the Register of Members as on October 08, 2021 (“cut-off date”) was completed on October 11, 2021 through Link Intime. The voting period commenced on Tuesday, October 12, 2021, at 9.00 a.m. (IST) and ended on Wednesday, November 10, 2021, at 5.00 p.m. (IST).	The dispatch of Postal Ballot Notice pursuant to the Act, Secretarial Standard-2 and relevant MCA Circulars for passing the resolutions as set out in the said Postal Ballot Notice whose names appeared in the Register of Members as on March 29, 2022 (“cut-off date”) was completed on April 04, 2022 through Link Intime. The voting period commenced on Wednesday, April 06, 2022, at 9.00 a.m. (IST) and ended on Thursday, May 05, 2022, at 5.00 p.m. (IST).
Scrutiniser	Mr. Devesh Kumar Vasisht, Scrutiniser, had carried out scrutiny of e-votes on the last day of e-voting for Postal Ballot voting and prepared consolidated Scrutiniser’s Report on the basis of data/reports received by him on both events. The Scrutiniser submitted his report to the Chairman/person duly authorised by him, after the completion of scrutiny. The results of voting by postal ballot (through remote e-voting) were then announced by the authorised officer.	
Result of voting	The results of postal ballot voting (through remote e-voting) along with the Scrutiniser’s report was displayed at the registered office of the Company at 401, 4 th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai Maharashtra-400056 and Corporate Office of the Company i.e. at 2 nd Floor, Capital Cyberscape, Sector-59 Gurugram- 122011 and also placed on the website of the Company at www.maxhealthcare.in/investors/corporate-governance and Link Intime i.e. www.linkintime.co.in .	
Newspapers	As required by Rules 20 and 22 of the Rules read with the relevant MCA Circulars, the details pertaining to the Postal Ballot including completion of dispatch of Postal Ballot Notice, was published in the newspaper ‘Financial Express’ in English and ‘Dainik Pratahkal’ in Marathi on October 12, 2021.	As required by Rules 20 and 22 of the Rules read with the relevant MCA Circulars, the details pertaining to the Postal Ballot including completion of dispatch of Postal Ballot Notice, was published in the newspaper ‘Financial Express’ in English and ‘Navshakti’ in Marathi on April 05, 2022.
Other relevant matters	The Shareholders of the Company holding shares as on cut- off date were entitled to vote on the resolutions as set out in the Postal Ballot Notice(s) and voted through e-voting facility only as per the MCA circulars. Shareholders casted their votes on the designated platform viz., https://instavote.linkintime.co.in. In compliance with the requirements of the MCA Circulars, the physical copy of the Postal Ballot Notices along with Postal Ballot Forms and pre-paid business envelope were not sent to the Shareholders of the Company. The Shareholders were required to communicate their assent or dissent through the remote e-voting system only. Further, the Company sent the Postal Ballot Notice only by email to all its Shareholders who have registered their email addresses with the Company or depository participants and the communication of assent / dissent of the Shareholders took place through the remote e-voting system.	

Participation and voting at the 21st AGM:

Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33 / 2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10 / 2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021 and No. 02/2022 dated May 05, 2022 issued by MCA and relevant circular(s) issued by SEBI in this regard, the 21st AGM of the Company will be held through VC/OAVM and the detailed instructions for participation and voting at the meeting are available in the notice of the 21st AGM.

MEANS OF COMMUNICATION

The Company recognises the importance of two way communication with Shareholders and to give balanced and timely reporting of any disclosure, results etc. and responds to questions and issues raised, in a timely and consistent manner. Shareholders seeking any information or clarification, may contact the Company directly throughout the year. Some of the modes of communication are mentioned below:

Results:

The Quarterly/ Half-Yearly/ Annual results are published in the prominent daily newspapers, viz. Business Standard/Financial Express in English (all editions) and Navshakti (in Marathi – Mumbai edition) the local newspaper published in the language of the region in which registered office is situated. The results were sent to the stock exchanges and are also displayed on the Company’s website at <https://www.maxhealthcare.in/investors/corporate-announcements>.

Intimation to the Stock Exchanges:

The Company also intimates/ makes disclosures to the Stock Exchanges about all price sensitive matters or such matters which, in its opinion, are material and of relevance to the Shareholders. The Company also regularly provides information to the stock exchanges as per the requirements of Listing Regulations.

News and Press Release:

The official news and press releases on the matter, wherever necessary, are disseminated to stock exchanges and displayed on the Company’s website in a timely manner.

Earning calls and presentations to Institutional Investors / Analysts:

The Company organises earnings call(s) with analysts and investors after the announcement of quarterly/annual financial

results. The transcript of the earnings calls are also uploaded on the Company’s website voluntarily. Presentations made to institutional investors and financial analysts on the financial results or otherwise are filed with the stock exchanges from time to time and uploaded on the Company’s website.

Compliance reports, corporate announcements, material information and updates:

The Company disseminates the requisite corporate announcements including the Listing Regulations compliances through NSE Electronic Application Processing System (NEAPS)/ NSE Digital Platform/ BSE Corporate Compliance & Listing Centre. The NEAPS/NSE Digital Platform/BSE’s Listing Centre are web-based applications and periodical fillings like shareholding pattern, corporate governance report, financial results, material / price sensitive information, etc. are filed electronically on such designated platforms.

Annual Report:

The Annual Report for FY21-22 will be uploaded on the Company’s website and will also be circulated to Shareholders and others entitled thereto, in electronic mode or as may be allowed/prescribed by MCA and SEBI from time to time. The Annual Report will also be submitted to the stock exchanges.

Website:

The Company’s website contains separate dedicated section for “Investors” where Shareholders’ related information are available and the said section is being regularly updated, from time to time, with the financial results, annual reports, official news releases and other important events/ information.

SEBI Complaints Redressal System (SCORES):

The investor complaints are processed by SEBI in a centralised web- based complaints redressal system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status etc.

Designated exclusive email-ids:

The Company has designated the following email-id for investors servicing: investors@maxhealthcare.com. Investors can also mail their queries to Registrar and Transfer Agent at delhi@linkintime.co.in

GENERAL INFORMATION FOR SHAREHOLDERS:

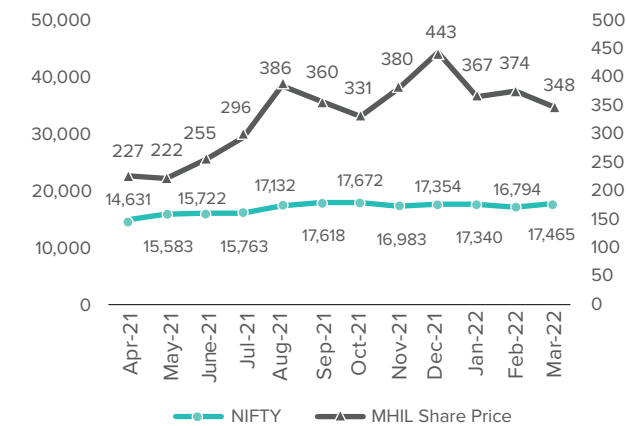
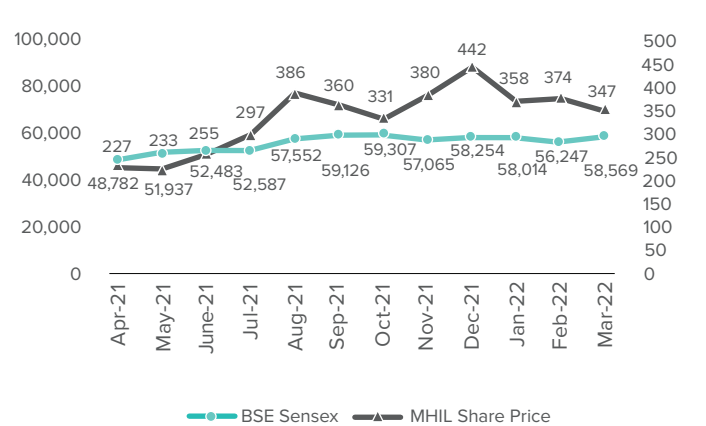
i)	Company Registration Details	The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (“CIN”) allotted to the Company by MCA is L72200MH2001PLC322854.
ii)	Address of the Registered office	401, 4 th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai, Maharashtra-400056.
iii)	AGM Date, Time & Venue	The 21 st AGM will be held on or before September 30, 2022 through VC/OAVM or as may allowed/permitted by MCA and/or SEBI. The date and time shall be informed to the Shareholders and the stock exchanges in due course. As the AGM will be held through VC or OAVM, the deemed venue for the AGM shall be the registered office of the Company.

iv)	Financial Year	The financial year for the purpose of this report covers the period from April 01, 2021 to March 31, 2022.
v)	Financial Results likely to be announced by the Company (tentative schedule subject to change)	1. Financial reporting for the quarter ending June 30, 2022–On or before August 14, 2022; 2. Financial reporting for the quarter and half year ending September 30, 2022- On or before November 14, 2022; 3. Financial reporting for the quarter and nine months ending December 31, 2022 - On or before February 14, 2023; 4. Financial reporting for the quarter and financial year ending March 31, 2023 - On or before May 30, 2023.
vi)	Date of book closure	The book closure is not mandatory unless there is any corporate action for which the book closure is required. So, the Company is not closing its share transfer book and register of members for this AGM.
vii)	Trading window closure for financial results	1 st day from the close of quarter till the completion of 48 hours after the Un-published Price Sensitive Information becomes generally available i.e. declaration of financial results by the Company to stock exchanges.
viii)	Dividend and Dividend Payment Date	The Company has wiped-off its accumulated losses in the financial year under review. In view of the expanded operation and future expansion plans of the Company, the Board has considered it appropriate to plough back the profits. Hence, no dividend is proposed to be declared for FY 21-22.
ix)	Listing on Stock Exchanges	(i) BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel :91-22-2272 1234, 1233, Fax : 91-22-2272 3353/3355 Website : www.bseindia.com (ii) National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Tel : 91-22-2659 8100 – 8114, Fax : 91-22-26598237/38 Website : www.nseindia.com The Company has paid listing fees for the financial year 2022-23 to both the above stock exchanges.
x)	Payment of Depository(ies) fees	The Company has paid Annual Custody/ Issuer fee to both Depositories based on invoices received from the Depositories.
x)	Stock Code of Equity Shares	✓ Trade Symbol at NSE is MAXHEALTH. ✓ Scrip Code at BSE is 543220.
xi)	Demat ISIN numbers in National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) for equity shares	INE027H01010

Market Price data:

The monthly high and low prices of the shares of the Company at BSE and NSE during the year ended March 31, 2022 are as under:

Month	Share price (INR) at BSE			Share price (INR) at NSE		
	High (in INR)	Low (in INR)	No. of Shares Traded	High (in INR)	Low (in INR)	No. of Shares Traded
April, 2021	241.95	206.00	17,79,002	241.95	204.25	2,44,86,074
May, 2021	241.30	214.45	2,13,39,496	241.30	214.50	9,94,91,297
June, 2021	265.20	205.00	35,66,172	265.00	222.65	4,43,45,294
July, 2021	300.90	252.35	21,71,007	301.20	252.35	2,66,18,866
August, 2021	398.85	272.65	98,86,929	398.85	272.80	5,98,42,776
September, 2021	472.60	345.35	82,49,086	402.60	345.85	13,25,54,178
October, 2021	368.50	321.95	12,57,777	368.50	321.85	2,43,21,331
November, 2021	385.40	330.15	12,54,025	385.50	330.00	2,37,62,302
December, 2021	458.00	357.65	18,37,605	458.05	358.00	2,90,65,299
January, 2022	451.90	345.65	51,59,137	449.85	345.20	2,49,05,881
February, 2022	389.90	312.40	33,21,711	390.00	343.45	2,25,69,511
March, 2022	381.10	326.15	59,11,732	381.35	326.15	14,06,50,942

SHARE PERFORMANCE OF THE COMPANY IN COMPARISON TO NSE NIFTY**SHARE PERFORMANCE OF THE COMPANY IN COMPARISON TO BSE SENSEX****Share price performance in comparison to broad based indices - BSE Sensex & NSE NIFTY as on March 31, 2022:**

Particulars	March 31, 2021	March 31, 2022	Changes in %
Max Healthcare Institute Limited's Share Price (closing) at BSE	206.0	346.90	68.36
BSE Sensex Closing Price	49,509.15	58,568.51	18.30
Max Healthcare Institute Limited's Share Price (closing) at NSE	205.75	347.65	68.97
NIFTY Closing Price	14,690.70	17,464.75	18.88

Registrar and Share Transfer Agent (“RTA”):

Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company.

Share Transfer System:

Upon effectiveness of the Scheme, the Company had issued equity shares to eligible Shareholders only in dematerialised form on June 19, 2020 in compliance with the Companies (Prospectus and Allotment of Securities) (Third Amendment) Rules, 2018.

The Company had sent communication to the Shareholders, holding shares in physical form in erstwhile Max India Limited, prior to merger and were entitled to get equity shares allotted by the Company pursuant to the Scheme, encouraging them to dematerialise their holding in the Company. The communication, inter-alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. As soon as these Shareholders follow the prescribed procedure as communicated to them, the Company is immediately crediting the eligible equity shares into the demat account of the concerned shareholder from ‘Max Healthcare Institute Limited-Physical Shareholders’ Demat Account.

SEBI has mandated that, effective April 01, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form.

The Board of Directors of the Company constituted Shares Committee on February 06, 2021 in terms of Regulation 40(2) of the Listing Regulations comprising of Ms. Vandana Ramesh Pakle, Senior Director- Corporate Affairs, Mr. Yogesh Kumar Sareen, Senior Director & Chief Financial Officer, Dr. Mradul Kaushik, Senior Director-Operations and Planning as the members and the Company Secretary shall act as the

Secretary to this Committee. The Board of Directors has inter-alia delegated the powers relating to transfer, transmission, remat request, wherever applicable, for shares of the Company, to the Committee.

In compliance with Regulation 40(9) of the Listing Regulations, the Company obtains certificate from a Company Secretary in practice on yearly basis certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies. A copy of the certificate so received, has been submitted to stock exchanges.

Nomination facility:

As on March 31, 2022, all equity shares are held in dematerialised form. The Shareholders may contact their respective Depository Participant (DP) to avail the nomination facility in accordance with the provisions as prescribed under Listing Regulations.

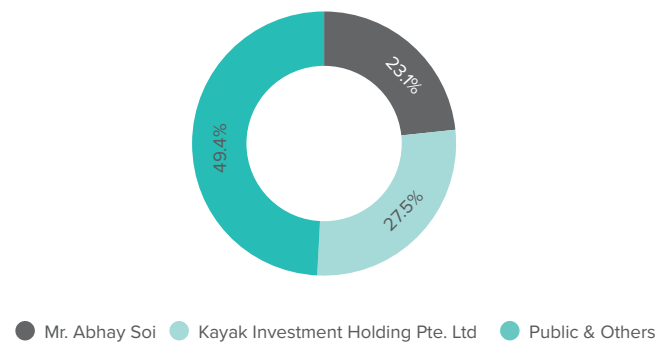
Audit of Reconciliation of Share Capital:

As required under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, the Company got reconciliation of share capital audit done by Practicing Company Secretary in each quarter to reconcile the total admitted capital with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and total issued and listed capital. The audit reports for FY21-22 confirmed that the total issued/ paid up capital is in agreement with the total number of equity shares admitted with NSDL and CDSL.

The Audit Reports for the quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022, have been filed with Stock Exchanges within one month of the end of the respective quarter or such extended time as prescribed by the SEBI.

Distribution of Shareholding as on March 31, 2022:**Equity Shares:**

Sr. No.	Category	No. of Shareholders	% of total no. of Shareholders	No. of Shares	% of Shareholding
1	1 to 500	1,10,638	90.30	80,11,267	0.83
2	501 to 1000	6,043	4.93	45,17,851	0.47
3	1001 to 2000	2,912	2.38	42,46,613	0.44
4	2001 to 3000	876	0.72	21,78,795	0.22
5	3001 to 4000	406	0.33	14,45,939	0.15
6	4001 to 5000	297	0.24	13,91,362	0.14
7	5001 to 10000	528	0.43	39,68,123	0.41
8	10001 to above	822	0.67	94,38,53,505	97.34
Total		1,22,522	100.00	96,96,13,455	100.00

Shareholding Structure (as on March 31, 2022)**Dematerialisation of Shares and Liquidity:**

As on March 31, 2022, all equity shares of the Company are held in dematerialised form. Further, the Company had transferred equity shares of eligible Shareholders in Max Healthcare Institute Limited- Physical Shareholders Demat Account (i.e. in demat form), who were holding equity shares in physical form in erstwhile Max India Limited, and were entitled to get equity shares allotted by the Company pursuant to Scheme.

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

The equity shares of the Company are liquid and traded in dematerialised form on BSE and NSE.

For transfer/dematerialisation of shares and any other query relating to shares:

Particulars	Contact Details	Address
For transfer/dematerialisation of shares and any other query relating to shares	RTA : Link Intime India Private Limited	Noble Heights, 1 st Floor, Plot No. NH 2, LSC,C-1 Block, Near Savitri Market, Janakpuri, New Delhi- 110 058 Telephone No.: +91 11 4941 1000; Extn.: 7106 Facsimile No.: +91 11 4141 0591 Investor grievance e-mail: swapann@linkintime.co.in Website: www.linkintime.co.in Contact person: Mr. Swapan Kumar Naskar SEBI registration number: INR000004058
For investors assistance	Ms. Ruchi Mahajan SVP-Company Secretary & Compliance Officer	2 nd Floor, Capital Cyberspace Sector-59 Gurugram-122011 Haryana
For institutional investors	Mr. Abhishek Agarwal General Manager- Corporate Finance	Phone: 0124 - 620 7925 E-mail: investors@maxhealthcare.com

Credit Rating:

List of credit ratings of the Company and its material subsidiaries as on March 31, 2022 are as follows:

Entity	Credit Rating Agency	Type of Rating	Rating as on March 31, 2022
Max Healthcare Institute Limited	CARE Rating Limited	Long Term Bank Facilities	CARE AA-
		Short Term Bank Facilities	CARE A1+
Hometrail Buildtech Private Limited	CARE Rating Limited	Long Term Bank Facilities	CARE AA-
		Short Term Bank Facilities	CARE A1+
Crosslay Remedies Limited	CARE Rating Limited	Long Term Bank Facilities	CARE AA-
		Short Term Bank Facilities	CARE A1+

No change(s) occurred in above credit rating(s) since reported last year i.e. as at March 31, 2021.

OTHER DISCLOSURES:**Related Party Transactions:**

In terms of Section 177 of the Act and Regulation 23 of the Listing Regulations, related party transactions entered into by the Company during FY21-22 were carried out with prior approval of the A&RC. All contracts, arrangements and transactions entered by the Company with related parties during FY21-22 were in the ordinary course of business and on an arm's length basis. The details of related party transactions as per IND AS-24 have been disclosed in Note No. 31.10 to the Standalone Financial Statements.

Omnibus approval of the A&RC is obtained for related-party transactions that are repetitive in nature. In case any transaction exceeds the limits approved by the A&RC or is executed in deviation of the terms approved by the A&RC, the transactions are subsequently ratified. All the related-party transactions entered into are placed before the A&RC on a quarterly basis for review and noting. Further, a confirmation as to compliance of related party transactions as per the Listing Regulations are sent to stock exchanges along with quarterly compliance report on Corporate Governance. In terms of Regulation 23(9) of Listing Regulations, the Company also submit half yearly disclosure on Related Party Transactions to stock exchanges.

There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or other related parties, which may have a potential conflict with the interest of the Company at large.

The Board of Directors on March 31, 2022 have amended "Related Party Transaction Policy" of the Company in line with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 read with Listing Regulations. The updated policy on dealing with related party transactions is available on the website of the Company.

Details of non-compliances by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

As per Regulation 18(1) of the Listing Regulations, with respect to the composition of A&RC of the Company, the Company had not rounded off the fraction to the highest number as clarified under SEBI SOP circular dated January 22, 2020 read with Regulation 18(1)(b) of the Listing Regulations and

accordingly, two-third of the members of this Committee were not Independent Directors from August 21, 2020 i.e. date of listing of equity shares of the Company on BSE Ltd. and National Stock Exchange of India Limited till February 10, 2021. Thereafter, the Committee was reconstituted on February 11, 2021 and the composition of the said Committee was made in due compliance with Regulation 18(1) of the Listing Regulations. The Company paid penalty of INR 4,10,640/- (Indian Rupees Four Lakh Ten Thousand Six Hundred Forty) each imposed by NSE and BSE.

Except as stated above, no penalties have been imposed or strictures passed against the Company by the stock exchanges, SEBI or any statutory authority on any matter related to capital markets during the last three years.

Confirmation relating to suspension of trading of securities of the Company:

The securities of the Company have not been suspended for trading at any point of time during the FY21-22.

Vigil Mechanism:

In compliance with the Act and the Listing Regulations, the Company has a policy/mechanism on dealing with whistle blowers, which is approved by the A&RC of the Company. The A&RC reviews the same as and when required. During the year, no individual was denied access to the said Committee/ Chairman of A&RC for reporting concerns, if any. The said policy/ mechanism is disclosed on the Company's website at <https://www.maxhealthcare.in/investors/corporate-governance>.

The Company has put in place a whistle blower policy to support the Code of Conduct. The details about the vigil mechanism form part of the Board Report.

Statutory compliance of laws & legal compliance management tool:

The Board periodically reviews the compliances of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliances, if any.

The Company has in place a comprehensive and robust legal compliance management online tool, which is devised to ensure compliance with all applicable laws which impact the Company's business. The tool is intended to provide an assurance to the Board on legal compliances.

Prohibition of Insider Trading:

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has a comprehensive Code of Conduct to regulate, monitor and report trading by Designated Persons ('the Code'). The said Code lays down guidelines which provide for the procedure to be followed and disclosures to be made whilst dealing with shares of the Company. Further, the Company has complied with the standardised reporting of violations related to the Code under PIT Regulations. The Company has also put in place the institutional mechanism for prevention of insider trading along with policy for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information. The Company has set up a mechanism for monitoring the dealings of equity shares of the Company by the designated persons and their immediate relatives.

As part of the awareness programme, the Company has imparted training to concerned persons by the subject matter expert and initiatives are being taken to educate and promote awareness on the practical aspects through audio-video mechanism.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations:

On March 09, 2021, the Company had raised an amount ~INR 1,200 Crore (approx.) by issuing 6,14,12,482 (Six Crore Fourteen Lakh Twelve Thousand Four Hundred Eighty Two) equity shares of INR 10/- each fully paid up at INR 195.40/- per equity share (including premium of INR 185.40 per equity share) to Qualified Institutional Buyers ("QIB") by way of Qualified

Institutional Placement ("QIP") route. Details of utilisation of funds are available under **Annexure- II** and forms part of this Corporate Governance Report. Pursuant to SEBI notification dated December 24, 2019, details of utilisation of funds were submitted to the stock exchanges in the separate format as "Statement of Deviation / Variation in utilisation of funds raised" on quarterly basis.

Certificate from Company Secretary in Practice:

A certificate has been received from M/s Sanjay Grover and Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ MCA or any such statutory authority. The Certificate is annexed as **Annexure-III** and forms part of this Corporate Governance Report.

Quarterly Reports on compliance with Corporate Governance:

Quarterly reports on compliance with Corporate Governance as per Regulation 27 of the Listing Regulations were duly filed with the stock exchanges within the stipulated time and same are also available on the website of the Company at <https://www.maxhealthcare.in/investors/corporate-announcements>.

Policies:

In accordance with its Corporate Governance philosophy for adhering to ethical and governance standards and ensure fairness, accountability, responsibility and transparency to all its stakeholders, the Company inter-alia has the following policies and codes in place. All these policies /codes have been uploaded on the website of the Company.

Name of the Policy	Website Link
CSR Policy	https://www.maxhealthcare.in/investors/corporate-governance
Prevention of Sexual Harassment Policy	https://www.maxhealthcare.in/investors/corporate-governance
Code of Conduct for Directors and Senior Management	https://www.maxhealthcare.in/investors/corporate-governance
Code of Conduct to regulate, monitor and report trading by Designated Persons	https://www.maxhealthcare.in/investors/corporate-governance
Code of practices and procedures for fair disclosure of unpublished price sensitive information	https://www.maxhealthcare.in/investors/corporate-governance
Dividend Distribution Policy	https://www.maxhealthcare.in/investors/corporate-governance
Nomination, Remuneration & Board Diversity Policy	https://www.maxhealthcare.in/investors/corporate-governance
Policy for determination of Materiality of events and information	https://www.maxhealthcare.in/investors/corporate-governance
Policy for determining Material Subsidiary	https://www.maxhealthcare.in/investors/corporate-governance
Policy for preservation of documents and archival of documents	https://www.maxhealthcare.in/investors/corporate-governance
Policy on Familiarisation Programme for Independent Directors	https://www.maxhealthcare.in/investors/corporate-governance
Risk Management Policy	https://www.maxhealthcare.in/investors/corporate-governance
Related Party Transaction Policy	https://www.maxhealthcare.in/investors/corporate-governance
Stationery Control Policy	https://www.maxhealthcare.in/investors/corporate-governance
Whistle Blower Policy	https://www.maxhealthcare.in/investors/corporate-governance

Subsidiary Companies:

All subsidiary companies are managed by their respective Board of Directors including Independent Directors, wherever applicable, having the rights and obligations to manage such companies in the best interest of their stakeholders.

In terms of Regulation 16(1)(c) of the Listing Regulations, the Board of Directors has adopted a policy with regard to determination of material subsidiaries. The policy is available on the website of the Company and can be accessed through the link: <https://www.maxhealthcare.in/investors/corporategovernance>.

Based on the Audited Financial Statement of the Company for FY20-21, pursuant to Regulation 16(1) of Listing Regulations, Hometrail Buildtech Private Limited ("HBPL") (wholly owned subsidiary of the Company) and Crosslay Remedies Limited ("CRL") (subsidiary of Company) are the Material Subsidiaries of the Company for the FY21-22.

Further, pursuant to Regulation 24(1) of the Listing Regulations, CRL is the material subsidiary of the Company for FY21-22. In compliance of said Listing provision, Mr. K. Narasimha Murthy (DIN: 00023046), Non-Executive Independent Director of the Company, was nominated and appointed as the Director on the Board of CRL, an unlisted material subsidiary of the Company. Later on, due to other commitments, Mr. Murthy resigned from the Board of CRL w.e.f. March 11, 2022 and as nominated by MHIL, Mr. Mahendra Gumanmalji Lodha (DIN: 00012920), Non-Executive Independent Director on the Board of MHIL, was appointed as Director on the Board of CRL on March 31, 2022.

Also, basis audited financial statement for FY21-22, CRL and HBPL are the Material Subsidiaries of the Company in terms of Regulation 16(1), however, the Company does not have any material subsidiary in terms of Regulation 24(1) of the Listing Regulations for FY22-23.

The A&RC of the Board of Directors of the Company reviewed the financial statements, in particular the investments made by all its subsidiary companies.

The minutes of Board meetings of subsidiary companies are placed at the Board meetings of the Company and the significant transactions or arrangements entered into by the subsidiary companies are periodically informed to the Board.

Disclosure of Accounting Treatment:

The Company has prepared the financial statements for the year in compliance with the Indian Accounting Standards ('Ind-AS') notified by the MCA. The Significant Accounting Policies applied in preparation of the financial statements as per Ind-AS have been set out in the Notes to financial statements.

Risk Management:

The Company has risk management system aimed at identifying, analysing, assessing, mitigating, monitoring internal as well as external or potential risks for achieving its strategic and business objectives covering various aspects of our business, including operations, legal, treasury, regulatory, strategic and financial. The A&RC reviews the mitigation plan for high and critical risks events that may adversely affect the operations and profitability of business and suggest suitable measures to mitigate such risks and is overseen by the Board of Directors. The Company's risk management framework is a combination of formally documented policies in certain areas such as financial, legal and regulatory and an informal approach to risk management in others. The Risk Management policy and systems are reviewed on a periodical basis to reflect changes in market conditions and business activities.

Fees paid to the Statutory Auditor:

Total fees for all services availed by the Company and its subsidiaries on a consolidated basis, during the year under review, from the Statutory Auditor viz. M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 015125N) ("Deloitte") has been provided in the consolidated financial statements of the Company under Note no. 33.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Number
Number of complaints filed during the financial year	04
Number of complaints disposed of during the financial year	03
Number of complaints pending as on 31 st March, 2022	01*

*Under investigation as on March 31, 2022 and the same was closed appropriately as on the date of this report

Loans and advances in the nature of loans to firms/ companies in which Directors are interested:

During the year under review, the Company and its Subsidiaries have not provided loan and advance in the nature of loans to firms/companies in which Directors are interested.

Disclosures with respect to unclaimed suspense account:

The Company has 4,80,365 (Four Lakh Eighty Thousand Three Hundred Sixty Five) equity shares of INR 10/- each in respect of 2,006 (Two Thousand and Six) equity Shareholders lying

in 'Max Healthcare Institute Limited Un-claimed Share Demat Suspense Account' (in demat account- IN30072410193928). The requisite disclosures as per Schedule V(F) of the Listing Regulations are given below:

Particulars	No. of equity shareholders	No. of equity shares
Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the FY21-22 i.e. April 01, 2021.	2,220	4,85,162
Number of Shareholders who approached listed entity for transfer of shares from suspense account during the FY21-22	14	4,797
Number of Shareholders to whom shares were transferred from suspense account during the FY21-22	14	4,797
Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the end of the FY21-22 i.e. March 31, 2022.	2,006	4,80,365*

*voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Debenture Trustee:

The Company has not issued any debentures during the year under review and thus, no Debenture Trustee was required to be appointed by the Company.

COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

- I. Mandatory requirements: The Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations for the financial year ended

March 31, 2022. A certificate in this connection has been issued by M/s Sanjay Grover & Associates, Company Secretaries, is annexed as **Annexure IV**.

- II. Non-mandatory requirements: The status on the compliance with the non-mandatory recommendations/discretionary requirements as specified in Part E of Schedule II to the Listing Regulations is as under:

- a) Modified opinion(s) in audit report: The Company is in the regime of unmodified audit opinion on financial statements.
- b) Reporting of Internal Auditor: Internal Audit operates on behalf of A&RC. The Head of Internal Audit functionally reports to the Chair of the A&RC and attends the relevant meetings of this Committee on a regular basis. Internal audit findings are reported directly to A&RC.

The role of Internal Audit is to provide an objective and independent assurance on the design and operation of risk management, control and governance processes operated across the Company. Internal Audit also adds value by providing advice to Management on improvements they can make to these processes.

Internal Audit reviews controls covering the appropriateness and effectiveness of risk management and governance processes; the reliability and integrity of financial and operating information; the effectiveness and efficiency of operations; safeguarding of assets, compliance with laws; regulations and contracts; the delivery of major programme and quality and continuous improvement.

Head Internal Audit is responsible for developing Internal Audit framework and ways of working to support consistent delivery and reporting of Internal Audit results and activities following principles that are aligned with International Internal Auditing Standards.

Internal Audit reviews design of and compliance with laid down policies and procedures, recommends measures to mitigate significant risks identified at functional, business unit or Organisational level, provides support on improvement initiatives and conducts ad hoc reviews in relation to risk and controls when required.

DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Listing Regulations provides certain mandatory requirements which have to be fulfilled by the Company. The Company has complied with all the mandatory requirements of the Listing Regulations. Specifically, the Company confirms compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations, as applicable.

S. No.	Regulation No.	Particulars	Compliance Status (Yes or No)
1.	17	Board of Directors	Yes
2.	17A	Maximum Number of Directorships	Yes
3.	18	Audit Committee	Yes
4.	19	Nomination and Remuneration Committee	Yes
5.	20	Stakeholders Relationship Committee	Yes
6.	21	Risk Management Committee	Yes
7.	22	Vigil Mechanism	Yes
8.	23	Related Party Transactions	Yes
9.	24	Corporate Governance Requirements with respect to Subsidiaries	Yes
10.	24A	Secretarial audit and and Secretarial Compliance Report	Yes
11.	25	Obligations with respect to Independent Directors	Yes
12.	26	Obligations with respect to employees including Senior Management Key Managerial Persons, Directors and Promoters	Yes
13.	27	Other Corporate Governance Requirements	Yes
14.	46(2)(b) to (i)	Website	Yes

CHAIRMAN & MANAGING DIRECTOR / CFO CERTIFICATION

The Chairman & Managing Director, Senior Director & Chief Financial Officer have certified, in terms of Part B of Schedule II of the Listing Regulations, to the Board that the Financial Statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards. The said certification of the Financial Statements and the Cash Flow Statement for the financial year 21-22 is annexed as **Annexure - V** and forms part of this Corporate Governance Report.

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Chairman & Managing Director

Place: Mumbai

Dated: May 25, 2022

ANNEXURE I

DECLARATION AS PER REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

All Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of Company's Code of Conduct for the Financial Year ended March 31, 2022.

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Chairman & Managing Director

Place: Mumbai

Dated: May 25, 2022

ANNEXURE II

STATEMENT OF UTILISATION OF FUNDS RAISED TROUGH QUALIFIED INSTITUTIONAL PLACEMENT FOR FY 21-22

Name of listed entity	Max Healthcare Institute Limited
Mode of fund raising	Qualified Institutional Placement
Date of raising funds	March 09, 2021
Amount raised (Gross in INR)	120,000 Lakhs (approx.)
Monitoring Agency	Not Applicable
Monitoring Agency name, if applicable	Not Applicable
Is there a deviation / variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable
If yes, date of shareholders' approval	Not Applicable
Explanation for the deviation / variation	Not Applicable
Comments of the Audit Committee after review	Not Applicable
Comments of the Auditors, if any	Not Applicable

Objects for which funds have been raised and where there has been a deviation, in the following table:

Original object	Modified object, if any	Original allocation (INR)	Modified allocation, if any	Funds utilised (INR) FY 21-22	Amount of deviation/variation for FY21-22 according to applicable object	Remarks, if any
i. Part financing the funding requirements of the Company	Not Applicable	117,916 Lakhs (Net QIP Proceeds)	Not Applicable		-	-
ii. Meeting the capital expenditure and working capital requirements of the Company, Subsidiaries, Managed Healthcare Facilities and Partner Healthcare Facilities and affiliates, if any, including investment or increasing our stake in existing or future subsidiaries, joint ventures and affiliates				64,480 Lakhs		
iii. Repayment of debt				20,000 Lakhs		
iv. Expansion and modernisation						
v. General corporate requirements or any other purposes, as may be permissible under the applicable law and approved by our Board or its duly constituted committee						

DEVIATION OR VARIATION COULD MEAN:

- (a) Deviation in the objects or purposes for which the funds have been raised; or
- (b) Deviation in the amount of funds actually utilised as against what was originally disclosed; or
- (c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc.

For and on behalf of the Board

Abhay Soi

DIN: 00203597

Chairman & Managing Director

Place: Mumbai

Dated: May 25, 2022

ANNEXURE III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
MAX HEALTHCARE INSTITUTE LIMITED
(CIN: L72200MH2001PLC322854)
401, 4th Floor, Man Excellenza,
S. V. Road, Vile Parle (West),
Mumbai, Maharashtra-400056

- That the equity shares of Max Healthcare Institute Limited (hereinafter referred as “the Company”) are listed on BSE Limited and National Stock Exchange of India Limited.
- We have examined the relevant disclosures received from the Directors, registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- We have also done examination and verification of the disclosures under section 184/189, 164 and 149 of the Companies Act, 2013 (the Act) received from the directors and register of Directors and KMPs and their shareholding under Section 170 of the Act and DIN status of directors at the MCA portal i.e. www.mca.gov.in. In our opinion and to the best of our knowledge and on the basis of information furnished to us by the Company and its officers, we certify that none of the below named Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2022:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1.	Mr. Mahendra Gumanmalji Lodha	00012920	21/06/2019
2.	Ms. Harmeen Mehta	02274379	24/05/2021
3.	Mr. Gaurav Trehan	03467781	15/03/2022
4.	Mr. Narasimha Murthy Kummamuri	00023046	26/08/2009
5.	Mr. Abhay Soi	00203597	21/06/2019
6.	Mr. Prashant Kumar	08342577	13/02/2022
7.	Mr. Michael Thomas Neeb	08522685	21/06/2019

- Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company and our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

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

Place: New Delhi
Dated: May 25, 2022

Devesh Kumar Vasisht
Partner
CP No.: 13700 / Mem. No. F8488
UDIN: F008488D000384721

ANNEXURE IV

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members of
MAX HEALTHCARE INSTITUTE LIMITED
(CIN: L72200MH2001PLC322854)
401, 4th Floor, Man Excellenza,
S. V. Road, Vile Parle (West),
Mumbai, Maharashtra-400056

We have examined the compliance of conditions of Corporate Governance by **Max Healthcare Institute Limited** (“the Company”), for the financial year ended March 31, 2022, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the LODR Regulations and the Company appointed woman independent director on May 24, 2021 under Regulation 17(1)(a) of the LODR Regulations, based on the market capitalisation as on March 31, 2021.

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

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

Devesh Kumar Vasisht
Partner
CP No.: 13700 / Mem. No. F8488
UDIN: F008488D000384809

Place: New Delhi
Dated: May 25, 2022

ANNEXURE V

To,
The Audit and Risk Committee/ Board of Directors,
MAX HEALTHCARE INSTITUTE LIMITED
401, 4th Floor, Man Excellenza,
S. V. Road, Vile Parle (West),
Mumbai, Maharashtra-400056

Sub: Compliance Certificate Under Regulations 17(8) (Listing Obligations and Disclosure Requirements), 2015 for year ended March 31, 2022

Dear Sir(s)/ Ma'am,

We, Abhay Soi, Chairman & Managing Director and Yogesh Kumar Sareen, Senior Director- Finance & Chief Financial Officer of Max Healthcare Institute Limited ("the Company"), hereby confirm w.r.t the financial statements for year ended March 31, 2022 that:

- A. We have reviewed financial statements and the cash flow statement (Standalone & Consolidated) for the year ended and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit and Risk Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit and Risk Committee, as may be applicable:

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and

iii. there has not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking You,

Abhay Soi
Chairman & Managing Director
DIN: 00203597

Dated: May 25, 2022
Place: Mumbai

Yogesh Kumar Sareen
Sr. Director- Finance and Chief Financial Officer

Business Responsibility Report

SECTION A:

General Information about the Company

1. Corporate Identity Number (CIN) of the Company
L72200MH2001PLC322854
2. Name of the Company
Max Healthcare Institute Limited
3. Registered address
401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West),
Mumbai-400056
4. Website
www.maxhealthcare.in
5. E-mail ID
investor@maxhealthcare.com
6. Financial Year reported
April 1, 2021 to March 31, 2022, unless stated otherwise, the financial values reported are that of Group as a consolidated
7. Sector(s) that the Company is engaged in (industrial activity code-wise)
Hospital activities; Industry activity code: 86100
8. List three key products/services that the Company manufactures/provides (as in balance sheet)
The Company mainly provides healthcare services in terms of diagnostics, ambulatory care, consultation, surgical and non-surgical procedures, and medical care to patients in the hospital as well as home settings. Some of these hospitals are not owned by the Company but it has Operation and Management Agreement or a Medical Services Agreement.
9. Total number of locations where business activity is undertaken by the Company: Healthcare Services through following locations.

a. Number of International locations: The Company undertakes Business Development and intermediary Services from Dubai (U.A.E.) and Nigeria

b. Number of National locations: The Company, its group and partner healthcare facilities have 17 facilities including 11 hospitals and 6 Speciality Clinics where the healthcare services are provided
10. Markets served by the Company - Local/State/National/ International

Primary National. It does get some international medical tourists in India for treatment which constitutes less than 10% of the revenue from healthcare services.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up capital (INR)	INR Lakhs 96,963
Total turnover* (INR)	INR Lakhs 4,05,882
Total profit / (Loss) after tax* (INR)	INR Lakh 60,770
Total Spending on Corporate Social Responsibility* (CSR)	INR Lakh 25

* On Consolidated basis

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, The Company has 10 subsidiaries including one step down subsidiary.

Sr. No.	Name of the Subsidiary
1.	Alps Hospital Limited
2.	Crosslay Remedies Limited
3.	Eqova Healthcare Private Limited
4.	ET Planners Private Limited (Subsidiary of Alps Hospital Limited) (Step Down Subsidiary)
5.	Hometrail Buildtech Private Limited
6.	Max Hospitals and Allied Services Limited (Formerly Known as Radiant Life Care Mumbai Private Limited)
7.	Max Healthcare FZ-LLC
8.	Max Lab Limited
9.	MHC Global Healthcare (Nigeria) Limited
10.	Saket City Hospitals Limited

2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes, there are a number of business responsibility initiatives in the area of ethics, transparency and accountability, sustainable use of resources, well-being of employees which are implemented by all the operating subsidiaries.

3. Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company has a Supplier's Code of Ethics and its suppliers & business associates comply with the same. In addition, a large part of the Company's sourcing is from multi-national companies or top 1,000 listed companies, who have their independent BR policies and initiatives. Other than Code of Ethics, the suppliers are encouraged to adopt such practices and follow the concept of being a responsible business. The Company does not have any distributors.

We also manage some partner healthcare facilities (PHF's)/ Trust Hospital pursuant to medical service agreement i.e Devki Devi Foundation (East Block), Balaji Society and Gujarmal Modi Society. We have initiated environmental related initiatives for all the network hospitals uniformly including PHF's.

SECTION D: BR INFORMATION**1. Details of Director / Directors responsible for BR**

- a) The Business Responsibility and Sustainability Committee (BRSC) of the Board of Directors formulates and then supervises the implementation of Business Responsibility and Sustainability policies and review their impact.

b) **The following directors are the members of the BRSC:**

Name	DIN	Designation
Mr. Abhay Soi	00203597	Chairman (Chairman & Managing Director)
Mr. Prashant Kumar	08342577	Member (Non-Executive Director)
Mr. Michael Thomas Neeb	08522685	Member (Independent Director)

The Board has also constituted Business Responsibility Sustainability Management Committee (“BRSMC”) for providing assistance to BRSC for implementation/process/ decision making with respect to Business Responsibility and Sustainability matters.

The members of BRSMC are as follows:

Name	Designation
Ms. Vandana Ramesh Pakle	Senior Director- Corporate Affairs
Dr. Mradul Kaushik	Senior Director- Operations and Planning & COO (Cluster -1)
Mr. Yogesh Kumar Sareen	Senior Director & Chief Financial Officer
Mr. Umesh Gupta	Senior Director and CPO
Col. Harinder Singh Chehal	Senior Director & COO (Cluster-2)

2. Principle-wise (as per NVGs) BR Policy/Policies

a) **Details of compliance (Reply in Yes/ No)**

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy been formulated in consultation with relevant stakeholders?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies have been formulated in consultation with the Board of directors of the Company, the relevant stakeholders and the same have also been benchmarked with the Industry best practices								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	A number of policies relating to various principles of BRR are available online at: https://www.maxhealthcare.in/investors/corporate-governance								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes, Policies are reviewed, evaluated, and modified time to time by the relevant internal stakeholders. Further, the inputs from external agencies are also sought on case to case basis to ensure these are kept updated and relevant.								

b) **If answer against any principle, is ‘No’, please explain why:**

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

In line with the requirement under SEBI Circular on Business Responsibility and Sustainability Reporting by listed entities, the Board of Directors of the Company have constituted Business Responsibility Sustainability Committee (BR&SC) on August 10,2021 to supervise the implementation of Business Responsibility and Sustainability (BR&S) policies and assess BR&S performance of the Company. The Board has authorised Business Responsibility Sustainability Management Committee for providing assistance to Business Responsibility Sustainability Committee. Prior to formation of BR&SC, the various aspects of governance of BR policies were supervised and assessed by the NRC, A&RC, and the Board.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, the Company has voluntarily published the ESG Report for financial year 2020-21 (Annual) and it can be viewed at https://max-website20-images.s3.ap-south-1.amazonaws.com/MHC_ESG_Report_2020_21_0d220997b2.pdf.

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Yes. This policy extends to Max Healthcare, all its subsidiaries and all its related entities.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

There were a total 27 instances of violation of code of conduct/ whistle blower in the MHIL and in addition 5 instances were reported under Prevention of Sexual harassment. All these complaints/ violations were duly investigated, and necessary action taken, keeping in view the gravity of each case.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Not Applicable.

MaxHealthcare is the course of designing and construction of its new hospital plans for LEED certifications of its building upon completion of the project. In addition, it also

provides for recycling of water and also efficient STPs with online monitoring systems as well as rainwater harvesting etc catering to the environment concerns.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

Not applicable

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Given that the hospitals operate on 24/7 basis, they tend to consume lot of energy, Max Healthcare has invested in a captive hydro power plant and also has tie-ups with the green power producer in order to source green energy. Currently, renewable energy constitutes about 44% of its total power consumption.

The company procures ~60% of its medical equipment, devices and pharmaceutical good from top 1,000 listed vendors and multinational companies. These vendors comply to environmental and operational reporting standards.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

Max Healthcare is engaged in providing healthcare services using goods which require GMP certified facilities. It directly and indirectly employs people from local communities for unskilled, semi-skilled services like housekeeping, security, general assistance, parking assistance etc.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Approx. 50% of total waste is being disposed through external agency. Organic waste is being converted into manure through Organic Waste Converter (OWC). Further, the Company reviews ESG performance of the hospitals on monthly basis which includes waste recycle, water recycle and tracking consumption total energy and green energy etc.

Principle 3: Businesses should promote the well-being of all employees

1. **Please indicate the total number of employees**

Max Healthcare had a total 12,484 employees as on March 31, 2022.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis**

Max Healthcare had hired 5,812 (including VC's) employees on temporary/contractual/casual basis as on March 31, 2022.

3. Please indicate the number of permanent women employees

Max Healthcare had 5,759 permanent women employees as on March 31, 2022, constituting about 46% of total workforce.

4. Please indicate the number of permanent employees with disabilities

Max Healthcare had 67 permanent employees with disability as on March 31, 2022.

5. Do you have an employee association that is recognised by management?

At Max Healthcare we have employee union at only one hospital i.e., Nanavati Max Hospital at Mumbai.

6. What percentage of your permanent employees are members of this recognised employee association?

Total 6% (~1000) of our employees are a part of union.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Cases were filed and the pending under different categories are listed below:

Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
Child labour/forced labour/involuntary labour	Nil	Nil
Sexual harassment	5	NIL
Discriminatory employment	Nil	Nil

*closed in April 30, 2022

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

All employees of Max Healthcare have undergone one or more programmes related to his/her skill upgradation or safety. The organisation provides ample opportunities to employees for learning and growth. Right from structured induction across all levels, Max Healthcare employees have access to many new age tools for learning. Percentages of employee categories to whom safety and skill upgradation training were provided during FY 2021-22 are as follows:

Category	Percentage (%)
Permanent Employees	72%
Permanent Women Employees	41%
Casual/Temp/Contractual Employee	100%
Employee with Disabilities	75%

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalised.**1. Has the Company mapped its internal and external stakeholders? Yes/No**

Yes, Max Healthcare has mapped its internal and external stakeholders. The organisation is in the healthcare sector, and for the company, the first and foremost accountability begins with acknowledging its patients' interests and requirements. It is the company's constant endeavour to find common, collaborative solutions for progress. Max Healthcare's key stakeholders are the people who impact its business or who are significantly impacted by it. Listening to and responding to their concerns is a core element of Max Healthcare's business strategy. The internal and stakeholder includes:

Internal:

- Employees
- Physicians

External:

- Patients
- Investors/ Shareholders
- Suppliers/Vendors
- Communities
- Regulators

There are various platforms to engage with the stakeholders listed above. Some of the channels to engage with internal and external stakeholders include Patient feedback surveys, Complaint box, Emails, Patient satisfaction scores, Analyst calls, Investor meet, Internal & External Trainings, One-to-One interactions, Smart Survey etc.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.

One of the focus of Max Healthcare is on Access to Healthcare & Support to Economically Weaker Section. The company plans to stay focused on including communities in healthcare awareness programmes, providing quality healthcare to economically weaker sections, fostering societal well-being for everyone.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

Max Healthcare has always believed in extending a helping hand to those in need. As a responsible healthcare provider, the Company is conscious of its social duty to improve patient care and community health. A dedicated desk helps patients covered by the government's EWS programme.

The EWS Programme includes:

- Eligibility criteria for patients to avail free treatment are patients with family income up to INR 15,908/- per month (Matter Sub – judice with Hon'ble High Court)
- 137 beds allocated for EWS patients.
- Daily availability of beds is mentioned on the notice board kept at Admission Counter as well as updated on the Govt. website

Max Healthcare, in addition to its EWS-focused facilities in Delhi and Mumbai, never refuses assistance to critically injured patients across its network, regardless of their financial ability to pay.

Principle 5: Businesses should respect and promote human rights**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

Max Healthcare's Code of Conduct's guiding principle states that We will respect human rights, dignity and legitimate interests of all individuals directly and indirectly associated with us. The Code applies to all direct and indirect employees and associates of the Company (including Board of Directors), in all situations where the individual is seen as representing or being associated with the Company.

Apart from that Max Healthcare upholds the tenets of Human Rights for all its stakeholder.

2. How many stakeholder complaints have been received in the past financial year on breach of human rights and what percent was satisfactorily resolved by the management?

The Company has not received any complaints pertaining to breach of human rights during FY 2021-22.

Principle 6: Business should respect, protect, and make efforts to restore the environment**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

The Company is looking forward to having a comprehensive environment policy encompassing all the important aspects by FY 23.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Max Healthcare has developed a clear-cut strategy to address global environment issues such as climate change, global warming, water scarcity among other important issues.

Its target includes:

- Reduce 60% in Scope 1 and 2 emissions by 2025 (from 2015 baseline)
- Procure 60%+ Renewable energy by 2025
- Monitor Scope 3 emissions by 2023
- Reduce 45% in freshwater consumption by 2025 (from 2015 baseline)
- Reduce 5% of total waste generation by 2025 (from 2022 baseline)
- 100% water neutrality by 2025

Max Healthcare also intends to cut emissions throughout our value chain at least by 10 percent until 2025

3. Does the Company identify and assess potential environmental risks? Y/N

The Company believes that Climate change, water scarcity, floods may be potential environmental risk. To mitigate that half of built-up area of entire network hospital is designed as per green building norms and all new projects are being developed as per these norms. Maximum efforts have been taken to procure green power through open access. Recycling of treated wastewater is ensured at optimum level. 'Membrane bioreactor' (MBR) based Sewage Treatment Plants (STP) have been installed in Max Super Speciality Hospital, Shalimar Bagh, Max Super Speciality Hospital, Vaishali and Max Super Speciality Hospital, Mohali treated water is being used for various purpose like as toilet flushing, gardening, and cooling tower to reduce the dependency of fresh water sources. Flood mitigation measures have been adopted.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The Company currently do not have any projects related to Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Max Healthcare have always been extremely cognisant of its environmental footprint. Its recent initiatives on Clean Technology, Energy Efficiency and Renewable energy are a proof of its continuous focus. The initiatives include:

- VFD installation on high running equipment
- Electronically Commutated (EC) fans in Air Handling Unit (AHU)
- High efficiency chillers
- Plant room connectivity
- Cooling Technology Institute (CTI) approved Cooling tower
- Robust Planned Preventive Maintenance (PPM) & admin control

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?

Max Healthcare maintains its Emission/ Waste Generation within the permissible limit set by CPCB and SPCB. The company submits its annual returns to respective agencies as per time frame. Further, the disposal of the bio-medical waste generated by the Company is carried out through the vendors approved by the state environment authorities.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There is zero instance of show cause/ legal notices received from CPCB/ SPCB which are pending as on end of 31st March 2022.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, Max Healthcare is a member of following trade bodies/ associations, among others:- Association of Healthcare Providers (India)

- Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, as a responsible organisation, Max Healthcare advocates issues related to societal causes through its association with industrial chambers. The Senior Management of the Company is vocal representing the company in various industry forums. Max Healthcare also works towards the advancement of awareness in public on health and hygiene through various seminars and processes. This includes: Over 1000+ activities in communities including health talks / workshops in societies, clubs, and community offices, branding of RWA Boards, lift branding in societies, branded content promotion on society security apps, in-cinemas, traffic barricades, other activities, and health camps for morning walkers in parks, distribution of health-related content with dailies, health related talks by doctors online as well as offline were conducted on a regular basis.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

As per the CSR Policy, Max Healthcare intends to

undertake the following CSR Activities as prescribed under the Companies Act, however, it shall give primary importance to the MHC CSR Identified Sectors, as follows.

- Health & Hygiene
- Supporting and facilitating surgery and high-end treatment.
- Preventive healthcare to underprivileged in identified geographies
- Personal hygiene training in those villages which have been identified by the Company and in those locations where Health and Immunisation camps are organised by the Company
- Environmental hygiene awareness in and around the areas of operations of the Company
- Education (exclusively for the selected Village / Grams / any other geographical clusters selected for development project)
- Augment Primary and Secondary Education through remedial education support
- Bridging Digital Divide
- Financial Literacy to create awareness about financial planning
- Nutrition
- Vitamin A (0-5 years) and other supplements for underprivileged women and children
- Livelihood
- Vocational training and creating & supporting Self Help Groups for single women led households in villages identified for adoption by the Company.
- The vocations for which training will be provided will be identified basis the inherent skill sets and commercial opportunities for those vocations in and around the village

2. Are the programmes/projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organisation?

As per the CSR Policy, modalities of execution include:

- All CSR Activities of the Company shall be undertaken by the Company either directly or through any Implementation Agency.
- Subject to Applicable Laws, the Company may collaborate with other companies for undertaking projects or programmes or CSR activities, provided that the CSR Committee, if any, of the Company, shall separately report to the Board, such projects or programmes that have been undertaken as the Company's CSR Activities. The company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

3. Have you done any impact assessment of your initiative?

Max Healthcare intends to undertake impact assessment once their CSR programmes as per the policies are deployed. In terms of Section 135 of the Act read with Companies (Corporate Social Responsibilities Policy) Rules, 2013, in view of the Company's carried forward losses, expenditure towards CSR is nil for FY2021-22.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

In terms of Section 135 of the Act read with Companies (Corporate Social Responsibilities Policy) Rules, 2013, in view of the Company's carried forward losses, expenditure towards CSR is nil for FY2021-22.

However, Max Healthcare as a Group always believed in extending a helping hand to those who are in need. Over 3500+ activities have been conducted in communities including health talks / workshops in societies, clubs, and community offices, branding of RWA Boards, lift branding in societies, branded content promotion on society security apps, in-cinemas, traffic barricades, other activities, and health camps for morning walkers in parks, distribution of health-related content with dailies, health related talks by doctors online as well as offline were conducted on a regular basis.

COVID-19 vaccination drive for masses were arranged in Hospitals, RWAs and Communities. Max had tie-ups with NGOs in Delhi/NCR to administer COVID-19 vaccination for labours and physically challenged individuals

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Not Applicable

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as at the end of financial year?

The company operates multiple hospitals and there are ongoing cases at consumer courts against claims alleged as medical negligence. There are 160 complaints/ cases out of total 234 cases (68.37%) pertaining to patients treated.

Due to the COVID – 19 pandemic, the courts have been giving hearings only for important cases. As a result of which, the said cases remain pending against the Company.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes, all our brand assets (both offline and online) are in compliance with statutory rules and regulations.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There is a case pending against Max Healthcare which was ordered by CCI on 31.08.2018 to investigate alleged price difference of syringe procured from Hospital and procured from open market.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Max Healthcare continues to pride itself on improving Patient Care through transparency and listening to the Customers as the guiding principles. At Max Healthcare, we receive feedback from patients, from a wide range of sources for Patient listening to understand the patient feedback with a focus to improve patient care and enhance patient engagement and patient retention.

Our facilities have been recognised through accreditations, numerous awards from reputed industry bodies and some of the highest google ratings. Moreover, Max Healthcare has one of the highest patient retention rates and an overall Patient satisfaction score of 85%.

While replacing the earlier application with all new 'Patient Feedback Management System launched in Apr'21, it has been ensured to maximise the collation of Feedback and target every customer for their feedback once they avail services across the network in areas like Inpatient, Outpatient, Emergency, Day-care and PHP, based on a voluntary and an independent response via SMS feedback link.

Independent Auditor’s Report

TO THE MEMBERS OF
MAX HEALTHCARE INSTITUTE LIMITED

REPORT ON THE AUDIT OF THE STANDALONE
FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Max Healthcare Institute Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as

amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to communicate in our report.

S No. Key Audit Matter	Auditor’s Response
1. Impairment of intangible assets (Goodwill and trademark) (Refer to note 7 and note 8 of the notes forming part of the standalone financial statements) The Company has intangible asset with indefinite lives comprising Goodwill of INR 94,742 lakhs and Trademarks of INR 49,378 lakhs as at March 31, 2022. The Company’s evaluation of goodwill and trademark for impairment involves the comparison of the recoverable value of cash generating unit to its carrying value in accordance with Ind AS 36, Impairment of Assets. The recoverable amount is determined based on the higher of the fair value less cost of disposal or the value in use. The Company has determined recoverable value, which included use of discounted cash flow model to estimate recoverable value, and requires management to make significant estimates and assumptions related to future cash flow forecasts (including forecast of future revenue and operating margins), discount rates and the long term growth rates applied to these future cash flow forecasts. Changes in these estimates and assumptions could have a significant impact on the assessment of the recoverable value and the consequential impact on impairment loss.	Principal audit procedures performed With respect to Impairment of intangible assets (Goodwill and trademark), we: • Evaluated the design, implementation and operating effectiveness of controls over impairment assessment, including controls relating to review of future cash flow forecasts (including forecast of future revenue and operating margins) and controls relating to review of assumptions of discount rates and the long-term growth rates. • Evaluated the reasonableness of the estimates used by management in assessment of future cash flow forecasts and operating margins by comparing them to historical revenue and operating margins, latest approved forecasts and long term plans. • With the assistance of our fair value specialist, evaluated the appropriateness of the valuation methodology and reasonableness of the key valuation assumptions used by management and tested mathematical accuracy of the calculations used in assessment of recoverable value. • Evaluated the appropriateness of the accounting and disclosures in the financial statements in compliance with the accounting standards.

S No. Key Audit Matter	Auditor’s Response
	The management has concluded that the recoverable value is higher than the carrying amount and accordingly, no impairment provision has been recorded as at March 31, 2022. Considering the significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the recoverable value used in the impairment evaluation, we have determined impairment of such goodwill and trademark carried in the books of account as at March 31, 2022 arising from the business combination from an earlier year as a key audit matter for the current year audit.

INFORMATION OTHER THAN THE FINANCIAL
STATEMENTS AND AUDITOR’S REPORT THEREON

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report but does not include the standalone financial statements and our auditor’s report thereon. The Board Report is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the Board report, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance as required under SA 720 ‘The Auditor’s responsibilities Relating to Other Information’.

MANAGEMENT’S RESPONSIBILITY FOR THE
STANDALONE FINANCIAL STATEMENTS

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

AUDITOR’S RESPONSIBILITY FOR THE AUDIT OF
THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Independent Auditor’s Report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer note no. 30 forming part of standalone financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 30.C forming part of standalone financial statements.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer note no. 31.27 forming part of standalone financial statements.
- iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 31.23 the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 31.23 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in

writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year - Refer note 31.26 forming part of standalone financial statements.

2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm’s Registration No. 015125N)

(RASHIM TANDON)
(Partner)

(Membership No. 95540)
(UDIN: 22095540AJOBJY3091)

Place: New Delhi
Date: May 25, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Max Healthcare Institute Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2022, based on “the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm’s Registration No. 015125N)

(RASHIM TANDON)
(Partner)

(Membership No. 95540)
(UDIN: 22095540AJOBJY3091)

Place: New Delhi
Date: May 25, 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) In respect of its fixed assets (Property, Plant and Equipment):
- (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.
- (ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a programme of physical verification of property, plant and equipment, capital work in progress, investment properties and right-of-use assets so to cover all items once every two years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, all property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us by the management, the title deeds of immovable properties included in property, plant and equipment, right of use, capital work in progress and investment property pledged with the bank are held in the name of the Company based on the confirmations received by us from the lenders. In respect of immovable properties of land that have been taken on lease and disclosed as part of right of use assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (a) The Company has provided loans or advances in the nature of loans and stood guarantee during the year and details of which are given below:

- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising statement of stock position filed by the Company with such banks or financial institutions were in agreement with unaudited books of account of the Company for the respective quarters and no material discrepancies have been observed. - Refer note 21(i) forming part of standalone financial statements.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation. For loans or advances in the nature of loan which are payable on demand, the Company during the year has not demanded such loan or advances and having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.
- (d) According to information and explanations given to us and based on the audit procedures performed, In respect of loans granted and advances in the nature of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has granted loans or advances in the nature of loans which are repayable on demand, details of which are given below:

	(INR in Lakhs)	
	Subsidiary companies	Others
Aggregate of loans:		
- Repayable on demand	20,400	6,000
Percentage of loans to total loans	34%	10%

Also, refer note 31.23 of the standalone financial statements.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

	Amount (INR in lakhs)		
	Loans	Guarantees	Security
A. Aggregate amount granted/ provided during the year*:			
- Subsidiaries	12,664	11,818	-
- Others	1,000	4,691	-
B. Balance outstanding as at balance sheet date in respect of the above cases:			
- Subsidiaries	53,620	40,805	17,466
- Others	6,000	21,925	-

Also refer note no 31.23 of the standalone financial statements.

(vii) According to the information and explanations given to us in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues as applicable to it to the appropriate authorities during the year and there were no undisputed amounts payable in respect of these dues in arrears as at 31 March, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022, on account of disputes are given below:

(INR in lakhs)					
Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (net of payment)	Amount paid under protest
Delhi Value Added Tax Act, 2004	Value Added Tax	Department of Trade and Taxes, Government of NCT of Delhi	2014-15	39	39
Delhi Value Added Tax Act, 2004	Value Added Tax	Department of Trade and Taxes, Government of NCT of Delhi	2015-16	75	75
Delhi Value Added Tax Act, 2004	Value Added Tax	Department of Trade and Taxes, Government of NCT of Delhi	2016-17	130	130
Delhi Value Added Tax Act, 2004	Value Added Tax	Department of Trade and Taxes, Government of NCT of Delhi	2017-18	5	5

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary companies.

(x) (a) In our opinion, money raised by way of qualified institutional placement of equity shares by the Company during the year have been utilised for the purposes for which they were raised, other than temporary deployment in fixed deposits pending application of proceeds. Further, during the year, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).

(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully, partly and optionally convertible debentures. In regard to the preferential allotment or private placement of shares made in the previous year, we report that unutilised funds out of such shares raised in the previous year have been, prima facie utilised during the year for the purposes for which they were raised by the Company, other than temporary deployment in fixed deposits pending application of proceeds. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for transactions with the related parties and the details of such related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering period upto March 31, 2022 in determining the nature, timing and extent of our audit procedures.

(xv) During the year, the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi) (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company did not have average profit in the preceding three years pursuant to sections 135(5) of Companies Act, 2013 and rule made thereunder and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm's Registration No. 015125N)

(RASHIM TANDON)

(Partner)

Place: New Delhi

(Membership No. 95540)

Date: May 25, 2022

(UDIN: 22095540AJOBJS091)

Standalone Balance Sheet

as at March 31, 2022

		(INR in Lakhs)	
	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	81,385	61,517
Capital work-in-progress	5	1,406	815
Right-of-use assets	6	12,826	13,575
Goodwill	7	94,742	94,742
Other intangible assets	8	1,25,741	1,29,062
Intangible assets under development	8A	4,619	19
Investments in subsidiaries	9	2,56,697	2,37,879
Financial assets			
(i) Investments	10	51	51
(ii) Trade receivables	10	10,773	11,945
(iii) Loans	10	63,331	52,190
(iv) Other financial assets	10	11,850	4,629
Income tax assets (net)	11	5,032	6,760
Other non-current assets	12	11,907	4,926
Total non-current assets		6,80,360	6,18,110
Current assets			
Inventories	13	2,466	2,149
Financial assets			
(i) Trade receivables	14	26,761	30,744
(ii) Cash and cash equivalents	14	21,398	59,777
(iii) Bank balance other than (ii) above	14	16,246	1,322
(iv) Loans	14	1,157	755
(v) Other financial assets	14	996	799
Other current assets	15	820	639
Total current assets		69,844	96,185
TOTAL ASSETS		7,50,204	7,14,295
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16 (i)	96,961	96,595
Other equity	16 (ii)	5,33,941	4,97,348
Total equity		6,30,902	5,93,943
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	27,663	31,692
(ii) Lease liabilities	18	13,902	13,858
Provisions	19	1,974	1,918
Deferred tax liabilities (net)	23	45,920	45,199
Other non-current liabilities	20	274	170
Total non-current liabilities		89,733	92,837
Current liabilities			
Financial liabilities			
(i) Borrowings	21	2,665	1,801
(ii) Lease liabilities	21	643	606
(iii) Trade payables	21		
-Total outstanding dues of micro enterprises and small enterprises		165	45
-Total outstanding dues of creditors other than micro enterprises and small enterprises		19,371	19,259
(iv) Other financial liabilities	21	2,841	2,304
Other current liabilities	22	2,270	1,912
Provisions	19	1,614	1,588
Total current liabilities		29,569	27,515
Total Liabilities		1,19,302	1,20,352
TOTAL EQUITY AND LIABILITIES		7,50,204	7,14,295

The accompanying notes are integral part of the Standalone financial statements 1-31

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)**RASHIM TANDON**
(Partner)
Membership No: 95540Place : New Delhi
Date : May 25, 2022For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED**ABHAY SOI**
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai**YOGESH KUMAR SAREEN**
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Standalone Statement of profit and loss

for the year ended March 31, 2022

		(INR in Lakhs)	
	Note No.	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
I Revenue from operations	24	1,72,908	1,03,078
II Other income	25	12,538	10,651
III Total income (I+II)		1,85,446	1,13,729
IV Expenses			
Purchase of pharmacy, drugs, consumables and implants		44,616	23,712
(Increase)/decrease in inventory of pharmacy, drugs, consumables and implants		(317)	793
Employee benefits expenses	26	36,386	26,547
Professional and consultancy fees		30,067	19,535
Finance costs	27	4,408	11,245
Depreciation and amortization expense	28	9,914	9,075
Other expenses	29	20,073	16,401
Total expenses (IV)		1,45,147	1,07,308
V Profit before exceptional items and tax (III-IV)		40,299	6,421
VI Exceptional items	31.18	-	(21,067)
VII Profit/(loss) before tax (V + VI)		40,299	(14,646)
VIII Tax expense			
Current tax	23	6,494	-
Deferred tax	23	692	1,799
Total tax expenses (VIII)		7,186	1,799
IX Profit/(loss) for the year (VII - VIII)		33,113	(16,445)
X Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plan	31.2	116	(72)
Income tax effect	23	(29)	38
Total other comprehensive income/(loss) for the year (X)		87	(34)
XI Total comprehensive income/(loss) for the year (IX+X)		33,200	(16,479)
XII Earnings per equity share (Nominal Value of share INR 10)			
Basic (INR)	31.11	3.42	(1.91)
Diluted (INR)		3.42	(1.91)

The accompanying notes are integral part of the Standalone financial statements 1-31

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)**RASHIM TANDON**
(Partner)
Membership No: 95540Place : New Delhi
Date : May 25, 2022For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED**ABHAY SOI**
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai**YOGESH KUMAR SAREEN**
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Standalone Statement of changes in equity

for the year ended March 31, 2022

A) EQUITY SHARE CAPITAL

(INR in Lakhs)		
(i) Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	96,595	53,724
Changes in equity share capital during the year	366	42,871
Balance at the end of the year	96,961	96,595

(ii) Reconciliation of equity shares at the beginning and at the end of the year.

(INR in Lakhs)		
Particulars	Numbers	Amounts
Equity shares of INR 10 each issued, subscribed and fully paid		
As at April 1, 2020	53,72,44,328	53,724
Less: Cancellation of shares upon business combination (refer note 16(i))	(53,39,95,874)	(53,399)
Add: Issue of shares pursuant to the Scheme (Refer note 16(ii))	90,12,84,070	90,129
Add: Issue of shares under Qualified Institutional Placement (refer note 16 (i))	6,14,12,482	6,141
As at March 31, 2021	96,59,45,006	96,595
Add: Issue of shares under employee stock option plan ("ESOP")(Refer note 16(i))	36,68,449	366
As at March 31, 2022	96,96,13,455	96,961

B) OTHER EQUITY

(INR in Lakhs)				
Particulars	Reserves and surplus			Other equity
	Securities premium (Refer note 16(ii))	Stock options outstanding account (Refer note 16(ii))	Retained earnings (Refer note 16(ii))	
As at April 1, 2020	2,34,045	-	(261)	2,33,784
Loss for the year	-	-	(16,445)	(16,445)
Other comprehensive loss for the year	-	-	(34)	(34)
Pursuant to scheme of merger	1,64,661	-	956	1,65,617
Premium on issue of equity shares under Qualified Institutional Placement	1,13,859	-	-	1,13,859
Less : share issue expenses	(2,084)	-	-	(2,084)
Employees stock compensation expenses	-	2,651	-	2,651
As at March 31, 2021	5,10,481	2,651	(15,784)	4,97,348
Profit for the year	-	-	33,113	33,113
Other comprehensive Income for the year	-	-	87	87
Employees stock compensation expenses	-	3,393	-	3,393
Transfer to security premium account on exercise of option	3,832	(3,832)	-	-
As at March 31, 2022	5,14,313	2,212	17,416	5,33,941

The accompanying notes are integral part of the Standalone financial statements 1-31

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

RASHIM TANDON
(Partner)
Membership No: 95540

Place : New Delhi
Date : May 25, 2022

For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED

ABHAY SOI
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Standalone Cash Flow Statement

for the year ended March 31, 2022

(INR in Lakhs)		
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Cash flows from operating activities		
Profit/(loss) before tax	40,299	(14,646)
Adjustments to reconcile profit before tax to net cash from operating activities:		
Depreciation of property, plant and equipment	4,885	3,987
Amortization of right of use assets	1,625	1,227
Amortization of intangible assets	3,404	3,861
Income on modification/termination of lease under Ind AS 116	(60)	(24)
Loss on foreign exchange fluctuation (net)	15	26
Provision for doubtful advances and doubtful debts (net)	(820)	482
Bad debts and debit balances written off	873	317
Net loss/(income) on sale/disposal of property, plant and equipment	2	(17)
Unclaimed balances and excess provisions written back	(2,018)	(245)
Loss on remeasurement of previously held equity interest by Radiant Life Care	-	17,289
Gain on derivative instruments	(74)	-
Employee stock option scheme expenses - equity settled	3,044	2,383
Finance income	(9,443)	(9,317)
Interest on lease liability	1,503	1,223
Interest on debts and borrowings	2,496	9,795
Operating cash inflow before working capital changes	45,731	16,341
Working capital changes:		
Decrease in trade receivables	5,006	4,765
(Increase)/decrease in inventories	(317)	793
(Increase) in other financial assets	(6,128)	(1,215)
Decrease/(Increase) in other current and non current assets	470	(137)
Increase in provision for gratuity and leave encashment	198	457
Increase/(decrease) in trade payables and other financial liabilities	1,801	(1,783)
Increase in other current liabilities	462	912
Cash generated from operations	47,223	20,133
Taxes (paid)/refund - (net)	(4,766)	2,314
Net cash generated from operating activities (A)	42,457	22,447
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress, capital creditors and capital advances	(36,675)	(3,141)
Proceeds from sale/disposal of property, plant and equipment	154	135
Loan given to subsidiaries and other healthcare service providers	(13,664)	(6,689)
Loan repaid by subsidiaries and other healthcare service providers	2,000	10,673
Investments in fixed deposit with bank (with maturity of more than three months)	(16,103)	-
Investments in subsidiaries	(18,468)	(49,143)
Interest income received	9,453	11,604
Net cash flows used in investing activities (B)	(73,303)	(36,561)

Standalone Cash Flow Statement

for the year ended March 31, 2022

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Cash flows from financing activities		
Net proceeds from issuance of equity share capital including security premium	366	1,17,916
Proceeds of non current borrowings	347	53,705
Repayments of non current borrowings	(4,376)	(53,350)
Proceeds from/(repayments of) short-term borrowings (net)	890	(64,575)
Payment of lease liabilities	(735)	(313)
Payment of interest on lease liabilities	(1,503)	(1,223)
Interest on debts and borrowings paid	(2,522)	(10,919)
Net cash flows from/(used in) financing activities (C)	(7,533)	41,241
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(38,379)	27,127
Cash and cash equivalents at the beginning of the year [refer note 14(ii)]	59,777	6,576
Increase in Cash and cash equivalents pursuant to the scheme (Refer Note 31.21)	-	26,074
Cash and cash equivalents at the end of the year [refer note 14(ii)]	21,398	59,777
Components of cash and cash equivalents:		
Balances with banks on current accounts	474	551
Fixed deposits with banks of maturity less than three months	20,674	59,037
Cheques on hand, credit card and digital wallet receivables	136	119
Cash on hand	114	70
Total cash and cash equivalents	21,398	59,777

The Standalone cash flow statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standard-7, "Statement of Cash Flows".

The accompanying notes are integral part of the Standalone financial statements 1-31

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

RASHIM TANDON
(Partner)
Membership No: 95540

Place : New Delhi
Date : May 25, 2022

**For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED**

ABHAY SOI
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Notes

forming part of Standalone financial statements

1 CORPORATE INFORMATION

Max Healthcare Institute Limited ("MHIL" or "the Company") is a public limited company incorporated on June 18, 2001 under the relevant provisions of erstwhile Companies Act, 1956 and its registered office is located at 401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai 400056. The equity shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited since August 21, 2020.

The Company is primarily engaged in provision of healthcare services through primary care clinics, multi speciality Hospitals / medical centres and super-speciality hospitals facilities. These include 'managed facilities' and medical facilities of third party healthcare providers with whom, the Company has entered into long term service contracts for providing operation and management, medical services, clinical, radiology, pathology services and related healthcare services [including through the Operation & Management agreement ("O&M") that the Company has entered into with Lahore Hospital Society to manage the operation of Dr. B.L. Kapur Memorial Hospital (being a unit of Lahore Hospital Society).

The financial statements have been approved by the Board of Directors at its meeting held on May 25, 2022.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standard) Rule, 2015, as amended from time to time and other relevant provision of the Act.

The preparation of financial statement requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and reported amounts of revenues and expenses. The estimates are based on historical experience and various other assumptions. The management evaluates estimates on an ongoing basis and make changes to them as management becomes aware of changes in circumstances towards the estimates. Actual results may differ from these estimates. Refer to note 3.2 for significant accounting judgements, estimates and assumptions.

The following note provides list of the significant accounting policies adopted in the preparation of this financial statement.

3 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS

3.1 Significant accounting policies (also refer note 3.2)

a. Property, plant and equipment

Property, Plant and Equipment ("PPE") are stated at cost, less accumulated depreciation and impairment losses, if any. The cost comprises of purchase price, taxes, duties (including import duties discharged under EPCG scheme), freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by Goods and Service Tax credit ("GST") wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment or any significant component thereof initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/part of the assets separately, if the component/part has a cost which is significant to the total cost and has useful life that is materially different from that of remaining asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advance.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date less impairment losses, if any.

Depreciation on property, plant and equipment is provided on pro-rata basis on straight-line method using the useful lives of the assets prescribed in schedule II of the Companies Act 2013, except for certain classes of property, plant and equipment which are depreciated based on the technical assessment made by the independent valuation expert engaged by management. The estimated useful lives, residual values and depreciation method are reviewed periodically, at least at each financial year-end, with the effect of any changes in estimate accounted for on a prospective basis.

Notes

forming part of Standalone financial statements

The estimated useful lives of the assets are as follows:

Assets	Useful lives
	Lower of the estimated useful life of tangible asset or respective lease term
Leasehold improvements	
Building	3-60 years
Medical equipment	4-24 years
Hand instrument	4 years
Lab equipment	10 years
Electrical installations and equipment's	5-22 years
Plant and equipment	4-23 years
Office equipment	2-7 years
Computers & data processing units	3-6 years
Furniture and fixtures	5-10 years
Motor vehicles other than ambulance	8 years
Ambulance	6 years

The useful life of following acquired assets during the previous year ended March 31, 2021 were estimated by independent valuation expert on the date of acquisition (refer note 31.21) as given below:

Assets	Useful lives
Building	5-60 years
Medical equipment	4-24 years
Electrical installations and equipment's	5-22 years
Plant and equipment	4-23 years

Any tangible assets cost per unit of INR 5,000 is depreciated within one year.

On the basis of technical assessment made by the management, it believes that useful life given above are realistic and reflect fair approximation of the period over which the assets are likely to be used.

b. Intangible assets

Intangible assets acquired separately are stated at cost except for fair valued on business combination (Refer note 31.21) less accumulated amortization and impairment losses, if any. Cost of internally generated intangibles, excluding capitalized development cost, are reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed priodically, at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future

economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and impact of such changes is treated as accounting estimates.

Intangible assets with indefinite useful lives i.e. Goodwill and Trademarks are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

Intangible assets with finite useful life are amortized on at straight line basis over their estimated useful life.

Intangible Assets	Useful lives
Softwares	2-5 years
Non-Compete agreement	3-7 years
Medical service agreement	As per terms of the agreement
Radiology and pathology service agreement	As per terms of the agreement
Operation and Management Right	As per terms of the agreement

c. Impairment of non financial assets

The Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. In the event such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which such estimates are made.

Notes

forming part of Standalone financial statements

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and such diminution in the carrying amount is recognised as impairment loss immediately in Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, only to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

d. Financial Instruments

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.

(i) Financial assets

The Company classified its financial assets in the following measurement categories :-

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

Initial recognition and measurement

Financial assets are initially measured at fair value except for Trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- At amortized cost
- At fair value through profit or loss ("FVTPL")
- At fair value through other comprehensive income ("FVTOCI")- Equity Instruments

At amortized cost

A 'debt instrument' is measured at the amortized cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

the asset's contractual cash flows represent Sole Payment of Principal and Interest ("SPPI")

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the EIR the Company estimate the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

At FVTOCI

A financial assets is subsequently measured at FVTOCI if it is held within a business modal whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of the financial assets give rise on specified date to cash flows that are SPPI on the principal amount outstanding. All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

At FVTPL

Any financial asset which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Notes

forming part of Standalone financial statements

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit losses ("ECL") model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at the time of initial revenue recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on the historically observed default rates over the expected life of various categories of trade receivables and these are updated and changed based on forward looking estimates at every reporting date.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company's financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money and other payables.

The measurement of financial liabilities depends on their classification, as described below:

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values.

Derecognition

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a enforceable legal right to offset the recognized amounts and the Company intends to settle on a net basis.

Reclassification of financial assets and liabilities

After initial recognition of financial assets and liabilities, no re-classification is made except for financial assets where there is a change in the business model for managing those assets. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. If the Company reclassifies financial assets, it applies the

Notes

forming part of Standalone financial statements

reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

e. Investment in subsidiaries

The investment in subsidiaries, except for fair valued on business combination (refer note 31.21), are carried at cost as per Ind AS 27. Investment accounted for at cost is accounted for in accordance with Ind AS 105 when they are classified as held for sale. Investment carried at cost is tested for impairment as per Ind AS 36 . An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls on investee if and only if the investor has all the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect the amount of the investor's returns.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

f. Revenue

I) Revenue from contract with customer

Revenue from contracts with customers is recognized when control of the goods is transferred or services are rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services net of returns and allowances, trade discounts and volume rebates. The Company has concluded that it is generally the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue is usually recognized when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retained neither ownership nor effective control over the goods sold or services rendered.

Contracts with customers could include promises to transfer multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct

performance obligation is measured to at an amount that reflects the consideration which the Company expects to receive in exchange for those services and is net of tax collected from customers and remitted to government authorities and applicable discounts and allowances including claims. Further, the Company also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

a. Sale of goods

Revenue from sale of pharmacy and pharmaceutical supplies is recognized at the point in time when control of the goods is transferred to the customer, generally on delivery of the pharmacy and pharmaceutical items. The Company collects goods and service tax ("GST") on behalf of the government and, therefore, these are not economic benefits flowing to the Company and thus excluded from revenue. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

b. Revenue from healthcare services

Revenue from rendering of healthcare services (including drugs, consumables and implants used in delivery of such services) is recognized over the time based on the performance of related services to the customers as per the terms of contract.

Income from medical services and operation and management fee is recognised as and when obligations arising out of the contractual arrangements are fulfilled and services are provided in terms of such agreements.

II) Other services rendered

Income from other services like sponsorship income, education income, clinical trials and other ancillary activities is recognized based on the terms of the contract and when it is probable that economic benefits associated with the transaction will flow to the entity and amount of revenue can be measured reliably.

III) Rental income

Rental income arising from operating leases and licences is accounted as per their respective terms of contract and is included in operating revenue in the statement of profit or loss due to its operating nature.

Notes

forming part of Standalone financial statements

IV) Incentive Income

Benefits under "Service exports from India Scheme" and "Export promotion capital goods scheme" on foreign exchange earned under prevalent scheme of Government of India are accrued when the right to receive these benefits as per the terms of the scheme is established, and to the extent there is no significant uncertainty about the measurability and their ultimate utilization.

V) Other income

Interest income included in Finance Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

g. Inventories

Inventories comprise of pharmacy, drugs, consumable and implants which are valued at lower of cost and net realizable value. Cost includes the cost of purchase, duties, taxes (other than those recoverable from tax authorities) and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first-out ("FIFO") basis .

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and those necessary to make the sale.

h. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on completion of obligation of Government grant.

Non-monetary government grants related to assets, shall be recognised for the amount incurred over and above the grant received and in case of nil consideration both Government grant & assets are recognised at a nominal amount.

i. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards ("ICDS") enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is included either in other comprehensive income or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate, if any.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

The Company classifies non-current assets held for sale if their carrying amounts will be principally recovered through a sale rather than through continuing use of assets and action required to complete such sale indicate

Notes

forming part of Standalone financial statements

that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

A discontinued operation is a 'component' of the Company business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale. The Company considers the guidance in Ind AS 105 Non-Current assets held for sale and discontinued operations to assess whether a divestment asset would qualify the definition of 'component' prior to classification into discontinued operation.

k. Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and charged to statement of profit and loss on the basis of effective interest rate (EIR) method. Finance cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Finance costs directly attributable to the acquisition, construction or production of qualifying asset, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the asset. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other finance costs are expensed in the period in which they occur.

l. Leases

As per Ind AS 116 applicable from April 01, 2019

The Company assesses at contract inception whether a contract is, or contains, a lease. i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities for payment to lessor and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The

cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Assets	Useful lives (in years)
Leasehold improvements	Over the leasehold period

The right-of-use assets are also subject to impairment. Refer note 3.1(d).

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its weighted average cost of debt as incremental borrowing rate as on initial recognition date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term/lease payments or a change in the assessment of an option to purchase the underlying asset and corresponding adjustment to right to use assets.

Short term leases and lease of low value assets

The Company applies the short term lease recognition exemptions to its short term leases of property like nursing hostels i.e. those leases that have a lease term of twelve months or less from commencement date and do not contain a purchase option. Lease payment on short term leases are recognized as expenses on a straight line basis over the term of the lease.

Notes

forming part of Standalone financial statements

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised as per the term of lease agreement.

m. Provisions and contingent liabilities

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and 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 such obligation. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements unless the probability of outflow of resources is remote.

Contingent assets are disclosed in the financial statement by way of notes to accounts when an inflow of economic benefit is probable.

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

n. Employee benefits

Provident fund

Retirement/ post-employment benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the regional PF Commissioner. The Company recognise contribution payable to provident fund scheme as an expenditure, when an employee renders related service.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has also made contribution to life insurance companies towards a policy to partially

cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the period-end and the balance of funds with the life insurance companies is provided as liability in the books.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- (i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- (ii) Net interest expenses or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Leave encashment

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes

forming part of Standalone financial statements

Long term incentive plan

Employees of the Company receives defined incentive, whereby employees render services for a specified period. Long term incentive is measured on accrual basis over the period as per the terms of contract.

o. Share-based payments

The Company recognized compensation expenses relating to share-based payments in net profit based on estimated fair values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to stock options outstanding account.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

p. Cash and cash equivalents and other bank balance

Cash and cash equivalent in the balance sheet comprise cash at banks, cash 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. Restricted bank balances and deposits having maturity more than 3 months are classified and disclosed as other bank balances.

q. Earning per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders (i.e. profit/(loss) after tax [including the post tax effect of exceptional items, if any]) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity

shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

r. Foreign currencies

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's Financial Statements are presented in Indian Rupee ('the functional currency₹') which is also the Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the balance sheet date:

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured at historical cost in foreign currency and are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of :-

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Notes

forming part of Standalone financial statements

For the purposes of presenting these financial statement, the assets and liabilities of the Company's foreign operations are translated into Indian INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

s. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in Statement of profit or loss account.

t. Fair value measurement

The Company measures financial instruments, such as, derivatives 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 Company.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized 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:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

u. Segment accounting

In accordance with Ind AS 108, Segment Reporting, the Chief Executive Officer and Managing Director is the Company's Chief Operating Decision Maker ("CODM").

The Company has identified only one reportable business segment as it deals mainly in provision of healthcare services.

v. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Notes

forming part of Standalone financial statements

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements.

(a) Impairment

(i) Impairment testing of goodwill and other intangible assets

Goodwill and intangible assets (such as Trademarks), if any, that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other intangible assets (including Operation and management rights and service agreement) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For

the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). During the year, the Company has carried out the impairment assessment of Goodwill and other intangibles (including those appearing in the subsidiaries) and have concluded that there is no impairment in value of goodwill and other intangibles assets as appearing in the Financial Statements.

(ii) Impairment testing of non-Financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Determining whether the asset is impaired requires to assess the recoverable amount of the asset or Cash Generating Unit ("CGU") which is compared to the carrying amount of the asset or CGU, as applicable. Recoverable amount is the higher of fair value less costs of disposal and value in use. Where the carrying amount of an asset or CGU exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(iii) Impairment testing of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs for the impairment calculation based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(iv) Impairment testing of trade receivables

The Company reviews its trade receivables to assess impairment at regular intervals. In determining of impairment losses, the Company makes judgement as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows and whether a risk of default and expected loss rates exists. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or conditions which is based on historic loss rates, present developments such as liquidity issues and information about future economic conditions, with respect to reduction in the recoverability of cash flows.

(v) Impairment of investment in subsidiaries

The Company assesses at each reporting date whether there is an indication that an investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required. The

Notes

forming part of Standalone financial statements

Company estimates the investment's recoverable amount. A recoverable amount is higher of an investment's CGU's fair value less cost of disposal and its value in use. Where the carrying amount of an investment or CGU's exceeds its recoverable amount, the investment 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 investments. In determining fair value less costs of disposal, appropriate methods are taken into account. On disposal of investment, the difference between net disposal proceeds and the carrying amount are recognised in the statement of profit & loss.

(b) Useful lives of Property, plant and equipment

The depreciation charge is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end.

(c) Taxes

Significant judgement is involved in the interpretation of complex tax regulations, changes in tax laws and determining the amount and timing of future taxable income. The Company recognises provisions and measurement of deferred tax, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

(d) Assessment of claims and litigations disclosed as contingent liabilities

There are certain claims and litigations which have been assessed as contingent liabilities by the management (also refer note 30) and which may have an effect on the operations of the Company. The management has assessed that no further provision / adjustment is required to be made in the financial statements for the above matters, other than what has been already recorded, as they expect a favourable decision based on their assessment and the advice given by the external legal counsels / professional advisors.

(e) Gratuity and Leave encashment

The cost of defined benefit plans (i.e. Gratuity and Leave Encashment) is determined using actuarial valuations an actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. Future salary increases and pension increases are based on expected future inflation rates.

(f) Fair value measurement of financial instrument

When the fair value 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 Discounted Cash Flow ("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.

3.3 Recent accounting pronouncements, to the extent applicable to the Company

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103-Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standard (Conceptual Framework) issued by the institute of Chartered Accountants of Indian at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact on its financial statements.

Notes

forming part of Standalone financial statements

Ind AS 16-Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing. If any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37-Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify that the 'Cost of Fulfilling' a contract comprises the 'Cost that relate directly to the

contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (Examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS 109-Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.

Notes

forming part of Standalone financial statements

		Leasehold land	Freehold land (refer footnote 4.05)	Building	Leasehold Improvements	Medical equipment	Lab equipment	Plant and equipment	Office equipment	Furniture and fixture	Motor vehicles	Computers and data processing units	Electrical installations and equipment	Other surgical instruments	Total
															(INR in Lakhs)
Gross carrying amount (at cost)															
As at April 1, 2020	-	-	-	-	-	-	-	471	7	1	292	11	-	-	782
Pursuant to the Scheme (Refer Note 4.02)	21,500	-	15,446	3,566	15,075	43	3,233	589	746	428	1,031	272	62,168		
Additions	-	-	245	87	1,675	5	51	61	32	450	(58)	75	16	308	3,005
Disposals	-	-	-	(163)	(105)	-	(21)	(5)	(82)	(58)	(16)	-	(9)	(459)	
As at March 31, 2021	21,500	15,691	15,691	3,490	16,645	48	3,734	302	540	1,430	514	1,031	571	65,496	
Re-classification	-	-	(10)	-	(11)	-	-	20	-	-	-	-	1	-	
Additions	-	19,026	1,005	129	2,727	7	165	152	170	472	(237)	385	19	703	24,960
Disposals	-	-	(3)	-	(50)	(2)	(10)	(9)	(7)	(237)	(2)	(2)	-	(322)	
As at March 31, 2022	21,500	19,026	16,683	3,619	19,311	53	3,889	445	723	1,665	897	1,048	1,275	90,134	
Accumulated depreciation															
As at April 1, 2020	-	-	-	-	-	-	332	4	1	3	7	-	-	-	347
Additions (refer footnote 4.03)	-	-	261	390	1,967	4	381	89	230	174	187	174	139	3,996	
Disposals	-	-	-	(162)	(88)	-	(14)	(4)	(76)	(4)	-	(16)	-	(364)	
As at March 31, 2021	-	-	261	228	1,879	4	699	89	155	173	194	158	139	3,979	
Re-classification	-	-	-	-	1	-	-	(1)	-	-	-	-	-	-	
Additions	-	-	371	289	2,627	6	444	113	166	239	204	174	252	4,885	
Disposals	-	-	(2)	-	(44)	-	(8)	(4)	(3)	(51)	(1)	(2)	-	(115)	
As at March 31, 2022	-	-	630	517	4,463	10	1,135	198	317	361	397	330	391	8,749	
Net carrying amount															
As at March 31, 2022	21,500	19,026	16,053	3,102	14,848	43	2,754	247	406	1,304	500	718	884	81,385	
As at March 31, 2021	21,500	-	15,430	3,262	14,766	44	3,035	213	385	1,257	320	873	432	61,517	

4.01 Title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

4.02 During the previous year ended on March 31, 2021, pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement, identified tangible assets of accounting acquiree (as further explain in note 31.21) were measured at acquisition date fair value, as determined by independent valuation expert engaged by the Company. Fair value of the land of the hospital units of the accounting acquiree (Max Healthcare Institute Limited) was determined by the independent valuation expert based on active market prices, adjusted for difference in the nature, locations and conditions of the specific property. These assets include:

- Land pertaining to hospital situated at West Block, Saket and Shalimar Bagh that has been allotted by Delhi Development Authority under perpetual lease.

Notes

forming part of Standalone financial statements

- Fair value and remaining useful life of other assets acquired during previous year ended March 31, 2021, namely hospital buildings / other buildings and medical equipment, plant and machinery and other assets that were determined by independent valuation expert, which takes into account remaining economic life and replacement cost of such assets . The value of PPE acquired is depreciated/amortised on straight line method basis over such remaining useful life which best reflects the usage of asset to the accounting acquirer.

4.03 The depreciation of PPE use for ongoing projects amounting to INR 9 lakhs has been included in cost of capital work in progress.

4.04 For details of PPE pledged as security refer in note 17.

4.05 On Dec 28 2021, the Company has received possession of two land parcels situated in Gurugram measuring 6.11 acres and 5.26 acres located at Sectors 53 and Sector 56 respectively with Floor Space Index "FSI" of 1.50 times, allotted by HSVP (Haryana Shahri Vikas Pradhikaran) on a freehold basis consequent to public auction.

4.06 The Company has not revalued any of its property, plant and equipment during the year.

5. CAPITAL WORK-IN-PROGRESS ("CWIP")

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress as at March 31, 2022	1,406	-	-	-	1,406
Projects in progress as at March 31, 2021	721	78	16	-	815

Note

As on March 31, 2022, there are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan. Construction of immigration Centre at Mohali was started in October 22, 2019, but the same was completed in May, 2021 due to delay in receipt of occupancy certificate and other regulatory approvals by the landlord owing to COVID related restrictions.

6. RIGHT-OF-USE ASSETS

	(INR in Lakhs)
Leasehold Building	
Gross carrying amount (at cost)	
As at April 1, 2020	-
Pursuant to the Scheme (Refer Note 31.21)	16,351
Additions	135
Less: Deletion	(1,714)
As at March 31, 2021	14,772
Additions	1,048
Less: Deletion	(187)
As at March 31, 2022	15,633
Accumulated Depreciation	
As at April 1, 2020	-
Additions*	1,283
Less: Deletion	(86)
As at March 31, 2021	1,197
Additions*	1,649
Less: Deletion	(39)
As at March 31, 2022	2,807
Net carrying amount	
As at March 31, 2022	12,826
As at March 31, 2021	13,575

In respect of immovable properties that have been taken on lease and disclosed in financial statements as right-of-use assets, the lease agreements are duly executed in favour of the Company.

Notes

forming part of Standalone financial statements

During the previous year ended on March 31, 2021, pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement, lease contracts of accounting acquiree (Max Healthcare Institute Limited, as more explained in note 31.21) were measured at acquisition date fair value. These assets includes leased Hospital at Dehradun, Panchsheel Park and Nursing hostels & other accommodations.

*The depreciation on right-of-use assets use for ongoing projects amounting to INR 24 lakhs (March 31, 2021 :INR 56 lakhs) has been included in cost of capital work in progress.

7. GOODWILL

Goodwill represents purchase consideration in excess of net fair value of identifiable assets and liabilities and contingent liabilities acquired.

(INR in lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	94,742	438
Additional amount recognised pursuant to the Scheme (Refer note 31.21)	-	94,304
Balance at end of the year	94,742	94,742

For the purpose of impairment testing, goodwill acquired on business combination is allocated, to the Cash-Generating Units ("CGU") that are expected to benefit from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The carrying value of the goodwill has been allocated as follows:

(INR in lakhs)		
Cash Generating Unit	As at March 31, 2022	As at March 31, 2021
Radiation Oncology services at Dr. B L Kapur Memorial Hospital	438	438
Hospital operations acquired upon business combination effective June 01, 2020:		
Max Super Speciality Hospital, Saket (including related day care and other wings)	48,319	48,319
Max Super Speciality Hospital, Shalimar Bagh	20,729	20,729
Max Super Speciality Hospital, Dehradun	18,730	18,730
Max Lab	6,526	6,526
Total	94,742	94,742

The Company's evaluation of goodwill for impairment involves the comparison of the recoverable value of cash generating unit to its carrying value in accordance with Ind AS 36, Impairment of assets. The recoverable amount of CGU is determined based on the higher of the fair value less cost of disposal and the value in use. The Company has determined recoverable value, which includes use of discounted cash flow model to estimate recoverable value, and requires management to make significant estimates and assumptions related to future cash flow forecasts (including forecast of future revenue and operating margins), discount rates and the long term growth rates applied to these future cash flow forecasts. The cash flow projections generally cover a period of six years/balance tenure of O&M agreement.

The estimated cash flows reflects the assumptions for mid-term to long term market developments.

The key assumptions used for calculation are as follows.

Long term growth rate - 3% to 5%

Weighted average cost of capital - 11.5% to 12.5%

As the recoverable value is higher than the carrying amount and accordingly, no impairment provision has been recorded during the year ended March 31, 2022. The Company further believes that any reasonable change, including those related to the possible effects of the COVID-19 pandemic, in key assumptions on which recoverable amount is based, is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of any of the cash generating units.

Notes

forming part of Standalone financial statements

8. OTHER INTANGIBLE ASSETS

	Other intangible assets					Total
	Operation and Management right (Refer footnote 8.01)	Computer software	Non compete fee	Trademarks (Refer footnote 8.02)	Service agreement (Refer footnote 8.02)	
Gross carrying amount (at cost)						
As at April 1, 2020	9,288	-	-	-	-	9,288
Pursuant to the Scheme (Refer Note 31.21 & footnote 8.02 below)	-	2,357	1,311	49,378	72,048	1,25,094
Additions	2	59	-	-	-	61
Disposals	(1,512)	(2)	-	-	-	(1,514)
As at March 31, 2021	7,778	2,414	1,311	49,378	72,048	1,32,929
Additions	-	83	-	-	-	83
Disposals	-	-	-	-	-	-
As at March 31, 2022	7,778	2,497	1,311	49,378	72,048	1,33,012
Accumulated amortization						
As at April 1, 2020	1,190	-	-	-	-	1,190
Additions	1,104	590	429	-	1,738	3,861
Disposals	(1,182)	(2)	-	-	-	(1,184)
As at March 31, 2021	1,112	588	429	-	1,738	3,867
Additions	201	601	515	-	2,087	3,404
Disposals	-	-	-	-	-	-
As at March 31, 2022	1,313	1,189	944	-	3,825	7,271
Net carrying amount						
As at March 31, 2022	6,465	1,308	367	49,378	68,223	1,25,741
As at March 31, 2021	6,666	1,826	882	49,378	70,310	1,29,062

8.01 Operation & Management right include the following:

- The Company has entered into Operation & Management agreement ("O&M agreement") with Lahore Hospital Society ("a Society"), as per the terms of this agreement, the Company has exclusive right to equip, administer, upgrade, manage, operate and supervise the Dr. B L Kapur Memorial Hospital (a hospital of Society) (referred to as deemed separate entity i.e. 'Silo'). Rights obtained under O&M agreement, has been recognised as identifiable intangible assets and are amortised over the duration of contract i.e. 45 years till May 2054.

This includes:

- INR 6,286 Lakhs (March 31, 2021 : INR 6,286 lakhs) as 'Operation and Management Rights' of Dr. B. L. Kapur Memorial Hospital, to the extent the value of investments over the fair value of net assets on merger of erstwhile Radiant Life Care Private Limited and Halcyon Investment during the financial year ended March 31, 2017.
 - INR 1,492 lakhs (March 31, 2021 : INR 1,492 lakhs) which represent the difference between the non-interest bearing refundable security deposit given under terms of O&M agreement and the present value of the same.
 - INR 1512 lakhs in disposal represents fair value of guarantee provided to the lenders of Dr. B L Kapur Memorial Hospital, for the term loan borrowed from banks for which no guarantee commission was charged till March 31, 2020. With effect from June 1, 2021, the Company has started to charge guarantee commission on corporate guarantee given to the lenders on behalf of Dr. B L Kapur Memorial Hospital. Therefore, Intangible asset against fair value of guarantee provided to the lenders of Dr. B L Kapur Memorial Hospital is amortised.
- Depreciation for the previous year ended March 31, 2021 included INR 902 lakhs towards amortization of operation & Management right with BLK as more explained in note 8.01 (a)(iii) above.

Notes

forming part of Standalone financial statements

8.02 During the previous year ended on March 31, 2021, pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement (Scheme') (Refer Note 31.21), identified intangible assets of accounting acquiree i.e. Max Healthcare Institute Limited (as more explained in note 31.21) were measured at acquisition date fair value, as determined by independent valuation expert engaged by the Company. These intangible assets include:

- i) Service agreement : Service Agreement is an intangible asset identified in terms of accounting principles of Ind AS, arising from Medical Service Agreement and Radiology and Pathology Agreement ('Agreements'), between Max Healthcare Institute Limited / subsidiary companies and other healthcare service providers to provide medical services. The Company receives service fees in consideration of medical services provided. Upon business combination accounting on June 01, 2020, service agreement of INR 72,048 lakhs was recognised as per Ind AS 103 at acquisition date fair value determined by independent valuation expert engaged by the Company. Such service agreements are amortised as per the term of respective agreements.
- ii) Trademarks : Hospital units held by accounting acquiree (Max Healthcare Institute Limited, as more explained in note 31.21) operate under the name of 'Max Healthcare' Trademark name. The Company uses 'Max Healthcare' trademark and this trademark was transferred as part of the Scheme. Accordingly, trademark was recognised at the time of merger as per Ind AS 103 at acquisition date fair value determined by independent valuation expert engaged by the Company. The trademark have indefinite life and carried at acquisition date fair value less impairment losses if any.
- (iii) Non compete fee of INR 1,311 lakhs has been recognised in the transaction upon business combination as per Ind AS 103. Such non compete fee are amortised over the period of non compete agreement.

8.03 The Company has not revalued any of its intangible assets during the year.

8A Intangible assets under development

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development as at March 31, 2022	4,619	-	-	-	4,619
Intangible assets under development as at March 31, 2021	14	5	-	-	19

- (i) On January 20, 2022, the Company has entered into a long term services agreement with Muthoot Hospitals Private Limited ("MHPL") towards operations and management ("O&M") of 300+ beds hospital being constructed and developed at Sector 10 Dwarka, New Delhi. The Services Agreement will have an initial term of 30 (thirty) years from the date of construction completion notice. As per terms of Service Agreement, the Company has paid an interest free refundable performance deposit and will be entitled to a fixed and a variable service fee as stipulated in the Services Agreement upon provision of services from the effective date. The difference between the non-interest bearing refundable security deposit given under terms of O&M agreement and the present value of the same at the transaction date amounting to INR 4,563 Lakhs, has been recognised as identifiable intangible assets under development. Such intangible asset on completion of development will be amortised over the duration of contract i.e. 30 years from the effective date.

Notes

forming part of Standalone financial statements

9. INVESTMENTS IN SUBSIDIARIES

	As at March 31, 2022	(INR in Lakhs) As at March 31, 2021
Unquoted equity shares		
(i) Investments in subsidiary company (valued at cost)		
Max Hospitals And Allied Services Limited (formerly known Radiant Life Care Mumbai Private Limited)		
8,93,17,577 (March 31, 2021: 8,93,17,577) equity shares of INR 10 each fully paid-up	33,526	33,526
Add : 100 (March 31, 2021: NIL) equity shares purchased during the year [refer footnote (i)]	0.10	-
8,93,17,677 (March 31, 2021: 8,93,17,577) equity shares of INR 10 each fully paid-up	33,526	33,526
(ii) Investment in subsidiary companies [fair valued at acquisition date, refer note (31.21)]		
ALPS Hospital Limited [refer footnote (ix)]		
28,81,034 (March 31, 2021: 28,81,034) equity shares of INR 10 each fully paid-up	14,799	14,799
Add : 6,83,990 (March 31, 2021: NIL) equity shares purchased during the year [refer footnote (ii)]	5,000	-
35,65,024 (March 31, 2021: 28,81,034) equity shares of INR 10 each fully paid-up	19,799	14,799
Hometrail Buildtech Private Limited [refer footnote (ix)]		
5,09,39,078 (March 31, 2021: 5,09,39,078) equity shares of INR 10 each fully paid-up	40,659	40,659
Crosslay Remedies Limited		
11,90,84,298 (March 31, 2021: 11,16,25,297) equity shares of INR 10 each fully paid-up	36,764	34,432
Add : 2,39,67,993 (March 31, 2021: 74,59,001) equity shares purchased during the year [refer footnote (iii)]	8,149	2,332
14,30,52,291 (March 31, 2021: 11,90,84,298) equity shares of INR 10 each fully paid-up	44,913	36,764
Saket City Hospitals Limited [refer footnote (ix) & (x)]		
2,94,32,414 (March 31, 2021: 1,68,32,414) equity shares of INR 10 each fully paid-up	1,11,864	65,054
Add : NIL (March 31, 2021: 1,26,00,000) equity shares purchased during the year [refer footnote (iv)]	-	46,810
2,94,32,414 (March 31, 2021: 2,94,32,414) equity shares of INR 10 each fully paid-up	1,11,864	1,11,864
(iii) Investment in subsidiary companies acquired/incorporated during the current year (valued at cost)		
Max Lab Limited		
NIL (March 31, 2021: NIL) equity shares of INR 10 each fully paid-up	-	-
Add : 50,00,000 equity shares subscribed during the year [refer footnote (v)]	500	-
50,00,000 (March 31, 2021: NIL) equity shares of INR 10 each fully paid-up	500	-
Max Healthcare FZ-LLC		
NIL (March 31, 2021: NIL) equity shares of INR 10 each fully paid-up	-	-
Add : 500 equity shares subscribed during the year [refer footnote (vi)]	101	-
500 (March 31, 2021: NIL) equity shares of INR 10 each fully paid-up	101	-
Egova Healthcare Private Limited.		
NIL (March 31, 2021: NIL) equity shares of INR 10 each fully paid-up	-	-
Add : 26,000 equity shares of INR 10 each subscribed during the year [refer footnote (vii)]	4,718	-
26,000 (March 31, 2021: NIL) equity shares of INR 10 each fully paid-up	4,718	-
(iv) Deemed Investment in subsidiary companies [refer footnote (viii)]		
Share based payment 7,00,473 equity options (March 31, 2021: 5,97,786)	617	267
Total non-current investments [(i)+(ii)+(iii)+(iv)]	2,56,697	2,37,879
Aggregate value of unquoted investments	2,56,697	2,37,879
Amount of impairment in value of investments	-	-

- (i) The Company purchased 100 equity shares of INR 10 each of Max Hospitals and Allied Services Limited (Formerly known as Radiant Life Care Mumbai Private Limited) ("MHASL") from Mr. Abhay Soi at a total consideration of INR 9,506, based on the valuation report dated December 3, 2021 by an independent valuer. Accordingly, MHASL has become wholly owned subsidiary of the Company w.e.f. January 28, 2022.

Notes

forming part of Standalone financial statements

- (ii) During the year, the Company has made an additional investment for an amount upto INR 5,000 Lakhs in ALPS Hospital Limited ("ALPS"), a wholly owned subsidiary of the Company, by way of subscription towards rights issue of 6,83,990 equity shares of ALPS. Further, ALPS has made acquisition of 100% equity shares of ET Planners Private Limited. Accordingly, ET Planners Private Limited has become a wholly owned subsidiary of ALPS and a step down wholly owned subsidiary of the Company with effect from August 27, 2021. Also refer note 31.24.
- (iii) During the year ended March 31, 2022, the Company has acquired 2,39,67,993 equity shares of Crosslay Remedies Limited ("CRL"), a subsidiary of the Company and post acquisition it holds 99.90% equity stake in CRL (as at March 31, 2021: 83.16%). The Company is in the process of acquisition of balance shares from remaining shareholder of CRL in accordance with the Shareholders Agreement.
- (iv) In terms of the Share Purchase Agreement dated March 26, 2020 executed amongst Kayak Investments Holding Pte. Ltd. ("Kayak"), Max Healthcare Institute Limited ("Company") and Saket City Hospitals Limited (formerly known as Saket City Hospitals Private Limited) ("SCHL") (hereinafter referred as "Kayak SPA") and further to an amendment agreement dated March 11, 2021, the Company on March 15, 2021 acquired 1,26,00,000 fully paid up equity shares of INR 10 each of SCHL (42.8% of the total equity paid up share capital of the SCHL) held by Kayak at a sale consideration in cash equivalent to USD 64,246,702 (equivalent to INR 46,810 lakhs). Accordingly, upon acquisition of shares on March 15, 2021, SCHL became wholly owned subsidiary of the Company.
- (v) On June 02, 2021, Max Lab Limited was incorporated in India as a wholly owned subsidiary of the Company to inter alia pursue healthcare services or diagnostic testing, third party Hospital Lab Management in India or elsewhere, for providing range of diagnostic services including pathology lab services, prognostic monitoring services, testing to retail customers and other organisations etc.
- (vi) On July 12, 2021, Max Healthcare FZ-LLC, was incorporated in Dubai Healthcare City, United Arab Emirates as a wholly owned subsidiary of the Company for the purpose of business development and support services to potential international medical value travelers from Middle East and Africa region.
- (vii) On February 10, 2022, the Company entered into Shareholders Agreement for purchase of 100% equity of Eqova Healthcare Private Limited ('Eqova') in tranches. Accordingly, the Company acquired 26% stake in Eqova on February 15, 2022 and also placed a deposit of INR 6,840 lakhs in escrow account towards purchase of a further stake of 34%, subject to agreed conditions precedent. Further, the Company shall acquire the remaining stake of 40%, upon exercise of put / call options as per shareholders option agreement.
- (viii) As per the ESOP scheme, the Company is eligible to issue ESOP to employees of the subsidiaries. Further as per Ind AS 102, if parent grants share-based payment to employees of subsidiary, parent will debit to investment in the subsidiary as a capital contribution and a credit to equity. Total 7,00,473 (March 31, 2021: 5,97,786) number of equity options granted under share based payment to employee of the subsidiary.
- (ix) Investments in subsidiary Company are pledged against loan/working capital taken by subsidiary Company from bank. Details of pledged investment are as follow.

Name of Subsidiary	Total Shares	Pledged Share
ALPS Hospital Limited	35,65,024	8,64,310
Hometrail Buildtech Private Limited	5,09,39,078	2,59,78,930
Saket City Hospitals Limited	2,94,32,414	1,48,64,816

- (x) the Board of Directors of Max Healthcare Institute Limited accorded their in-principle approval for expeditious consolidation of SCHL's business with the Company on a going concern basis via voluntary liquidation of SCHL as per the provisions of Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017. Also refer note 31.22

Notes

forming part of Standalone financial statements

10. NON-CURRENT FINANCIAL ASSETS

	As at March 31, 2022	As at March 31, 2021
(INR in Lakhs)		
(i) Investments in equity instrument (fair value through OCI)		
Sandhya Hydro Power Projects Balargha Private Limited (refer footnote)		
5,07,795 (March 31, 2021: 5,07,795) equity shares of INR 10 each fully paid-up	51	51
	51	51
Aggregate value of unquoted investments	51	51
Amount of impairment in value of investments	-	-
The Company holds 5,07,795 equity shares of Sandhya Hydro Power Projects Balargha Private Limited, a Company engaged in the business of generation and sale of hydro energy.		
(ii) Trade receivables (unsecured)		
Trade receivables - considered good	10,773	11,945
	10,773	11,945

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Neither any trade nor other receivables are due from firms or private companies in which any director is a partner, director or a members.

As at December 10, 2001, Max Medical Services Limited (merged with the MHIL with effect from October 1, 2016) had entered into an agreement with a healthcare service provider to construct a hospital building. The phase I of the construction was completed and handed over in financial year 2004-05 for a consideration of INR 2,431 lakhs. The said consideration is repayable in equal instalments over 26.5 years from the handover date. Further, the Company completed phase II of the construction in financial year 2010-11 and handed over the possession for a consideration of INR 3,520 lakhs. The said consideration is repayable in equal instalments over 20.5 years from the handover date. The recoverable value was determined at the date of business combination, based on expected cash flow as per the contractual terms and accordingly recognised.

Since the receipt of the consideration is spread over 26.5 years and 20.5 years respectively for phase I and phase II, an income amounting to INR 180 lakhs (March 31, 2021 : INR 57 lakhs), has been recognized based on a fixed percentage of the turnover of the healthcare service provider and disclosed under "Other income" as income from deferred credit and INR 1,242 lakhs (March 31, 2021 : INR 1,051 lakhs) as interest income on fair valuation of trade receivables under "Finance income". Also refer note 31.14.

Trade receivables ageing as at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	10,773	-	-	-	-	-	10,773
Total	10,773	-	-	-	-	-	10,773

Trade receivables ageing as at March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	11,945	-	-	-	-	-	11,945
Total	11,945	-	-	-	-	-	11,945

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(iii) Loans (Valued at amortized cost) (unsecured considered good unless stated otherwise)		
To related parties:		
(a) Loans to related parties [refer to note 31.10, and footnote - (i)]	52,256	42,956
(b) Preference shares in Hometrail Buildtech Private Limited [refer note 31.10 & footnote below- (ii)]	4,711	4,234
(c) Advance for share application money [refer footnote - (iii)]	364	-
To other parties:		
(a) Loans and advances to other healthcare service providers [Refer to 31.14 and footnote - (iv)]	6,000	5,000
	63,331	52,190

Loan to related parties as at March 31, 2022

Type of borrower	Amount of Loan	Percentage of the total loan
Promoters	-	-
Directors	-	-
Key Managerial Personnel ("KMPS")	-	-
Related Party [Refer note 10(iii) & 14(iv)]	58,441	91%

Loan to related parties as at March 31, 2021

Type of borrower	Amount of Loan	Percentage of the total loan
Promoters	-	-
Directors	-	-
Key Managerial Personnel ("KMPS")	-	-
Related Party [Refer note 10(iii) & 14(iv)]	47,899	90%

Notes:

- (i) Loans to related parties include:
- (a) Interest bearing loan amounting to INR 32,856 lakhs (March 31, 2021: 33,856 lakhs) given to Dr. B.L. Kapur Memorial Hospital, to fulfil obligation under the Operation and Management Agreement. As per the agreement, earlier the interest rate was 12% per annum which was reduced to 10.25% p.a w.e.f April 01, 2021 for the year ended March 31, 2022, based on mutual understanding as per terms of contract.
- (b) Interest bearing loan amounting to INR 14,100 lakhs (March 31, 2021: 9,100 lakhs) given to Saket City Hospitals Limited, for business operations, repayment of debts and other general corporate purpose. As per the agreement, the interest rate was 12% per annum. The interest rate has been reduced to 10.25% p.a w.e.f April 01, 2021 for the year ended March 31, 2022, based on mutual understanding.
- (c) Interest bearing loan amounting to INR 6,300 lakhs (March 31, 2021: NIL) given to Max Hospitals and Allied Services Limited (formerly known as Radiant Life Care Mumbai Private Limited, for business operations, repayment of debts and other general corporate purpose. As per the agreement, the interest rate is 10.25% p.a. for the year ended March 31, 2022, based on mutual understanding.
- (ii) Hometrail Buildtech Private Limited had allotted 2,000,000, 0% non convertible redeemable preference shares of INR 100 each aggregating to INR 2,000 lakhs in March, 2014 to the Company with redemption premium at internal rate of return of 11.25% per annum for a tenure of 6 years. The tenure of redemption for the redeemable preference share have been extended further for a period of 5 years w.e.f. March, 2020 till March, 2025 with other terms of issuance remaining constant.
- (iii) On February 4, 2022 and March 25, 2022, the Company advanced amount of INR 176 lakhs and INR 188 lakhs respectively towards investment in of M/s MHC Global Healthcare (Nigeria) Limited and M/s Max Healthcare FZ-LLC (Dubai). Shares are not allotted till March 31, 2022. The Company is in process of complying with necessary regulatory requirements for allotment of shares.

Notes

forming part of Standalone financial statements

- (iv) Loan to other healthcare service providers represents:

Interest bearing loan amounting to INR 6,000 lakhs (March 31, 2021: 5,000 lakhs) given to Gujarmal Modi Hospital & Research Centre. Loan carries interest rate @ 10.25% for the year ended March 31, 2022 (11% for the year ended March 31, 2021). These loans are extended by the Company as it help to extend opportunities to the Company to increase the depth and width of its offering leading to growth in revenue & improvement in profitability. The Company does not expect any default. Also refer to Note 31.14.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(iv) Other financial assets		
Fixed deposits under lien [#]	7	10
Fixed deposits in escrow account [refer footnote (i)]	6,880	-
Security deposits - considered good [refer footnote (ii) & (iii)]	4,963	4,619
Security deposits - credit impaired	75	200
Less:- Impairment allowance for security deposits - credit impaired	(75)	(200)
	11,850	4,629

[#] Margin money deposits made to secure bank guarantee issued to government authorities.

- (i) Amount of INR 6,880 lakhs is deposited in escrow account towards purchase of further stake of 34% in Eqova Healthcare Private Limited subject to agreed condition precedent. Also refer note 9(vii).
- (ii) Security deposits includes INR 3,567 lakhs (March 31, 2021: 3,567 lakhs) given to Devki Devi Foundation and Balaji Medical and Diagnostic Research Centre under the term of long term service agreements with these healthcare service providers. The deposit carry interest @10.25% and are provided by the Company as it provides opportunities to the Company to increase the depth and width of its offering leading to growth in revenue & improve profitability. The Company does not expect any default. Also refer note 31.14.
- (iii) The Company has determined its security deposits not to be in the nature of loans since these are given in normal course of business and accordingly have been classified as part of other financial assets.

11. INCOME TAX ASSETS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance income tax and tax deducted at source (net of provision)	5,032	6,760
	5,032	6,760

12. OTHER NON CURRENT ASSETS (UNSECURED CONSIDERED GOOD UNLESS STATED OTHERWISE)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Capital advances [refer footnote-(i)]	10,597	3,061
Others		
Prepaid expenses	154	170
Licenses receivable	-	39
Other advances - considered good [refer footnote-(ii)]	1,156	1,656
Other advances - credit impaired [refer footnote-(ii)]	308	308
Less:- Impairment allowance for Other Advances - credit impaired	(308)	(308)
	11,907	4,926

Notes :

- (i) Capital advances includes:
- (a) Carrying value aggregating to INR 2,898 lakhs (March 31, 2021 – INR 2,898 lakhs) relates to pending land allotment by Greater Noida Industrial Development Authorities ("GNIDA"). The Company has applied to GNIDA for possession of land and is in regular discussion with GNIDA for the pending allotment to the Company.

Notes

forming part of Standalone financial statements

- (b) INR 7,552 lakhs (March 31, 2021 – NIL) as an advance for purchase of Transferable Development Rights ("TDR") from a third party, for purposes of increasing Floor Space Index in connection with newly acquired hospital project land in Sector-53 and Sector-56, Gurugram. The Company is currently in process of acquiring TDR certificates.
- (ii) Other advances as at March 31, 2021 represents amounts receivable from Greater Mohali Area Development Authority (GMADA) upon non-allotment of land by GMADA. The Company has filed claim for a refund of the amount paid and based on the discussions between GMADA officers and Company representative, an amount of INR 1,156 lakhs (net of estimated deduction) has been considered recoverable in the books of account.

13. INVENTORIES (AT LOWER OF, COST AND NET REALIZABLE VALUE)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Stock of pharmacy, drugs, consumables and implants	2,466	2,149
	2,466	2,149

14. CURRENT FINANCIAL ASSETS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables		
(Unsecured considered good, unless otherwise stated) :-		
Trade receivables - considered good (also refer note 31.14)	16,968	19,573
Trade receivables from related parties - considered good (refer note 31.10)	9,793	11,171
Trade receivables - considered doubtful	1,406	2,101
Less: Impairment allowance for trade receivables	(1,406)	(2,101)
	26,761	30,744
Trade receivables are not interest bearing.		

Trade receivables ageing as at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	15,165	7,090	2,254	2,252	-	-	26,761
Undisputed Trade Receivables – credit impaired	-	296	350	328	285	147	1,406
Total [refer note 14(i)]	15,165	7,386	2,604	2,580	285	147	28,167
Less: Impairment allowance for trade receivables							(1,406)
							26,761
Trade receivable - Unbilled [refer note 14(v)]							767
							27,528

Trade receivables ageing as at March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	12,643	9,871	2,092	6,044	94		30,744
Undisputed Trade Receivables – credit impaired	-	191	1,061	448	266	135	2,101
Total [refer note 14(i)]	12,643	10,062	3,153	6,492	360	135	32,845
Less: Impairment allowance for trade receivables							(2,101)
							30,744
Trade receivable - Unbilled [refer note 14(v)]							799
							31,543

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(ii) Cash and cash equivalents		
Balances with banks:		
On current accounts	474	551
Deposits with maturity less than three months	20,674	59,037
Cheques on hand, credit card and digital wallet receivables	136	119
Cash on hand	114	70
	21,398	59,777
		(INR in Lakhs)
	As at March 31, 2022	As at March 31, 2021
(iii) Bank balances other than (ii) above		
Bank deposits with maturity more than three months but less than twelve months	16,174	-
On escrow account [refer footnote (a)]	-	1,250
Fixed deposits under lien [refer footnote (b)]	72	72
	16,246	1,322

(a) Balance in escrow account

INR 1,250 lakhs as at March 31, 2021 in escrow account represent payable to Book Running Lead Managers ("BRLMs") towards service fee in connection with the QIP issue.

(b) Margin money deposits given as security includes:

INR 48 lakhs (March 31, 2021: INR 42 lakhs) to secure bank guarantee issued to government authorities.

NIL (March 31, 2021: INR 6 lakhs) to secure bank guarantee issued to customers i.e. Ex-servicemen Contributory Health Service ('ECHS') and Northern Railways.

INR 24 Lakhs (March 31, 2021: INR 24 lakhs) to secure bank guarantee issued to bank against Overdraft limit

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(iv) Loans (Valued at amortized cost)(unsecured considered good, carried at amortized cost)		
Loans to related parties (refer note 31.10 and footnote)	1,110	709
Loans and advances to other healthcare service providers	47	46
	1,157	755

Loan to related parties includes INR 1,000 lakhs (March 31, 2021: NIL) receivable from Dr. B.L. Kapur Memorial Hospital and INR 110 lakhs (March 31, 2021: INR 709 lakhs) interest receivable from related parties.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(v) Other financial assets (unsecured considered good, unless otherwise stated)		
Unbilled revenue	767	799
Security deposits	7	-
Service Exports from India Scheme scrips	222	-
	996	799

Notes

forming part of Standalone financial statements

15. OTHER CURRENT ASSETS (UNSECURED CONSIDERED GOOD, UNLESS OTHERWISE STATED)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Other advances	123	84
Prepaid expenses	651	525
Licenses receivable	46	30
	820	639

16. EQUITY SHARE CAPITAL AND OTHER EQUITY

(i) Equity share capital

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(a) Authorized		
1,26,00,00,000 (March 31, 2021: 1,26,00,00,000) equity shares of INR 10 each	1,26,000	1,26,000
12,50,00,000 (March 31, 2021: 12,50,00,000) cumulative preference shares of INR 10 each	12,500	12,500
	1,38,500	1,38,500
Issued, subscribed and fully paid-up		
96,96,13,455 (March 31, 2021: 96,59,45,006) equity shares of INR 10 each	96,961	96,595
Total issued, subscribed and fully paid-up share capital	96,961	96,595

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

Equity shares	March 31, 2022		March 31, 2021	
	No. of shares	(INR in Lakhs)	No. of shares	(INR in Lakhs)
At the beginning of the year	96,59,45,006	96,595	53,72,44,328	53,724
Cancellation of shares upon business combination (Refer Note 31.21)	-	-	(53,39,95,874)	(53,399)
Issue of shares pursuant to the Scheme [Refer note 31.21 and footnote (i)]	-	-	90,12,84,070	90,129
Issue of shares under Qualified Institutional Placement [refer footnote (ii)]	-	-	6,14,12,482	6,141
Issue of shares under Employee Stock Option Plan [refer footnote below (iii)]	36,68,449	366	-	-
Outstanding at the end of the year	96,96,13,455	96,961	96,59,45,006	96,595

- i) Pursuant to the Scheme (Refer Note 31.21) becoming effective from June 01, 2020, on June 19, 2020, MHIL allotted 26,62,41,995 equity shares to equity shareholders of Max India Limited and 63,50,42,075 equity shares to equity shareholders of Radiant in the following ratio:
- 9,074 fully paid-up equity shares of MHIL of face value INR 10/- each, for every 10 fully paid-up equity shares, of face value INR 10/- each held in Radiant as on the record date i.e. June 01, 2020; and
 - 99 fully paid up equity shares of MHIL of face value INR 10/- each, for every 100 equity shares of INR 2 each held in the Max India Limited as on the record date i.e. June 15, 2020.
- ii) The Company completed Qualified Institutional Placement of equity shares on March 10, 2021, and allotted 6,14,12,482 equity shares at a floor price of INR 195.40 per share (having face value of INR 10 each) aggregating to INR 11,99,99,98,982 pursuant to the approval accorded by the members of the Company at its Annual General Meeting held on September 29, 2020 which enabled it to raise funds by way of issue of equity shares to Qualified Institutional Buyers for an amount upto INR 1,20,000 lakhs.
- iii) During the year ended March 31, 2022, the Company issued and allotted 36,68,449 ordinary shares of INR 10 each under the Company's Employee Stock Option 2020 Scheme.

Notes

forming part of Standalone financial statements

(c) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	March 31, 2022		March 31, 2021	
	No. of shares	% held	No. of shares	% held
Equity Shares of INR 10 each fully paid				
Kayak Investments Holding Pte. Limited ('Kayak')	26,70,71,209	27.54%	46,98,45,836	48.64%
Mr. Abhay Soi	22,39,33,252	23.10%	21,03,65,264	21.78%
SBI Focused Equity Fund	7,94,33,334	8.19%	1,82,26,323	1.89%

(e) Details of Shareholding of Promoters

As at March 31, 2022

S. No	Promoter name	No of Shares as at March 2022	% of total shares	% of Change during the year
1.	Kayak Investments Holding Pte. Limited ('Kayak')	26,70,71,209	27.54%	(21.10%) Refer footnote (i)
2.	Mr. Abhay Soi	22,39,33,252	23.10%	1.32% Refer footnote (ii)
Total		49,10,04,461		

During the FY 21-22 following changes have been made in Promoter shareholdings

- (i) In August, 2021, Kayak transferred 27,26,754 equity shares through open market sale towards compliance with the minimum public shareholding (MPS) threshold. In addition, Kayak has sold 18,64,79,885 equity shares through block trade during the year. Further, 1,35,67,988 equity shares were sold to Mr. Abhay Soi.
- (ii) Promoter named Mr Analjit Singh, Ms. Piya Singh, Mrs. Neelu Analjit Singh, Ms. Tara Singh Vachani, Mr. Veer Singh & Max Ventures Investment Holdings Private Limited are classified from 'Promoter' category to 'Public' category of the Company, with effect from March 24, 2022.

As at March 31, 2021

S. No	Promoter name	No of Shares as at March 2021	% of total shares	% of Change during the period
1.	Kayak Investments Holding Pte. Limited	46,98,45,836	48.64%	1.69% Refer footnote (i) & (iv)
2.	Mr. Abhay Soi	21,03,65,264	21.78%	- Refer footnote (iv)
3.	Mr. Analjit Singh	99,000	0.01%	(0.63%) Refer footnote (ii)
4.	Ms. Piya Singh	1,09,229	0.01%	-
5.	Mrs. Neelu Analjit Singh	99,000	0.01%	-
6.	Ms. Tara Singh Vachani	99,000	0.01%	-
7.	Mr. Veer Singh	-	-	(0.01%) Refer footnote (ii)
8.	Max Ventures Investment Holdings Private Limited	-	-	(11.35%) Refer footnote (iii)
9.	Max India Limited	-	-	(49.70%) Refer footnote (iv)
10.	Radiant Life Care Private Limited	-	-	(49.70%) Refer footnote (iv)
Total		68,06,17,329		

During the FY 20-21 following changes have done in Promoter shareholdings

- (i) M/s Kayak Investments Holding Pte. Limited "Kayak" purchased 4,51,69,025 equity shares through off market from Max Venture Investments Holdings Private Limited.

Notes

forming part of Standalone financial statements

- (ii) Mr. Analjit Singh sold 58,18,021 equity shares through market sell and received 99,000 equity shares as gift from Mr. Veer Singh.
- (iii) Max Ventures Investment Holdings Private Limited has sold 10,26,31,287 equity shares.
- (iv) Erstwhile Max India Limited and Radiant Life Care Private Limited were promoter as on March 31, 2020 however, the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated January 17, 2020 sanctioned the Composite Scheme of Amalgamation and Arrangement amongst erstwhile Max India Limited, the Company, Radiant, Max India Limited (formerly known as Advaita Allied Health Services Limited) and their respective shareholders and creditors ("Scheme") and the Scheme was effective from June 1, 2020. Pursuant to the Scheme, the Company, on June 19, 2020, allotted 63,50,42,075 fully paid up equity shares to the shareholders of Radiant as on June 01, 2020 in the share entitlement ratio of 9,074:10 and 26,62,41,995 fully paid up equity shares to the shareholders of erstwhile Max India Limited as on June 15, 2020 in the share exchange ratio of 99:100. Further, 26,69,97,937 equity shares each held by Radiant and erstwhile Max India Limited, in the Company, got cancelled simultaneous to the issuance of equity shares to the shareholders of Radiant and erstwhile Max India Limited as aforesaid, on June 19, 2020.

- (f) Pursuant to Regulation 31 of the SEBI Listing Regulations, the details of shareholding for the quarter ended March 31, 2022 have been submitted to the stock exchanges.

(g) Share reserved for issue under option

Information relating to Max Healthcare Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the year end, is set out in note 31.4.

(ii) Other equity

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Securities premium [refer note (a) below]	5,14,313	5,10,481
Retained earnings [refer note (b) below]	17,416	(15,784)
Stock options outstanding account [refer note (c) below]	2,212	2,651
Share application money pending for allotment [refer note (d) below]	0.2	-
	5,33,941	4,97,348
Notes:		
(a) Securities premium [refer footnote (i)]		
At the beginning of the year	5,10,481	2,34,045
Add: Premium on issue of equity shares pursuant to Scheme (refer note 31.21)	-	1,64,661
Add: Premium on issue of equity shares under Qualified Institutional Placement [refer footnote (ii)]	-	1,13,859
Add: Transfer on account of exercise of employee stock options [refer footnote (iv)]	3,832	-
Less: Share issue expenses [refer note (iii)]	-	(2,084)
	5,14,313	5,10,481

- (i) Securities premium reserve is recognized to record the premium on issue of shares. The reserve can be utilized only for limited purpose as per the provision of the Companies Act, 2013.
- (ii) The Company completed Qualified Institutional Placement of equity shares in previous year ended on March 31, 2021, allotting 6,14,12,482 equity shares at a price of INR 195.40 per share (face value of INR 10 per share) @ premium of INR 185.40 aggregating premium to INR 1,13,859 lakhs.
- (iii) Share issue expenses are pertaining to issue of equity shares. As per Ind AS 109 read with Ind AS 32, transaction costs in respect of the new share issued has been recognised in equity.

Notes

forming part of Standalone financial statements

- (iv) During the year ended March 31, 2022, Company issued and allotted 36,68,449 Ordinary Shares at a price of INR 114.47 per share (face value of INR 10 per share). The amount of INR 3,832 lakhs (@ 104.47 per share) recorded in stock options outstanding account is transferred to securities premium upon exercise of stock options

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(b) Retained earnings		
At the beginning of the year	(15,784)	(261)
Profit/(loss) for the year	33,113	(16,445)
Items of other comprehensive income		
Re-measurement gains/(losses) on defined benefit plans (net of tax)	87	(34)
Pursuant to the Scheme (refer note 31.21)	-	956
	17,416	(15,784)
(c) Stock options outstanding account		
At the beginning of the year	2,651	-
Add : Employees stock compensation expenses	3,393	2,651
Less : Transfer on account of exercise of options	(3,832)	-
	2,212	2,651
The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan. Further information about share-based payments to employees is set out in note [refer note 31.4].		
(d) Share application money pending for allotment		
At the beginning of the year	-	-
Add : Received during the year (Refer footnote)	0.2	-
	0.2	-
Share application money received for 2,000 shares under share based payment to employee.		

Non-current financial liabilities

17. BORROWINGS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Term loans (secured)		
From banks	27,240	31,297
Vehicle loans (secured)	423	342
Deferred payment liabilities (secured)	-	53
Current maturity of non-current borrowings :		
Term loans (secured)		
From banks	98	125
From non-banking financial company	-	2
Vehicle loans (secured)	189	153
Deferred payment liabilities (secured)	92	86
	28,042	32,058
Less: Current maturity of non-current borrowings disclosed under "Current financial liabilities" [refer note 21(i)]	379	366
	27,663	31,692
Aggregate secured loans (Non-Current and Current)	28,042	32,058
Aggregate unsecured loans (Non-Current and Current)	-	-

Notes

forming part of Standalone financial statements

Term loan from banks :

- (i) INR 21,751 lakhs (March 31, 2021 : INR 24,728 lakhs) from IDFC First Bank Limited repayable in 52 quarterly instalments from April, 2018 is secured by way of :
- A first mortgage and charge on entire immovable properties of the Company pertaining to Max Saket Hospital and Max Shalimar bagh Hospital, both present and future.
 - A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of the Company, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.
 - A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the Company of whatsoever nature and wherever arising, both present and future (subject to a prior charge in favor of working capital lenders restricted to working capital limits of INR 9,500 lakhs in aggregate).
 - A first charge on the entire intangible assets of the Company, including but not limited to goodwill and uncalled capital, intellectual property, both present and future.
 - A first charge/mortgage/assignment, as the case may be, of - (a) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the project document (including the documents given in schedule 2), duly acknowledged and consented to by the relevant counter-parties to such project documents, all as amended, varied or supplemented from time to time (b) subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the clearance, and (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (d) all the right, title, interest, benefits claims and demands whatsoever of the Company under all insurance contracts.
- Security interest set out in sub clause (c) shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 9,500 lakhs.
- Security interest set out in sub clauses (a), (b), (d) and (e) shall rank pari-passu amongst the lenders of the borrower for an aggregate rupee loan of up to INR 34,000 lakhs.
- (ii) INR 1,951 lakhs (March 31, 2021: INR 2,427 lakhs) from Indusind Bank Limited repayable in 150 monthly instalments from June, 2019 is secured by way of :
- 1st Pari Pasu Charge on the entire current assets, both present and future, subject to the first prior charge of working capital facility lenders to the extent of INR 9,500 lakhs.
 - 1st Pari Passu Charge on the moveable fixed asset (excluding vehicles specifically charged to lenders who have financed those assets) including medical equipment (except medical equipment specifically charged to lenders who have financed those assets), movable plant and machinery, spares etc. of the borrower with IDFC First Bank Ltd.
 - 1st Pari Passu Charge on the intangible asset of the borrower but not limited to Goodwill and uncalled capital, intellectual property, both present and future of the borrower with IDFC First Bank Ltd.
- (iii) INR 3,636 lakhs (March 31, 2021 : INR 4,267 lakhs) from IDFC First Bank Limited repayable in 23 quarterly instalments from August, 2022 is secured by way of :
- 1st Pari Passu on charge on land and building of MHIL Saket and MHIL Shalimar Bagh with other term lenders.
 - 1st Pari Passu on entire intangible assets both present and future with other term lenders.
 - 1st Pari Passu on entire movable fixed assets of MHIL both present and future (except equipment/ vehicle finance by specific loans) with other term lenders and
 - 2nd Pari Pssu on entire current assets of MHIL with other term lenders (working capital Lenders have first charge on the entire current assets for their working capital limits of INR 9,500 lakhs).

Term loan from non-banking financial company :

NIL (March 31, 2021: INR 2 lakhs) from NIIF Infrastructure Finance Limited repayable in 52 structured quarterly instalments from May 2018 has been repaid during the current year.

Notes

forming part of Standalone financial statements

Vehicle loan :

Vehicle loans of INR 612 lakhs (March 31, 2021: INR 495 lakhs) are repayable over the period ranging from one to five years and are secured by way of hypothecation of respective vehicles.

The rate of interest ranging from 7.25% to 12.01% on outstanding car loan on the basis of actual rate charged depending upon the tenure and lending institution.

Deferred payment :

Deferred payment liabilities is secured by hypothecation of medical equipment and repayable in 20 quarterly instalments from June 2018.

All above borrowings has used for specific purpose as agreed with bank.

18. LEASE LIABILITIES

		(INR in Lakhs)
	As at March 31, 2022	As at March 31, 2021
Lease liabilities	13,902	13,858
	13,902	13,858

19. PROVISIONS

		(INR in Lakhs)
	As at March 31, 2022	As at March 31, 2021
Non current		
Provision for employee benefits		
Provision for gratuity (refer note 31.2)	1,974	1,918
	1,974	1,918
Current		
Provision for employee benefits		
Provision for leave encashment	1,180	1,155
Provision for gratuity (refer note 31.2)	434	433
	1,614	1,588

20. OTHER NON CURRENT LIABILITIES

		(INR in Lakhs)
	As at March 31, 2022	As at March 31, 2021
Government grant [refer footnote (i)]	274	170
	274	170

(i) Movement in Government Grant

		(INR in Lakhs)
Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	170	NIL
Pursuant to the Scheme (Refer Note 31.21)	-	27
Add:- Liability towards custom duty discharged under EPCG scheme	104	143
Closing Balance	274	170

Notes

forming part of Standalone financial statements

21. CURRENT FINANCIAL LIABILITIES

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(i) Borrowings		
Cash credit from banks (secured)[refer footnote (i)& (ii)]	2,286	1,435
Current maturity of non current borrowings (refer note 17)	287	280
Current maturity of deferred payment liabilities (refer note 17)	92	86
	2,665	1,801

Notes:

- (i) Cash credit from banks (secured)
- (a) Cash credit facility of INR 834 lakhs (March 31, 2021: INR 497 lakhs) against sanctioned limit of INR 3,500 lakhs from Yes Bank Limited
- (b) Cash credit facility of INR 745 lakhs (March 31, 2021: INR 539 lakhs) against sanctioned limit of INR 2,000 lakhs from Indusind Bank Limited
- (c) INR 220 lakhs (March 31, 2021: INR 188 lakhs) against sanctioned limit of INR 2,000 lakhs from ICICI Bank Limited
- (d) INR 487 lakhs (March 31, 2021: INR 211 lakhs) against sanctioned limit of INR 2,000 lakhs from IDFC First Bank Limited
- These cash credits are secured by way of pari – passu charge on stocks, book debts and other current assets, present and future of the Company prior to charge in favor of term lenders of the Company. The cash credits are repayable on demand.

- (ii) The Company has filed Quarterly statements of current assets to banks which is in agreement with the books of account. Details are as follows:

Particulars	Current Assets Name	Amount filed with Bank	Amount as per book	Reason for Variation
Quarter ended on June 30, 2021	Inventories	5,443	5,443	N.A.
	Trade receivables	57,453	57,449	Insignificant
Quarter ended on September 30, 2021	Inventories	2,867	2,853	Insignificant
	Trade receivables	45,307	45,307	N.A.
Quarter ended on December 31, 2021	Inventories	2,725	2,725	N.A.
	Trade receivables	40,626	40,632	Insignificant
Quarter ended on March 31, 2022	Inventories	2,442	2,466	Insignificant
	Trade receivables	38,939	38,940	Insignificant

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(ii) Lease liabilities		
Lease liabilities	643	606
	643	606
(iii) Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises ('MSME')	165	45
Total outstanding dues of creditors other than micro enterprises and small enterprises	19,338	19,236
Trade payable to related party (refer note 31.10)	33	23
	19,536	19,304

Notes

forming part of Standalone financial statements

Trade payable ageing as at March 31, 2022

Particulars	Not Due	Outstanding for following periods from transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	165	-	-	-	165
(ii) Others	5,773	12,774	265	251	308	19,371
Total	5,773	12,939	265	251	308	19,536

Trade payable ageing as at March 31, 2021

Particulars	Not Due	Outstanding for following periods from transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	45	-	-	-	45
(ii) Others	6,366	11,760	536	470	127	19,259
Total	6,366	11,805	536	470	127	19,304

Trade payables are usually non- interest bearing, unsecured and are settled as per contract terms.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

- i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
- Principal	165	45
- Interest	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors The Company has made an assessment of interest payable under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and has concluded that it is in compliance with the MSMED Act and rules thereto and accordingly, concluded that there is no interest liability dues as at the year end.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(iv) Other financial liabilities		
Provision for deferred compensation (refer note 31.4)	740	1,004
Capital creditors [refer footnote - (ii)]	1,808	763
Foreign exchange forward contracts	-	13
Derivative liability [refer footnote - (i)]	-	74
Security deposits	293	300
Others	-	150
	2,841	2,304

Notes :

- (i) Derivative liability as at March 31, 2021 relates to additional amount payable towards share purchase of Crosslay Remedies Limited, subsidiary Company, as per terms of shareholder agreement and put option agreement. The amount has been paid during the current year. Refer note 9 (iii).
- (ii) Capital creditors amount includes INR 1,246 lakhs of stamp duty payable against land registration [refer footnote 4.05]

Notes

forming part of Standalone financial statements

22. OTHER CURRENT LIABILITIES

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance from patients	962	572
Statutory dues	1,295	1,321
Other advances	13	19
	2,270	1,912

23. INCOME TAXES

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Income tax expense in the statement of profit and loss comprises :		
Current income tax	6,494	-
Deferred tax		
Relating to other origination/reversal of temporary differences	692	1,799
Income tax expense reported in the statement of profit or loss	7,186	1,799
(b) Other Comprehensive Income		
Income tax effect on other Comprehensive gain/(losses)	(29)	38
Income tax related to items recognized in OCI during the year	(29)	38
(c) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate :		
Accounting profit before tax	40,299	(14,646)
Applicable tax rate	25.17%	25.17%
Computed tax expense at applicable tax rate	10,143	(3,687)
Profit before tax adjustment for tax computation Pursuant to the Scheme	-	(527)
Income not considered for tax purpose	(151)	100
Expense not allowed for tax purpose	-	1,137
Fair Valuation loss on investment not considered for tax purposes	-	4,351
Deferred tax asset of opening expense provision reversed	706	342
Employee Stock Option Plan expenses claimed under tax law (Refer note 31.4)	(2,256)	-
Expense benefit to be claimed in future	(733)	-
Reversal of Deferred tax Liability on fair valuation of land	(186)	-
Demerger expense carried forward claimed in current year	(244)	-
Opening adjustments of provision	(31)	-
Other adjustments	(62)	83
Income tax reported in the statement of profit and loss	7,186	1,799
	(INR in Lakhs)	
	Balance sheet	
	As at March 31, 2022	As at March 31, 2021
(d) Deferred tax (assets)/liabilities comprises :		
Deferred tax liability		
Difference in book base and tax base of Property, Plant & Equipment and intangibles	35,760	36,711
Fair valuation of investment	11,631	11,631
Others	2,546	2,556
Recognized deferred tax liability	49,937	50,898
Deferred tax asset		
Difference in written down value of right of use assets	(433)	(224)
Expenses allowed on payment basis (including employee benefits)	(2,700)	(1,830)
Allowance for doubtful debts	(354)	(529)
On Unabsorbed tax depreciation and loss	-	(2,568)

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
	Balance sheet	
	As at March 31, 2022	As at March 31, 2021
Others	(530)	(548)
Recognized deferred tax (asset)	(4,017)	(5,699)
Recognized deferred tax (asset)/liability (net)	45,920	45,199
	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(e) Reconciliation of deferred tax (assets)/liabilities (net)		
Opening balance as per last balance sheet	45,199	-
(Charged)/Credited during the year		
- of fair valuation / other adjustments upon business combination (Refer note 31.21)	-	43,438
- to Statement of profit and loss account	692	1,799
- to Other comprehensive income	29	(38)
Closing Balance	45,920	45,199

Upon business combination in the previous year (as more explained in note 31.21), deferred tax asset or liability is measured on assets acquired and liabilities assumed in a business combination in accordance with Ind AS 12, Income Taxes, including potential tax effects of temporary differences and carry forwards that exist at the acquisition date.

24. REVENUE FROM OPERATION

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
a) Revenue from contracts with customers	1,70,162	1,01,807
(b) Other operating revenue (refer note 24.3)	2,746	1,271
	1,72,908	1,03,078

24.1 Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by type of goods or service provided, geography, at the timing of transfer of goods and services.

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue by type of goods & services		
Revenue from healthcare services (net)	1,58,162	96,766
Sale of pharmacy and pharmaceuticals supplies	12,000	5,041
Total	1,70,162	1,01,807
Revenues by geography		
India	1,70,162	1,01,807
Outside India	-	-
Total	1,70,162	1,01,807
Revenues by timing of revenue recognition		
Services provided over time	1,58,162	96,766
Goods transferred at a point in time	12,000	5,041
	1,70,162	1,01,807

Notes

forming part of Standalone financial statements

24.2 Reconciling of revenue recognized in the statement of profit and loss with contracted price

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per contracted price	1,78,157	1,07,381
Allowance for deduction	(897)	(684)
Discount	(7,098)	(4,890)
Revenue from contract with customers	1,70,162	1,01,807

24.3 Other operating revenue

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Income from sponsorship and educational courses	1,400	879
(b) Income from ancillary activities	1,124	392
(c) Income from service exports from India scheme	222	-
	2,746	1,271

25. OTHER INCOME

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Income from deferred credit [Refer footnote 10(ii)]	180	57
(b) Unclaimed balances & excess provisions written back	2,018	245
(c) Income on modification/termination of lease under Ind AS 116	60	24
(d) Net profit on sale/disposal of property, plant and equipment	-	17
(e) Other non-operating income	698	569
(f) Gain on derivative instrument	74	-
(g) Finance income :		
- Interest income on		
Bank deposits	1,955	984
Security deposits	54	138
Non current trade receivables [Refer footnote 10(ii)]	1,242	1,051
Loans to related parties	5,178	6,130
Loans to other healthcare service providers	1,014	1,014
Income tax refund	65	422
	12,538	10,651

26. EMPLOYEE BENEFITS EXPENSE

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Salaries, wages and bonus	29,939	21,726
Contribution to provident and other funds	1,243	962
Share based payments to employees (refer note 31.4)	4,333	2,987
Gratuity expense (refer note 31.2)	477	430
Staff welfare expenses	394	442
	36,386	26,547

Notes

forming part of Standalone financial statements

27. FINANCE COSTS

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Interest on debts and borrowings	2,496	9,795
Interest on lease liabilities	1,503	1,223
Bank charges	409	227
	4,408	11,245

28. DEPRECIATION AND AMORTIZATION EXPENSE

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Depreciation of tangible assets (refer note 4)	4,885	3,987
Depreciation on right of use assets (refer note 6)	1,625	1,227
Amortization of intangible assets (refer note 8)	3,404	3,861
	9,914	9,075

29. OTHER EXPENSES

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Outside lab investigation	1,320	799
Patient catering expenses	1,563	723
Rent	795	1,011
Insurance	537	536
Rates and taxes	288	170
Facility maintenance expenses	1,633	1,453
Power and fuel	2,035	1,549
Repairs and maintenance:		
- Building	308	257
- Plant and equipment	1,588	1,155
- Others	526	419
Printing and stationery	446	296
Travelling and conveyance	1,281	440
Communication	309	201
Legal and professional	3,401	4,220
Information Technology support expense	709	594
Watch and ward	381	347
Directors' sitting fee	142	80
Advertisement and publicity	2,235	859
Loss on foreign exchange fluctuation (net)	15	26
Net loss on sale/disposal of property, plant and equipment	2	-
Equipment hiring charges	336	170
Provision for doubtful debts and advances/ Bad debts written off		
- Provision/(Write back) for doubtful debts	(695)	160
- Provision/(Write back) for doubtful advances	(125)	322
- Bad debts written off	844	11
- Debit balances written off	29	306
Loss on derivative instrument	-	53
Share issue expenses	-	125
Miscellaneous expenses	170	119
	20,073	16,401

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 31.19)	Year ended March 31, 2021 (Refer Note 31.19)
Payment to auditors (included in legal and professional fee) (excluding taxes)		
As auditor:		
Audit fee (including quarterly reviews)	107	90
Other certification services (including fees for certificates) [refer footnote (i) and (ii)]	7	81
Reimbursement of expenses	3	3
	117	174

- (i) Other services during the previous year include fee paid to the statutory auditors during the previous year towards audit of financial information at the acquisition date for business combination accounting.
- (ii) INR 110 lakhs was paid to the auditors during the previous year in respect of services rendered in connection with Qualified Institutional Placement of equity shares, which was charged to securities premium account [refer 16(11)(a)].

30. CONTINGENT LIABILITIES, LITIGATIONS AND COMMITMENTS

A. Contingent liabilities (to the extent not provided for)

	(INR in Lakhs)	
S. No. Particulars	As at March 31, 2022	As at March 31, 2021
(i) Corporate guarantee given to financial institutions / banks in respect of financial assistance availed by subsidiaries of the Company and other healthcare service providers (Amount is computed based on Sanction Working Capital limits and outstanding term loan/ LC amount payable as on March 31, 2022.) [refer footnote below & note to 31.23 (b)]	62,730	74,569
(ii) Claims against the Company not acknowledged as debts		
- Civil Cases (refer footnote b below)	12,586	10,310
- VAT cases (refer footnote c below)	249	244

Notes:

- (a) Guarantees given by the Company to the lenders on behalf of subsidiaries of the Company and other healthcare service providers is not considered as prejudicial to the interest of the Company as it provides opportunities to the Company to increase the depth and width of its offering leading to growth in revenue & improvement in profitability. The Company does not expect any default by subsidiaries of the Company and other healthcare service providers and any liability to accrue on the Company.
- (b) Claims against the Company not acknowledged as debts represent the cases that are pending with various Consumer Disputes Redressal Commissions / Courts and the management, including its legal advisers, expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company financial positions and results of operations. In addition to this, the Company has taken Professional Indemnity Insurance Policy for claims pending against the Company to secure the Company from any financial implication in case of claims adjudicated against the Company.
- (c) The Company is contesting the demands of VAT on drugs and consumables used for treatment of patients in In-patient department and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
- (d) Directorate General of Health Services ("DGHS"), Govt. of NCT Delhi had, on December 8, 2017, issued an order under Section 7 of the Delhi Nursing Home Registration Act, 1953 for cancelling the registration of Max Super Speciality Hospital, Shalimar Bagh "Hospital" with immediate effect and further directed to refrain from admitting any IPD Patients in the Hospital.

Notes

forming part of Standalone financial statements

Against this order, the Company had filed an appeal bearing no. 335/2017 before the Hon'ble Financial Commissioner, Govt. of Delhi "Appellate Authority" on December 13, 2017. On December 19, 2017, the Appellate Authority stayed the operation of the said cancellation order. Accordingly, the Hospital has resumed its operations on December 20, 2017 and the stay continues. The parents of the deceased child had filed an application for impleadment in the said appeal. The case is now fixed for September 20, 2022 for reply of Govt. of NCT of Delhi to the impleadment application of the parents of the deceased child. The Company is of the view that the said cancellation order was passed by the DGHS in contravention of the provisions of Section 8 of Delhi Nursing Home Registration Act and violates the principles of natural justice and due process prescribed under the Act. The Company is confident that the Appellate Authority will set aside the cancellation order dated December 8, 2017 and uphold its view in the matter.

- (e) A writ petition was filed by the Association of Healthcare Providers (India) ("AHPI"), which represented a majority of "healthcare providers" in Delhi, including the Company's hospitals in Delhi, before the Delhi High Court, in relation to an order dated June 25, 2018 issued by the Director General Health Services ("DGHS"), Government of National Capital Territory of Delhi ("DGHS Order"). DGHS Order mandated that all private hospitals in Delhi comply with the recommendations of the Expert Committee, constituted pursuant to the Supreme Court order dated January 29, 2016, in W.P.(C) No. 527/2011, regarding the working conditions and pay of nurses in private hospitals. The Single Bench of Delhi High Court, on July 24, 2019, upheld the DGHS Order and directed mandatory compliance by all the private hospitals within a period of three months i.e. by October 24, 2019. It was further directed by the Single Bench that before cancellation of the registration of any private hospital for any non-compliance, DGHS will give the concerned private hospital a personal hearing and an opportunity to represent against such proposed cancellation of registration and the cancellation will be only through a speaking order. Till date no private hospital in Delhi has been called for personal hearing by DGHS. AHPI has appealed against the said Single Bench Order before the Division Bench of Delhi High Court. During the current year ended March 31, 2022, DGHS vide its order dated November 25, 2021 directed that nurses working in private hospitals are covered under minimum rates of wages and accordingly, previous order of DGHS dated June 25, 2018 stands withdrawn. The next date in the hearing is scheduled on July 26, 2022 and appropriate steps will be taken by the appellate (AHPI). The Company is complying with applicable rules and accordingly, the management believes that there is unlikely to be any material adverse impact on the Company.
- (f) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on provident fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company was evaluating and seeking legal inputs regarding various interpretative issues. However, in absence of clarity on effective date, the Company has implemented the Supreme court (SC) Judgement in respect to PF calculation from April 1, 2019 and included all allowances for the purpose of PF contribution calculation.
- (g) The Company has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses, tax treatment of expenses claimed by the Company as deductions and such similar matters, aggregating to INR 1,940 lakhs during Assessment year 2004-2009. These matters have been contested by the Company. Some of these, have been decided in favor of the Company. Income tax authorities have filed an appeal before Income Tax Appellate Tribunal ("ITAT") and is currently ongoing. The Company reserves its right to contest the matter with appropriate authorities. No provision has been made in the financial statements for the tax matters as the Company expects a favourable decision considering the prevailing favourable tax case laws and tax assessments.

B. Capital commitment

- (a) Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account	17,840	4,050
Less: Capital advances	10,597	3,061
Balance value of contracts	7,243	989

- (b) The Company has committed to provide financial and operational support to ALPS Hospital Limited, Saket City Hospitals Limited, Max Lab Limited, ET Planners Private Limited, Eqova Healthcare Private Limited and Max Hospitals and Allied Services Limited, subsidiaries of the Company in order to meet its future financial obligation.
- (c) For commitment towards purchase of shares of subsidiary - Crosslay Remedies Limited & Eqova Healthcare Private Limited, refer to footnote 9.

Notes

forming part of Standalone financial statements

C. Other commitment

- The Company has no other commitments other than those in the nature of its routine business operation for purchase/sales as per the normal operating cycle of Company, obligations under other long term agreements towards medical and management services with healthcare service providers including indemnities to such healthcare service providers.
- The Company does not have any long term commitments or material non-cancellable contractual commitments/ contracts, including derivative contracts for which there were any material foreseeable losses other than the ones recognised or disclosed elsewhere.

31. OTHER NOTES TO ACCOUNTS

31.1 Investment in subsidiaries, associates and joint venture

The Company's investments in subsidiaries are as under:

Name of the Subsidiary	Country of incorporation	Portion of ownership interest as at March 31, 2022	Portion of ownership interest as at March 31, 2021	Method used to account for the investment
Subsidiaries				
Max Hospitals And Allied Services Limited [refer footnote 9 (i)]	India	100%	99.99%	At Cost
ALPS Hospital Limited [refer footnote 9(ii) and footnote (ii) below]	India	100%	100%	Refer footnote (i)
Hometrail Buildtech Private Limited	India	100%	100%	Refer footnote (i)
Crosslay Remedies Limited [refer footnote 9(iii)]	India	99.90%	83.16%	Refer footnote (i)
Saket City Hospitals Limited [refer footnote 9(iv)]	India	100%	100%	Refer footnote (i)
New subsidiaries acquire/incorporated during the year ended March 31, 2022				
Max Lab Limited [refer footnote 9(v)]	India	100%	-	At Cost
Max Healthcare FZ-LLC [refer footnote 9(vi)]	Dubai	100%	-	At Cost
Eqova Healthcare Private Limited [refer footnote 9(vii)]	India	26%	-	At Cost (footnote i)

- Investment were fair valued at date of acquisition on account of business combination on June 01, 2020 (refer note 31.21). Further, quantity purchased subsequent to business combination, has been added to the fair value at actual amount paid for such additional stake.
- On August 27, 2021, the Company acquired 100% equity shares in ET Planners Private Limited (ETPPL) through its wholly owned subsidiary i.e. ALPS Hospital Limited for a cash consideration of Rs. 6,011 lakhs. ETPPL has an exclusive and long term rights to provide medical services and aid development of 500 bedded hospital to be built on 3.5 acres of land situated between two of Max network facilities at Saket, South Delhi. Acquisition of stake in ETPPL resulted in recognition of Intangible Asset - Service Agreement towards the medical service agreement, which has been recorded after considering related deferred tax impact.

31.2 Gratuity

The Company has a defined benefit gratuity plan. Under gratuity plan, every employee who has completed five years or more of service gets a gratuity on cessation of employment at 15 days of last drawn basic salary for each completed year of service. The scheme is partially funded with Life Insurance Company of India in the form of a qualifying insurance policy.

Defined benefit plan

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(a) Reconciliation of opening and closing balances of defined benefit obligation		
Defined benefit obligation at the beginning of the year	2,444	71
Liability taken on pursuant to the Scheme (Refer Note 31.21)	-	1,976
Interest expense	134	99
Current service cost	347	289
Past service cost	-	48
Liability transferred in/(out)	23	189

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Benefit paid	(313)	(177)
Employees transferred to subsidiary company	-	(113)
Remeasurement of (gain)/loss in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	(140)	111
Actuarial changes arising from changes in financial assumptions	(76)	35
Actuarial changes arising from changes in experience adjustments	111	(84)
Defined benefit obligation at year end	2,530	2,444
(b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	93	-
Contribution in plan assets	14	
Plan assets taken on business acquisition	-	99
Expected return on plan assets	-	(10)
Return on plan assets	15	4
Fair value on plan assets at year end	122	93
(c) Net defined benefit asset/ (liability) recognized in the balance sheet		
Present value of defined benefit obligation	(2,530)	(2,444)
Fair value of plan assets	122	93
Amount recognized in balance sheet- asset / (liability) at year end	(2,408)	(2,351)
(d) Net defined benefit expense (Recognized in the statement of profit and loss for the year)		
Current service cost	347	289
Past service cost	-	48
Interest cost on benefit obligation	134	93
Expected return on plan assets	(4)	-
Net defined benefit expense debited to statement of profit and loss	477	430
(e) Other comprehensive income		
Change in demographic assumptions	(140)	111
Change in financial assumptions	(76)	35
Experience variance	111	(84)
Returns of plan assets	(11)	10
Remeasurement (gain)/loss in other comprehensive income	(116)	72
(f) Broad categories of plan assets as a percentage of total assets		
Insurer managed funds	100%	100%
g) Principal assumptions used in determining gratuity and leave encashment liability		
Assumption particulars		
Discount rate	6.11%	5.50%
Salary escalation rate	8.00%	8.00%
Mortality rate	(100% of IALM 2012-14)	(100% of IALM 2012-14)
(h) Quantitative sensitivity analysis for significant assumptions is as below:		
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
<u>Discount rate</u>		
Increase by 1%	(126)	(153)
Decrease by 1%	140	172
<u>Salary growth rate</u>		
Increase by 1%	135	167
Decrease by 1%	(125)	(151)
<u>Attrition rate</u>		
Increase by 50% of attrition rate	(138)	(135)

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Decrease by 50% of attrition rate	254	238
(i) Maturity profile of defined benefit obligation (undiscounted, as per actuarial certificate)		
Within the next 12 months (next annual reporting period)	434	433
Between 2 and 5 years	1,018	1,027
Between 6 and 10 years	829	845
More than 10 years	1,397	1,438
Total expected payments	3,678	3,743

- (j) During the previous year ended on March 31, 2021, pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement, defined benefit obligation of accounting acquiree i.e. Max Healthcare Institute Limited (as more explained in note 31.21) are merged and included in opening balances. The defined benefit obligation of the accounting acquiree have been included from the effective date of the Scheme i.e. June 01, 2020. The previous year result presented above are, thus that of Radiant Life Care and not comparable with the current period.
- (k) The average duration of the defined benefit plan obligation at the end of the reporting period is 6 Years (March 31, 2021: 6 years)
- (l) The partial plan assets are maintained with LIC of India.
- (m) The Company expects to contribute INR 646 lakhs (March 31, 2021: NIL) to the plan during the next financial year.
- (n) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including demand and supply in the employment market. The above information is as certified by the actuary.
- (o) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- (p) The sensitivity analysis 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.

31.3 Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the regional PF Commissioner. The Company recognize contribution payable to provident fund scheme as an expenditure, when an employee renders related service.

31.4 Share based payment plans

A. Equity settled plans

The Nomination and Remuneration Committee of Board of Directors of the Company ("NRC") on September 29, 2020 and November 12, 2021 approved the grant of 61,65,265 and 3,75,924 respectively Employee Stock Options ('ESOPs') to the eligible employees of the Company and its subsidiaries, under the MHIL ESOP 2020 scheme, at an exercise price of INR 10 per share. These options will vest subject to requirements of the SEBI SBEB Regulations and the MHIL ESOP 2020 scheme.

The following table provides an overview of all existing stock option plans of the Company:

Particulars	Numbers	Grant Date	Vesting Date	Exercise price	Fair value at grant date
Max Healthcare Institute Ltd. (1 year vesting plan)	43,15,689	September 29, 2020	September 29, 2021	10	104
Max Healthcare Institute Ltd. (2 years vesting plan)	18,49,576	September 29, 2020	September 29, 2022	10	105
Max Healthcare Institute Ltd. (1 year vesting plan)	3,75,924	November 12, 2021	November 12, 2022	10	335

The stock options vesting is subject to service and certain performance conditions mainly pertaining to certain financial parameters.

Notes

forming part of Standalone financial statements

The movement in the number of stock options and the related weighted average exercise prices are given in the table below:

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of stock Options	Weighted average exercise price	Number of stock Options	Weighted average exercise price
MHIL ESOP 2020				
Outstanding at the beginning of year	59,30,769	10	-	-
Granted	3,75,924	10	61,65,265	10
Exercised	36,70,449	10	-	-
Lapsed/Forfeited	1,95,259	10	2,34,496	10
Outstanding at end of year	24,40,985	10	59,30,769	10
Exercisable at end of year	3,85,003	10	-	-

The weighted average remaining contractual life for the stock options outstanding are as follows:

Date of grant	March 31, 2022		March 31, 2021	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
September 29, 2020	3,85,003	2.5 Year	41,51,542	2.5 Year
September 29, 2020	16,80,058	3.5 Year	17,79,227	3.5 Year
November 12, 2021	3,75,924	2.5 Year	-	-

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options is determined using the Black Scholes Option Pricing Model with the following assumptions.

Particulars	Input used for different grant dates for black Scholes Valuation of Option Granted		
	1 year vesting plan (November'2022)	1 year vesting plan (September'2021)	2 years vesting plan (September'2021)
a. Stock Price on date of valuation (in Rupees)	343.5	113.4	113.4
b. Exercise Price (in Rupees)	10.0	10.0	10.0
c. Expected Volatility (Standard Dev - Annual)	44.9%	39.2%	36.0%
d. Expected Life of the options granted (Vesting and exercise period) in years	2.5	2.5	3.5
e. Expected Dividend	-	-	-
f. Average Risk- Free Interest Rate	4.7%	4.7%	5.2%
g. Expected Dividend Rate	-	-	-

The Company granted stock options aggregating to 6,541,189 numbers to the eligible employees (including employees of the subsidiary companies) under the ESOP Plan. In accordance with the provisions of Ind-AS and Guidance note on accounting for Employee share-based payments, issued by the Institute of Chartered Accountants of India for the purposes of accounting of the stock options, estimated fair value of the options determined on grant date is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the required service period for each separately vesting portion, as 'Share-based payments to employees'. Accordingly, INR 5,427 lakhs has been debited to the Profit and Loss account (FY 2020-21 INR 2,383 lakhs and FY 2021-2022 : INR 3,044 lakhs) to the extent relating to the employees of the Company.

The market value of shares as on the date of exercise of the options is much higher than the fair value of the stock options as on the date of grant. ESOP value to the extent of a) the difference between the fair value of the equity shares on the date of exercise and exercise price paid by the employees and b) expense already recognised in the books of account (based on fair value of the grants), aggregating to INR 8,782 lakhs (including INR 1,485 lakhs pertaining to stock options issued to subsidiary but not recovered from the subsidiaries by the Company) is not debited to the profit and loss account of the Company in the books of account, in terms of above accounting principles.

However, basis the legal advice, this amount is claimed as deduction in the return of income of the Company and accordingly, the Company has claimed such tax deduction in computation of income for tax purposes for the current financial year 2021-22. Accordingly, tax expense for the current year is lower on account of such tax deduction claimed by the Company, upon allotment of shares to the employees.

Notes

forming part of Standalone financial statements

B. Cash settled plans (Employee Phantom Stock Plan 2017)

Employee Phantom Stock Plan, 2017 "the Scheme" are cash settled rights where the employees are entitled to get cash compensation based on the Company's fair value, provided certain conditions as laid out in the Scheme are met. The fair value of the amount payable to the employees in respect of phantom stocks, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment.

The liability is remeasured at each reporting date at fair value until the liability settled with any changes in the liability being recognized in statement of profit and loss as detail given below :

(INR in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	1,004	-
Pursuant to the Scheme (Refer Note 31.21)	-	400
Add: Expenses during the year	1,288	1,055
Less : Payment during the year	-	-
Less : Lapsed/forfeited during the year	(1,552)	(451)
Closing balance [refer note 21 (iv)]	740	1,004

During the current year, certain employees of the Company surrendered their retention incentive in terms of unvested/ vested phantom shares. The Management has reversed the net liability aggregating to INR 1,552 lakhs.

The details of the grant/issue as at March 31, 2022 and as at March 31, 2021 are given below:

Particulars	March 31, 2022	March 31, 2021
Outstanding as at beginning of the year	7,77,945	-
Pursuant to the Scheme (Refer Note 31.21)	-	23,36,797
Granted during the Year	-	-
Date of grant	-	-
Grant price per unit	-	-
Total Number of PSPs vested during the year	-	-
Total Number of PSPs exercised during the year	-	-
Lapsed/ forfeited/ surrendered during the year	4,67,290	15,58,852
Outstanding at end of year	3,10,655	7,77,945
Exercisable as at end of year	-	4,67,290
Vesting period	30% at the end of 24 months, 30% at the end of 36 months and 40% at the end of 48 months.	
Exercise period	Within 12 months of the vesting period, unless extension approved by the NRC*	
Exercise price	The Exercise Price of a vested unit shall be equal to the prevailing Fair Value (FV) as on the date of the relevant exercise notice, determined in accordance with the scheme and subject to applicable laws.	
Settlement of phantom stock options	Settlement amount for the vested units, exercised by the unit holder or deemed automatically and mandatorily exercised, will be paid in cash within a period of 30 (thirty) calendar days from the date of the relevant exercise notice.	

*NRC of MHIL vide its meeting held on May 8, 2018 extended the exercise period of first two tranches of Phantom Stock Options, granted on May 23, 2017 by 12 months each for all option holders.

Notes

forming part of Standalone financial statements

31.5 During the year Company has capitalized the following expenses to the cost of fixed asset/capital work-in-progress(CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company. (refer note 4,6 and 29)

(INR in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balances	205	-
Add:		
Rent	6	9
Salaries, wages and bonus	7	6
Interest & other finance cost	51	116
Depreciation and amortization expense	24	65
Miscellaneous Expenses	71	35
Less:		
Rent Concession recognised as Income *	-	(26)
Total	364	205
Less: Capitalized during the year	364	-
Preoperative expenses pending capitalization	-	205

* As per the practical expedient of IND AS 116.

31.6 Segment reporting

The Company has only one reportable business segment as it deals mainly in providing healthcare facilities comprising of primary care clinics, secondary care hospitals/medical centres and tertiary care facilities in terms of Ind AS 108 "Operating Segment". Further, the Company operates only in one geographical segment -India. The Chief Operating Officer and Chief Financial Officer ('chief operating decision maker') monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment.

There are no external customers from which revenue is 10% or more of Company's revenue.

31.7 Financial instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

Financial instruments

(INR in Lakhs)				
Category	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
(1) Financial assets at amortized cost				
Trade receivables (current / non current)	37,534	37,534	42,689	42,689
Cash and cash equivalents	21,398	21,398	59,777	59,777
Other bank balances (current)	16,246	16,246	1,322	1,322
Loans (current / non current)	64,488	64,488	52,945	52,945
Other financial assets (current / non current)	12,846	12,846	5,428	5,428
(2) Financial Liabilities at amortized cost				
Borrowings (current / non current)	30,328	30,328	33,493	33,493
Lease liabilities (current / non current)	14,545	14,545	14,464	14,464
Trade payables	19,536	19,536	19,304	19,304
Other financial liabilities (current / non current)	2,841	2,841	2,304	2,304
(3) Financial assets carried at fair value through OCI				
Investments (Non current)	51	51	51	51

The Company assessed that the carrying value of all financial assets and financial liabilities approximates the fair value.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Notes

forming part of Standalone financial statements

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments, loans from banks and other financial liabilities as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed in the table below. Management regularly assesses a range of reasonably possible alternatives for those significant observable and unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings and other non-current financial liabilities are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

31.8 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability as on March 31, 2022

(INR in Lakhs)				
Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current / non current)	37,534	-	-	37,534
Loans (current / non current)	64,488	-	-	64,488
Other financial assets (current / non current)	12,846	-	-	12,846
Financial assets carried at fair value through OCI				
Investments (Non current)	51	-	-	51
Liabilities carried at amortized cost for which fair value are disclosed				
Borrowings (current / non current)	30,328	-	-	30,328
Trade payables	19,536	-	-	19,536
Other financial liabilities (current / non current)	2,841	740	-	2,101

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability as on March 31, 2021

(INR in Lakhs)					
Particulars	-	Carrying value	Fair Value		
			Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed					
Trade receivables (current / non current)		42,689	-	-	42,689
Loans (current / non current)		52,945	-	-	52,945
Other financial assets (current / non current)		5,428	-	-	5,428
Financial assets carried at fair value through OCI					
Investments (Non current)		51	-	-	51
Liabilities carried at amortized cost for which fair value are disclosed					

Notes

forming part of Standalone financial statements

(INR in Lakhs)				
Particulars	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Borrowings (current / non current)	33,493	-	-	33,493
Trade payables	19,304	-	-	19,304
Other financial liabilities (current / non current)	2,304	1,004	-	1,300

31.09 Financial risk management objectives and policies

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses forward covers to hedge foreign currency risk exposures. Financial risk management is carried out by a corporate finance department under policies approved by the Audit and Risk Committee from time to time. The Corporate Finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The audit committee approves principles for overall financial risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Company is exposed to capital risk, market risk, credit risk and liquidity risk. These risks are managed pro-actively by the senior management of the Company, duly supported by various functionaries and Committees.

a) Capital risk

The Company's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits for other stakeholders and to provide for sufficient capital expansion. The capital structure of the Company consists of equity and debt, which includes the borrowings disclosed in notes 17 and 21(i) after netting-off cash and cash equivalents disclosed in note 14(ii) and equity as disclosed in the statement of financial position. The Company uses the Debt : Equity as well as Net Debt to EBITDA ratio to measure the funding versus raising of additional share capital requirement. Debt: Equity ratio is calculated as debt divided by the Shareholder's Fund and for calculating Net Debt to EBITDA, Net Debt is divided by the Normalized EBITDA for continued and discontinued operations. Net debt is calculated as long term and short term borrowings (including current maturities) as shown in the note 17 and 21(i) less net cash and cash equivalents. Normalized EBITDA is defined as earnings before interest, tax, depreciation and amortization for continued and discontinued operations. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt or raise debt and review decision on distributions to the shareholders. The Debt : Equity ratio of the Company as at March 31, 2021 and March 31, 2022 stood at 0.06 and 0.05 respectively.

Note : The cash and cash equivalents is more than the debt amount which resulted in no net debt payable amount as at March 31, 2022 and March 31, 2021.

The Audit and Risk Committee and the Senior management review the status vis a vis approved maximum limit of debt, based on lower of ratio of Debt : Equity of 2 : 1 and Net Debt to EBITDA ratio of 4:1.

b) Liquidity risk

The table below represents the maturity profile of Company's financial liabilities at the end of March 31, 2022 and March 31, 2021 based on contractual undiscounted payments:

(INR in Lakhs)				
Particulars	0-1 Years	1-5 Years	More than 5 Years	Total
March 31, 2022				
Interest bearing borrowings	2,665	10,761	16,902	30,328
Lease liabilities	643	2,038	11,864	14,545
Trade payable	19,536	-	-	19,536
Other financial liabilities	2,841	-	-	2,841
% to Total	38%	19%	43%	100%
March 31, 2021				
Interest bearing borrowings	1,801	10,692	21,000	33,493
Lease liabilities	606	1,760	12,098	14,464
Trade payable	19,304	-	-	19,304
Other financial liabilities	2,304	-	-	2,304
% to Total	35%	18%	47%	100%

Notes

forming part of Standalone financial statements

c) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management department assesses the credit quality of the customer, taking into account its financial position, past experience and other factor. The Company provides credit to individuals on exceptional basis only. An impairment analysis is performed at each reporting date on an individual basis. Trade receivables comprise a widespread customer base and a large part of these sits in the State and Central Government bodies and institutions owned and managed by the State. A large segment of the Company's customers settle their bill in cash or using major credit cards on discharge date as far as possible. Further, a fairly large proportion of the customers are discharged post confirmation of third party administrator of the insurance companies, with whom the Company has a written contract. The Company provides for allowance for deductions based on empirical evidence whereby the receivables from various counterparties is marked down at the time of recognition of revenue. The management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year under review that has not been provided for.

(INR in Lakhs)		
Particulars	As at March 31, 2022 Carrying value	As at March 31, 2021 Carrying value
Neither past due or impaired	25,938	24,587
0 to 180 days due past due date	7,090	9,871
More than 180 days due past due date	4,506	8,231
Total trade receivables [refer note 10(ii) & 14(i)]	37,534	42,689

The following table summarizes the change in provision for bad debts measured using the life time expected credit loss model:

(INR in Lakhs)		
Particulars	As at March 31, 2022 Carrying value	As at March 31, 2021 Carrying value
At the beginning of the year	2,101	-
Pursuant to the Scheme (Refer Note 31.21)	-	1,995
Provision during the year	593	446
Bad debts written off	(1,288)	(340)
At the end of the year [refer note 14(i)]	1,406	2,101

The Company has provided the general provision in the case of trade receivables as follows [refer note 14(i)]:

Corporate, TPA and PSU's	Amount exceeding 365 days from transaction date after adjusting allowance for deduction created at the time revenue recognition.
Individual	Amount exceeding 120 days from transaction date

The Company uses an allowance for deduction to determine the expected credit loss on the portfolio of its trade receivables. Allowance for deduction has been created on total trade receivable. These estimates are reviewed periodically and change in estimates are taken on prospective basis. Management has fixed a percentage for allowance for deduction for each category of its customer as at March 31, 2022 as given below:

Category	March 31, 2022
Corporate and other	0.50%
TPA	1.00%
PSU	3.00%

Notes

forming part of Standalone financial statements

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned by international and domestic credit rating agencies.

The Company's maximum exposure to credit risk for the components of the balance sheet as at March 31, 2022 and March 31, 2021 is the carrying amounts and the liquidity table above.

d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at March 31 2022. The analysis exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2022.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and the impact of foreign exchange sensitivity on the Company profit and loss to change in the fair value of monetary assets and liabilities.

Unhedged foreign currency exposures recognized by the Company are as under:

(INR in Lakhs)				
Currency	March 31, 2022	March 31, 2022	Increase/Decrease	Impact on profit before tax
	Foreign Currency	Indian Rupees	In Rate	
Payable in Euro	0.29	25	1%	0.25
Payable in USD	0.50	38	1%	0.38
Payable in Kenyan Shilling (Net of assets & liability)	47.09	31.06	1%	0.31

(INR in Lakhs)				
Currency	March 31, 2021	March 31, 2021	Increase/Decrease	Impact on profit before tax
	Foreign Currency	Indian Rupees	In Rate	
Payable in Kenyan Shilling (Net of assets & liability)	23.32	16	1%	0.16

The Company has derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial instruments. The details of the outstanding foreign exchange forward contracts are as follows:

(INR in Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Payables in EURO	-	328

Notes

forming part of Standalone financial statements

(ii) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company's policy is to hedge part of its borrowings.

Interest rate Sensitivity of Borrowings

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of loans and borrowings.

Year end	(INR in Lakhs)	
	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2022	0.50%	138
March 31, 2021	0.50%	401

(iii) Equity risk

Equity risk is "the financial risk involved in holding equity instruments of a specific company as investment of the Company. Equity risk often refers to equity in companies through the purchase of shares and /or stocks etc. The Company is exposed to equity risk but exposure of equity risk is insignificant for the Company since almost all of its investments are in subsidiaries.

31.10 Related party transactions

As per Ind AS-24, the disclosures of transactions with the related parties are given below:

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

(i) Related party where control exists (irrespective of whether transactions occurred or not)

Subsidiary Companies	Relationship
1. ALPS Hospital Limited	Wholly-owned subsidiary
2. Hometrail Buildtech Private Limited	Wholly-owned subsidiary
3. Crosslay Remedies Limited	Subsidiary
4. Saket City Hospitals Limited*	Wholly-owned subsidiary
5. MHC Global Healthcare (Nigeria) Limited	Wholly-owned subsidiary w.e.f May 20,2019
6. Max Lab Limited	Wholly-owned subsidiary w.e.f June 2, 2021
7. Max Healthcare FZ-LLC	Wholly-owned subsidiary w.e.f July 12, 2021
8. ET Planners Private Limited	Step Down Subsidiary (ALPS Hospital Limited) w.e.f August 27, 2021
9. Max Hospitals and Allied Services Limited (formerly known as Radiant Life Care Mumbai Private Limited)	Subsidiary (Wholly-owned subsidiary w.e.f January 28, 2022)
10. Eqova Healthcare Private Limited	Subsidiary w.e.f. February 15, 2022

*Converted into a Public Limited Company on January 15, 2021 and became a wholly owned subsidiary on March 15, 2021.

(ii) Entity which is controlled by the Company by way of contractual arrangements ('Silo')

(with whom transactions have taken place during the current year / balance as at year end)

- Dr. B.L Kapur Memorial Hospital
- Dr. Balabhai Nanavati Hospital (through Max Hospitals And Allied Services Limited (previous known as Radiant Life Care Mumbai Private Limited)

(iii) Ultimate Controlling entity (for Kayak Investments Holding Pte. Ltd.)

- KKR Group Partnership L.P.

Notes

forming part of Standalone financial statements

(iv) Entity / Individual having significant influence / exercising control over the Company

- Kayak Investments Holding Pte. Ltd. (Parent Company till March 9, 2021 and continues to have control till date)
- Mr. Abhay Soi

(v) Entity on which the Radiant Life Care Private Limited had joint control over economic activities (with whom transaction has taken place during the previous year)

- Max Healthcare Institute Limited (From June 21, 2019 to May 31, 2020)

(vi) Entity under common control of KKR Group Partnership L.L.P. (with whom transaction has taken place during the previous year)

- KKR Capital Market Asia Limited (till March 9, 2021)

(vii) Entity under control of Kayak Investments Holding Pte. Ltd. and Mr. Abhay Soi

- Radiant Life Care Private Limited ("Radiant")

(viii) Enterprises in which directors are interested (with whom transaction has taken place)

- Neo Legno Consultants Private Limited.
- Epimoney Private Limited
- KKR India Advisors Private Limited

(ix) Directors of Radiant Life care Private Limited(with whom transaction has taken place during the previous year)

- Mr. Abhay Soi (Also, a director in MHIL)
- Mr. Mahendra Gumanmalji Lodha till October 7, 2020 (Also, a director in MHIL)

(x) Directors of MHIL (with whom transaction has taken place)

- Mr. Abhay Soi (Chairman and Managing Director - Also refer xi below)
- Mr. Kummamuri Murthy Narasimha, Independent Director
- Mr. Mahendra Gumanmalji Lodha, Independent Director (From June 21, 2019)
- Mr. Upendra Kumar Sinha, Independent Director (From June 21, 2019 till May 20, 2021)
- Mr. Michael Thomas Neeb, Independent Director (From June 21, 2019)
- Ms. Harmeen Mehta (from May 24, 2021)

(xi) Key Managerial Personnal "KMPS" (with whom transactions have taken place)

- Mr. Abhay Soi, (Chairman and Managing Director of Radiant) (Chairman and Managing Director of MHIL w.e.f. June 19, 2020*)
- Mr. Yogesh Kumar Sareen, Chief Financial Officer (from acquisition date June 01, 2020)
- Ms. Ruchi Mahajan, Company Secretary of MHIL (from acquisition date June 01, 2020)
- Dr. Mradul Kaushik, Manager (in terms of the Companies Act, 2013 from August 1, 2019 till June 15, 2020)
- Mr. Dilip Bidani (Chief Financial Officer of Radiant till May 31, 2020)
- Ms. Prachi Singh, (Company Secretary of Radiant till May 31, 2020)

* Non-Executive Chairman of MHIL from June 21, 2019 till June 18, 2020.

Notes

forming part of Standalone financial statements

(B) Transactions during the year

	(INR in Lakhs)	
Transactions during the year	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Property, Plant and Equipment		
ALPS Hospital Limited	0.33	7
Hometrail Buildtech Private Limited	1	2
Crosslay Remedies Limited	1	16
Dr. B.L Kapur Memorial Hospital	1	0.36
Dr. Balabhai Nanavati Hospital	5	-
Max Lab Limited	10	-
Purchase of Property, Plant and Equipment		
Crosslay Remedies Limited	15	-
Purchase of equity shares in subsidiaries from existing shareholders [also refer footnote (ii)]		
Kayak Investments Holding Pte. Ltd. [refer footnote 9(iv)]	-	46,810
Mr. Abhay Soi [refer footnote 9(i)]	0.10	-
Investment in equity shares		
ALPS Hospital Limited	5,000	-
Max Healthcare FZ-LLC	101	-
Max Lab Limited	500	-
Deemed Investment on account of ESOP		
ALPS Hospital Limited	27	23
Hometrail Buildtech Private Limited	28	24
Crosslay Remedies Limited	147	126
Saket City Hospitals Limited	98	84
Max Hospitals And Allied Services Limited	39	10
Max Lab Limited	11	-
Advance for share application money (Investment)		
Max Healthcare FZ-LLC	188	-
MHC Global Healthcare (Nigeria) Limited	176	-
Loans and advances given		
Crosslay Remedies Limited	1,000	-
Saket City Hospitals Limited	5,000	-
Max Hospitals And Allied Services Limited	6,300	-
Dr. B.L Kapur Memorial Hospital	-	3,100
Repayment of loans and advances given		
Crosslay Remedies Limited	1,000	609
Saket City Hospitals Limited	-	4,200
Dr. B.L Kapur Memorial Hospital	1,000	-
Repayment of loan and advance taken		
Neo Legno Consultants Private Limited	-	4,500
Redemption of investment in Preference Share and GIRR thereon		
ALPS Hospital Limited	-	3,000
Security deposit received		
Mr. Yogesh Kumar Sareen	4	-
Security deposit return		
Mr. Yogesh Kumar Sareen	16	-
Employee benefit liability transferred-in		
Hometrail Buildtech Private Limited	4	-
Crosslay Remedies Limited	0.44	-
Dr. B.L Kapur Memorial Hospital	8	-

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
Transactions during the year	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefit liability transferred-out		
ALPS Hospital Limited	3	-
Hometrail Buildtech Private Limited	0.18	-
Crosslay Remedies Limited	0.94	-
Max Lab Limited	106	-
Dr. Balabhai Nanavati Hospital	4	-
Healthcare services rendered		
ALPS Hospital Limited	1,251	798
Hometrail Buildtech Private Limited	661	563
Crosslay Remedies Limited	557	387
Max Lab Limited	882	-
Dr. B.L Kapur Memorial Hospital	5,272	3,445
KKR India Advisors Private Limited	2	-
Epimoney Private Limited	3	-
Professional Healthcare services rendered		
ALPS Hospital Limited	133	80
Crosslay Remedies Limited	8	14
Operation & Management fee received		
Dr. B.L Kapur Memorial Hospital	300	345
Interest Income on loans and advances given		
ALPS Hospital Limited	-	2
Hometrail Buildtech Private Limited	476	360
Crosslay Remedies Limited	6	6
Saket City Hospitals Limited	1,062	1,174
Max Hospitals And Allied Services Limited	197	-
Dr. B.L Kapur Memorial Hospital	3,437	3,597
Max Healthcare Institute Limited	-	991
Finance Arrangement fee received		
ALPS Hospital Limited	21	25
Hometrail Buildtech Private Limited	58	44
Crosslay Remedies Limited	70	79
Saket City Hospitals Limited	56	56
Dr. B.L Kapur Memorial Hospital	32	51
Rental income from sub- leasing of property		
ALPS Hospital Limited	3	2
Hometrail Buildtech Private Limited	3	2
Crosslay Remedies Limited	3	2
Saket City Hospitals Limited	3	2
Max Lab Limited	22	-
ET Planners Private Limited	1	-
Sale of Food		
ALPS Hospital Limited	80	-
Sale of drugs, pharmaceuticals & medical supplies		
ALPS Hospital Limited	2,528	1,216
Hometrail Buildtech Private Limited	216	260
Crosslay Remedies Limited	1,428	315
Max Lab Limited	118	-
Dr. B.L Kapur Memorial Hospital	867	21
Dr. Balabhai Nanavati Hospital	2,007	-

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
Transactions during the year	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of drugs, pharmaceuticals & medical supplies		
ALPS Hospital Limited	1,407	-
Hometrail Buildtech Private Limited	6	-
Crosslay Remedies Limited	998	-
Dr. B.L. Kapur Memorial Hospital	787	-
Dr. Balabhai Nanavati Hospital	97	-
Key management personnel remuneration (refer note 1 below)		
Mr. Yogesh Kumar Sareen	284	353
Mr. Mradul Kaushik (upto the date designated as Manager)	-	4
Ms. Ruchi Mahajan	97	76
Mr. Dilip Bidani	-	19
Ms. Prachi Singh	-	4
Director's remuneration (refer note 1 below)		
Mr. Abhay Soi	1,400	1,046
Director's sitting fee		
Mr. Kummamuri Murthy Narasimha	19	21
Mr. Upendra Kumar Sinha	1	20
Mr. Mahendra Gumanmalji Lodha	20	20
Mr. Michael Thomas Neeb	15	7
Ms. Harmeen Mehta	13	-
Independent Director's remuneration		
Mr. Kummamuri Murthy Narasimha	13	-
Mr. Mahendra Gumanmalji Lodha	13	-
Mr. Michael Thomas Neeb	13	-
Ms. Harmeen Mehta	13	-
Healthcare Services received		
Hometrail Buildtech Private Limited	198	73
Crosslay Remedies Limited	388	210
ALPS Hospital Limited	6	-
Dr. Balabhai Nanavati Hospital	6	-
Unwinding of discount of security deposit		
Dr. B.L. Kapur Memorial Hospital	3	3
Reimbursement of expenses to		
Mr. Abhay Soi	-	3
Borrowing cost		
Finance Arrangement fee to KKR Capital Market Asia Limited	-	393
Interest on Loan from Neo Legno Consultants Private Limited	-	159
Space taken on lease rent		
ALPS Hospital Limited	0.15	-
Hometrail Buildtech Private Limited	0.14	-
Crosslay Remedies Limited	0.2	-
Dr. B.L. Kapur Memorial Hospital	2	-
Dr. Balabhai Nanavati Hospital	1	-
Radiant Life Care Private Limited	2	1
Corporate Guarantee in respect of financial assistance availed by the Company		
Kayak Investments Holding Pte. Ltd.	-	48,600

Note

- (i) As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors /KMPS has not been ascertained separately and, therefore, not included in above mentioned managerial remuneration. Managerial remuneration mentioned above also do not include accrual recorded towards employee share based payments but includes benefit value on account of ESOP exercise during the reporting year.

Notes

forming part of Standalone financial statements

(C) Balances at the year end

	(INR in Lakhs)	
Balances at the year end	As at March 31, 2022	As at March 31, 2021
Investment		
ALPS Hospital Limited	19,799	14,799
Hometrail Buildtech Private Limited	40,659	40,659
Crosslay Remedies Limited	44,913	36,764
Saket City Hospitals Limited	1,11,864	1,11,864
Max Hospitals and Allied Services Limited	33,526	33,526
Max Lab Limited	500	-
Max Healthcare FZ-LLC	101	-
Eqova Healthcare Private Limited	4,718	-
Deemed Investment on account of ESOP		
ALPS Hospital Limited	50	23
Hometrail Buildtech Private Limited	52	24
Crosslay Remedies Limited	273	126
Saket City Hospitals Limited	182	84
Max Hospitals and Allied Services Limited	49	10
Max Lab Limited	11	-
Advance for share application money (Investment)		
Max Healthcare FZ-LLC	188	-
MHC Global Healthcare (Nigeria) Limited	176	-
Loan and advances (including interest receivable)		
Saket City Hospitals Limited	14,210	9,410
Non convertible redeemable preference shares in Hometrail Buildtech Private Limited	4,711	4,234
Dr. B.L. Kapur Memorial Hospital	32,856	34,254
Max Hospitals and Allied Services Limited	6,300	-
Security deposit (discounted value)		
Dr. B.L. Kapur Memorial Hospital	34	30
Trade receivables		
ALPS Hospital Limited	996	688
Hometrail Buildtech Private Limited	49	29
Crosslay Remedies Limited	-	312
Saket City Hospitals Limited	637	688
Max Lab Limited	982	-
ET Planners Private Limited	1	-
Radiant Life Care Private Limited	-	41
Dr. B.L. Kapur Memorial Hospital	7,127	9,413
Epimoney Private Limited	1	-
Trade payable		
ALPS Hospital Limited	-	6
Crosslay Remedies Limited	24	1
Dr. B.L. Kapur Memorial Hospital	-	8
Dr. Balabhai Nanavati Hospital	0.24	-
Mr. Abhay Soi	-	4.13
Mr. Michael Thomas Neeb, Independent Director (From June 21, 2019)	4	-
Ms. Harmeen Mehta	4	-
Mr. Kummamuri Murthy Narasimha	1	2
Mr. Mahendra Gumanmalji Lodha	-	2

Notes

forming part of Standalone financial statements

	(INR in Lakhs)	
Balances at the year end	As at March 31, 2022	As at March 31, 2021
Other payable		
Finance Arrangement fee to KKR Capital Market Asia Limited	-	150
Security deposit received		
Mr. Yogesh Kumar Sareen	4	16
Dr. Mradul Kaushik (upto the date designated as Manager)	-	4
Ms. Ruchi Mahajan	3	3

Terms and conditions of transactions with related parties :-

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The income/expense from sales to and purchases from related parties are made on arm's length basis. Outstanding balances at the year end are unsecured and interest free.
- The Company has given corporate guarantee of INR 40,805 lakhs (March 31, 2021 : INR 47,758 lakhs) on behalf of the subsidiaries (Refer note 31.21 (b)).
- The above transactions with related parties are exclusive of taxes.

During the previous year ended on March 31, 2021, the Company entered into business combination (refer note 31.21) pursuant to approval of Composite Scheme of Amalgamation and Arrangement (hereafter referred to as 'the Scheme') by National Company Law Tribunal (NCLT) amongst the Company / MHIL, Radiant Life Care Private Limited 'Radiant', erstwhile Max India Limited and its subsidiary company Advaita Allied Healthcare Services Limited (now known as Max India Limited 'Max India') effective from June 01, 2020.

Accordingly, related party transactions disclosure for the previous year ended March 31, 2021, pertains to ten months operations of Max Healthcare Institute Limited and twelve months of Radiant.

31.11 Earnings per share (EPS)

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Earning per share		
a) Basic earnings per share		
<i>Numerator for earnings per share</i>		
Profit/(loss) after taxation	33,113	(16,445)
<i>Denominator for earnings per share</i>		
Weighted average number of equity shares outstanding during the year	96,74,65,373	86,31,95,968
Earnings per share-Basic (one equity share of INR 10 each)(in INR)	3.42	(1.91)
b) Diluted earnings per share		
<i>Numerator for earnings per share</i>		
Profit/(loss) after taxation	33,113	(16,445)
<i>Denominator for earnings per share</i>		
Weighted average number of equity shares outstanding during the year	96,93,82,717	86,31,95,968
Earnings per share- Diluted (one equity share of INR 10/- each) (in INR)*	3.42	(1.91)

*The effect of issue of potential equity shares under ESOP scheme is anti-dilutive in nature for the year ended March 31, 2021, hence the effect of potential equity shares are ignored in calculating dilutive earning per share.

As per Ind AS 103, weighted average number of ordinary shares outstanding during the period in which the reverse acquisition occurs is the number of ordinary shares outstanding from the beginning of that period to the acquisition date, which is computed on the basis of the weighted average number of ordinary shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the merger agreement; and the number of ordinary shares outstanding from the acquisition date to the end of that period is the actual number of ordinary shares of the legal acquirer (the accounting acquiree) outstanding during that period. Also, as per Ind AS 103, weighted average number of last year ordinary share outstanding is the legal acquiree's historical weighted average number of ordinary shares outstanding multiplied by the exchange ratio established in the acquisition agreement.

Notes

forming part of Standalone financial statements

31.12 Capital management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, share premium and all other equity reserves. The primary objective of the Company's capital management is to maintain an efficient capital structure and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 20% and 40%. The net debt includes interest bearing loans and borrowings (excluding loan from shareholder repayable within one year), less cash and cash equivalents, of continued operations.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Borrowings (Including current maturities of long term borrowings) [refer note 17, 21(i)]	30,328	33,493
Less: Cash and cash equivalents [refer note 14(ii)]	(21,398)	(59,777)
Net debt (a)	8,930	(26,284)
Equity (refer note 16)	6,30,902	5,93,943
Total capital (b)	6,30,902	5,93,943
Total capital and net debt (a+b)	6,39,832	5,67,659
Gearing ratio	1.40%	-4.63%

31.13 Ratio

S. no	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for variance
1.	Current Ratio	Current assets	Current liabilities	2.36	3.50	-32.43%	Recovery of trade receivable and utilisation of QIP fund.
2.	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.05	0.06	-14.75%	Repayment of term loan to IndusInd Bank & IDFC bank
3.	Debt Service Coverage Ratio	Earnings available for debt service	Total debt service	6.72	0.29	2167.83%	Lower debt related liabilities due to pre-payment of loans and improved profitability
4.	Return on Equity Ratio	Net profit/(loss) after tax	Average Shareholder's equity	5.42	-3.74	-244.99%	Refer footnote (i)
5.	Inventory turnover ratio	Cost of good sold	Average Inventory	19.20	22.81	-15.82%	
6.	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	4.31	4.04	6.81%	
7.	Trade payables turnover ratio	Net credit purchases *	Average trade payables	6.74	8.41	-19.87%	
8.	Net capital turnover ratio	Revenue from operations	Average working capital	3.17	0.73	332.41%	
9.	Net profit ratio	Net Profit/(loss) after tax	Total revenue	17.90	-14.49	-223.56%	
10.	Return on Capital employed	Net profit/(loss) before Interest and tax	Capital employed**	7.30	1.77	312.43%	
11.	Return on investment	Not possible as the Company does not have any investment in marketable securities.					

- Amount for the year ended March 31, 2022 are not comparable for the reason fully explain in note 31.19 & 31.21

* Net Credit Purchases comprises of cost of good sold, professional and consultancy fee, employee benefit expenses & other expense

Capital employed = Tangible net worth* + Total debt + Deferred tax liability

***Tangible net worth = Total assets - Total liabilities - Intangible assets

Notes

forming part of Standalone financial statements

31.14 Impairment assessment of recoverable amounts from healthcare service providers

(a) Impairment assessment of recoverable amounts from other healthcare service providers with whom the Company has long term medical service agreement

The Company has amount receivable amounting to INR 28,325 lakhs (March 31, 2021 : INR 32,677 lakhs) from other healthcare service providers, i.e., Devki Devi Foundation, Balaji Medical and Diagnostic Research Centre and Gujarmal Modi Hospital & Research Centre for Medical Sciences with whom the Company have long term medical services and pathology service agreement ('Service Agreements'). Amounts recoverable include the following:

- Trade receivable aggregating to INR 10,773 lakhs [Refer note 10(ii)] and INR 7,840 lakhs as current trade receivable for amounts due against Service Agreements.
- An amount of INR 3,567 lakhs (March 31, 2021 : INR 3,567 lakhs) as security and performance deposit as per the terms of Service Agreement. In addition, an amount of INR 6,047 lakhs (March 31, 2021 : INR 5,046 lakhs) has been advanced as loan.
- INR 98 lakhs (March 31, 2021 : INR 99 lakhs) as prepaid expenses, difference between present value and security and performance deposit given.

The recovery of these balances depends on the future cash flows and earning capacity of these healthcare service providers. Management has carried out an assessment and have concluded that the amounts are fully recoverable and no impairment in the value of the amount is necessitated.

(b) Impairment assessment of recoverable amounts from controlled entity ('Silo') with whom the Company has long term Operation and Management ('O&M') Agreement

The Company has amount receivable amounting to INR 40,017 lakhs (March 31, 2021 : INR 43,697 lakhs) from Dr. B L Kapur Memorial Hospital ('the Hospital') with whom the Company has long term Operation and Management ('O&M') Agreement. Under terms of O&M agreement, the Company is eligible for fixed and variable management fees from the Hospital for managing the hospital activities as per terms of the agreement. Amounts recoverable include the following:

- Loan aggregating to INR 32,856 lakhs (March 31, 2021 : INR 34,254 lakhs)[Refer note 10(iii)] carrying interest @ 10.25% repayable on quarterly basis as per agreement till the entire outstanding loan is repaid.
- Trade receivables aggregating to INR 7,127 lakhs (March 31, 2021 : INR 9,413 lakhs) towards management and other services.
- INR 34 lakhs (March 31, 2021 : INR 30 lakhs) as prepaid expenses, difference between present value and security and performance deposit given.

Management has carried out an assessment and have concluded that the amounts are fully recoverable and no impairment in the value of the amount is necessitated.

31.15 Note on COVID-19

The Company has assessed the possible effects arising from COVID-19 pandemic in the preparation of these financial results. Based on the current assessment, the Company expects to recover the carrying value of its current and non-current assets including goodwill, intangible assets, property, plant and equipment, trade receivable and other receivable balances and other financial exposure. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial results as and when any material changes arise.

31.16 Pursuant to section 135(5) of Companies Act, 2013 and rule made thereunder, the Company need to ensure that at least 2% of average net profit of the preceding three financial years is spent on CSR activities. Since the Company did not have profit in the preceding three years calculated as per Section 198 of the Companies Act, 2013, no amount was required to be spent on such CSR activities during the year ended March 31, 2022.

31.17 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes

forming part of Standalone financial statements

31.18 Exceptional items during the year ended March 31, 2022 include :

		(INR in Lakhs)	
S No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Loss on remeasurement of previously held equity interest by Radiant Life Care Private Limited (Refer note 31.21)	-	(17,289)
(b)	Stamp duty payable with respect to the Scheme (Refer note 31.21)	-	(3,778)
Total		-	(21,067)

31.19 Consequent to the Composite Scheme (Refer note 31.21) coming into effect from June 1, 2020 and due to the impact of outbreak of COVID-19 (Refer note 31.15), figures for the previous year ended March 31, 2021 are not comparable with figures for the year ended March 31, 2022. The figures for the previous year have been regrouped/ reclassified, wherever necessary, to correspond with the current year's classification/ disclosure.

31.20 The Board of Directors of Saket City Hospitals Limited ('SCHL') at their meeting held on March 26, 2021, approved the Scheme of Amalgamation (Merger by Absorption) of ALPS Hospital Limited (a fellow subsidiary of SCHL) with SCHL and their respective Shareholders under Sections 230 to 232 and other applicable provisions and Rules under the Companies Act, 2013. In this regard, on April 9, 2021 an application with Hon'ble National Company Law Tribunal ('NCLT'), Mumbai branch was filed for necessary approvals. During Current year, due to change in business plan of ALPS Hospital Limited, the Board of Directors of ALPS Hospital Limited and SCHL at their respective meetings held on November 29, 2021 decided to the withdraw the application submitted with Hon'ble NCLT.

31.21 Business combination

31.21.1 The Company, on May 27, 2020 received the certified copy of National Company Law Tribunal ('NCLT') approving the Composite Scheme of Amalgamation and Arrangement ('the Scheme') amongst the Company, Radiant Life Care Private Limited ('Radiant'), erstwhile Max India Limited and its subsidiary company Advaita Allied Healthcare Services Limited (now known as Max India Limited ('Max India')). Thereafter, the Board of Directors took note of the NCLT order approving the scheme and filed the NCLT order with the respective Registrar of Companies on June 01, 2020 giving effect to the Scheme. Consequently, Kayak Investments Holding Pte. Ltd. ('Kayak') and Mr. Abhay Soi, (the shareholder of 'Radiant Life Care Private Limited ('Radiant') (Demerged healthcare business of Radiant)) obtained control of the Company. The business combination has been treated as a reverse acquisition for financial reporting purposes in accordance with Ind AS 103, with Radiant Life Care as the accounting acquirer and Max Healthcare Institute Limited as the accounting acquiree/legal acquirer.

Accordingly, these financials issued under the name of Max Healthcare Institute Limited 'legal acquirer' represent the continuation of the financials of 'Radiant Life Care Private Limited ('Radiant') (accounting acquirer) except for capital structure and reflects the assets and liabilities of Radiant Life Care measured at their pre-combination carrying value and acquisition date fair value of the identified assets acquired and liabilities taken over with respect to Max Healthcare Institute Limited.

Further, 'Radiant Life Care Private Limited ('Radiant') for business combination accounting on acquisition date, re-measured its previously held equity interest of 49.70% in the Company at INR 196,309 Lakhs (previous carrying value INR 213,598 Lakhs) and recognized a loss of INR 17,289 lakhs, which has been disclosed as exceptional item (Refer note 31.18). In addition, the Company has also incurred a stamp duty cost of INR 3,778 Lakhs under the Maharashtra Stamp Act, 1958 and reported this as an acquisition related exceptional cost. (Refer note 31.18).

Notes

forming part of Standalone financial statements

Details in respect of business combination is provided below:

		(INR in Lakhs)
S. no	Particulars	Amount
A.	Consideration transferred	
(i)	Fair value of the Radiant Life Care's previously held equity interest in the Company	1,96,309
(ii)	Fair value of shares deemed to be issued on reverse acquisition	2,02,372
	Total consideration (A)	3,98,681
B.	Fair value of identifiable assets and liabilities recognised as a result of the Reverse Acquisition	
	Assets	
(i)	Property, plant and equipment	62,168
(ii)	Right-of-use assets	16,351
(iii)	Capital work-in-progress	332
(iv)	Intangible assets	1,25,094
(v)	Intangible assets under development	11
(vi)	Non-current investments	1,54,994
(vii)	Trade receivables (non-current)	11,578
(viii)	Loans (non-current)	24,897
(ix)	Other bank balances (non-current)	10
(x)	Non-current tax assets (net)	6,797
(xi)	Other non-current assets	4,613
(xii)	Inventories	2,943
(xiii)	Trade receivables (current)	27,952
(xiv)	Cash and cash equivalents	26,074
(xv)	Other bank balances	45
(xvi)	Loans (current)	3,642
(xvii)	Other financial assets (current)	332
(xviii)	Other current assets	1,046
	Total assets acquired (a)	4,68,879
	Liabilities	
(i)	Long term borrowings	31,337
(ii)	Lease liabilities (non-current)	15,654
(iii)	Other financial liabilities (non-current)	90
(iv)	Long term provisions	1,463
(v)	Deferred tax liabilities (net)	43,438
(vi)	Other non-current liabilities	27
(vii)	Short term borrowings	46,814
(viii)	Trade payables	20,116
(ix)	Lease liabilities (current)	697
(x)	Other financial liabilities (current)	2,677
(xi)	Other current liabilities	798
(xii)	Short term provisions	1,391
	Total liabilities acquired (b)	1,64,502
	Net assets recognised pursuant to the Scheme (a-b)	3,04,377
C.	Goodwill (A-B)	94,304

Goodwill represents residual consideration attributable to unidentified intangible assets acquired by acquirer. Goodwill recognised above is not deductible for tax purposes. Also refer note 7 for detailed disclosure.

The acquisition date fair value of accounting acquiree's identifiable assets and liabilities under the reverse acquisition were based on independent valuations obtained by the Company.

In view of the foregoing, the financial results of the accounting acquiree have been included from the effective date of the Scheme i.e. June 01, 2020. thus, financial results for the year ended March 31, 2021 represents results for ten months operation of Max Healthcare Institute Limited and twelve months of Radiant Life Care.

Notes

forming part of Standalone financial statements

31.21.2 Revenue and profit contribution

The acquired business contributed revenue from operation of INR 1,08,017 lakhs and profit of INR 2,595 lakhs to the Company for the year ended March 31, 2021.

If the acquisitions had occurred on April 01, 2020, consolidated pro-forma revenue and profit/(loss) for the year ended March 31, 2021 would have been INR 1,24,818 lakhs and INR (19,348) lakhs respectively.

31.21.3 Acquisition of assets and liabilities of residual Max India

The assets and liabilities of residual Max India transferred to the Company pursuant to the Scheme is treated as the acquisition of individual assets and liabilities as these net assets acquired does not meet the definition of business as per Ind AS 103.

31.22 The Board of Directors of Saket City Hospitals Limited ('SCHL') at their meeting held on December 18, 2021 accorded in-principle approval for its voluntary liquidation as per the provisions of Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and the Board of Directors of Max Healthcare Institute Limited ('Company') accorded their in-principle approval for expeditious consolidation of SCHL's business with the Company on a going concern, subject to compliance of applicable laws, pursuant to which the entire business of SCHL will be distributed to its shareholder i.e. the Company on a going concern basis. As on date, the said transaction is subject to necessary approvals and yet to be completed.

31.23 Disclosure required under Section 186 (4) of the Companies Act 2013

(a) Loans given

(i) Loans and advances to related parties

								(INR in Lakhs)
S. No.	Name of the recipient entity	Relationship	Opening balance	Loan/Share application money given	Loan repaid	Outstanding balance	Maximum balance outstanding during the year	Purpose
1.	Saket City Hospitals Limited	Wholly-owned subsidiary	9,100	5,000	-	14,100*	14,100*	For business operations, repayment of debts and other general corporate purpose
2.	Crosslay Remedies Limited	Subsidiary	-	1,000	1,000	-	1,000	For general business purpose, repayment of loans and Capital expenditure.
3.	Max Hospitals and Allied Services Limited	Wholly-owned subsidiary	-	6,300	-	6,300*	6,300*	For general corporate business purpose, capital expenditure and expansion of Dr. Balabhai Nanavati Hospital
4.	Dr. B.L Kapur Memorial Hospital	Controlled by the Company by way of contractual arrangements ('Silo')	33,856	-	1,000	32,856	33,856	For business operations, repayment of debts and other general corporate purpose
5	MHC Global Healthcare (Nigeria) Limited	Wholly-owned subsidiary	-	176	-	176	176	For application money towards share capital to be used in operations of subsidiary
6	Max Healthcare FZ-LLC	Wholly-owned subsidiary	-	188	-	188	188	For application money towards share capital to be used in operations of subsidiary
Total			42,956	12,664	2,000	53,620		

Notes

forming part of Standalone financial statements

(ii) Loans and advances to healthcare services providers

(INR in Lakhs)						
S. No.	Name of the recipient entity	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1.	Gujarmal Modi Hospital & Research Centre for Medical Sciences	5,000	1,000	-	6,000*	For general business purpose, repayment of loans and Capital expenditure.
Total		5,000	1,000	-	6,000	

*In respect of above, loans and advances in the nature of loans where there is no repayment schedule or repayment is beyond seven years.

(b) Investments made

(i) Particulars of investments made in equity shares (Refer note 9):

						(INR in Lakhs)
S. No.	Name of the investee	Opening balance	Investment made	Investment redeemed	Outstanding balance	Purpose
Investment in subsidiary companies (refer note 8)						
1.	ALPS Hospital Limited	14,799	5,000	-	19,799	For business operations, repayment of debts and other general corporate purpose
2.	Hometrail Buildtech Private Limited	40,659	-	-	40,659	For business operations, repayment of debts and other general corporate purpose
3.	Crosslay Remedies Limited	36,764	8,149	-	44,913	For business operations, repayment of debts and other general corporate purpose
4.	Saket City Hospitals Limited	1,11,864	-	-	1,11,864	For business operations, repayment of debts and other general corporate purpose
5.	Max Hospitals and Allied Services Limited	33,526	0.10	-	33,526	For business operations, repayment of debts and other general corporate purpose
6.	Max Lab Limited	-	500	-	500	For business operations, repayment of debts and other general corporate purpose
7.	Max Healthcare FZ-LLC	-	101	-	101	For business operations, repayment of debts and other general corporate purpose
8.	Eqova Healthcare Private Limited.	-	4,718	-	4,718	For business operations, repayment of debts and other general corporate purpose
Investment in other Company (Refer note 8)						
1.	Sandhya Hydro Power Projects Balargha Private Limited	51	-	-	51	For business operations purpose
Total		2,37,663	18,468	-	2,56,131	

(ii) Particulars of investments made in preference shares (Refer note 10 (ii)):

						(INR in Lakhs)
S. No.	Name of the investee	Opening balance	Interest	Preference shares redeemed	Outstanding balance	Purpose
Investment in subsidiary company						
1.	Hometrail Buildtech Private Limited	4,234	477	-	4,711	For business operations, repayment of debts and other general corporate purpose
Total		4,234	477	-	4,711	

Notes

forming part of Standalone financial statements

(c) Guarantees given (Refer note 30 A) :

(INR in Lakhs)						
S. No.	Name of borrowing legal entity on behalf which guarantee provided by the Company	Opening * balance	Guarantee* given	Guarantee * discharged	Outstanding* balance	Purpose
(i) on behalf of related parties						
1.	Hometrail Buildtech Private Limited	4,796	2,632	1,600	5,828	For refinancing of existing loans, Business Operation and Capex LC
2.	Hometrail Buildtech Private Limited	5,467	649	720	5,396	For refinancing of existing loans, Business Operation
3.	ALPS Hospital Limited	865	-	865	-	For Refinance of Term Loan Facility of HDFC Bank Ltd.
4.	ALPS Hospital Limited	4,168	-	328	3,840	Extend ICD's (Interest bearing inter-corporate deposits) to Gujarmal Modi Hospital & Research Centre (GMHRC, Society that runs Max Smart Saket Hospital).
5.	Crosslay Remedies Limited	17,964	1,620	6,269	13,315	For refinancing of the existing debt and facility related expenses and for fresh Capex, Purchase medical equipment and Business operations.
6.	Saket City Hospitals Limited	6,194	-	904	5,290	For refinancing of existing loans & expansion of bed capacity
7.	Saket City Hospitals Limited	8,458	-	8,458	-	For refinancing of existing loans & expansion of bed capacity
8.	Dr. B. L. Kapur Memorial Hospital	1,454	-	684	770	For financing the capital expenditure
9.	Dr. B. L. Kapur Memorial Hospital	1,185	-	1,185	-	For financing the capital expenditure
10	Dr. B. L. Kapur Memorial Hospital	866	-	866	-	For financing the capital expenditure
11	Dr. B. L. Kapur Memorial Hospital	3,000	-	3,000	-	Cash Credit Limit for Working Capital requirement
12	Dr. B. L. Kapur Memorial Hospital	-	1,917	551	1,366	For refinancing of existing loans.
13	Dr. B. L. Kapur Memorial Hospital	-	5,000	-	5,000	Cash Credit Limit for Working Capital requirement
Total		54,417	11,818	25,430	40,805	
(ii) on behalf of other healthcare service providers						
1.	Balaji Medical & Diagnostics Research Centre	9,826	2,997	2,297	10,526	For refinancing of existing loans, Business Operations
2.	Devki Devi Foundation	6,426	-	294	6,132	For refinancing of existing loans
3.	Devki Devi Foundation	2,075	-	191	1,884	For refinancing of existing loans
4.	Devki Devi Foundation	1,825	1,694	136	3,383	For business operations, repayment of debts and other general corporate purpose
Total		20,152	4,691	2,918	21,925	

*Amount is computed based on Sanction Working Capital limits and outstanding Term Loan/ LC amount payable as on March 31, 2022.

Notes

forming part of Standalone financial statements

Note : The Company has provided loans or advances in the nature of loans, guarantee and security during the year; details of which are as follows:-

(INR in Lakhs)					
S No.	Particulars	Loans and advances in nature of loan	Guarantees (refer footnote)	Security (refer footnote)	Remarks
A.	Aggregate amount granted / provided during the year:				
	- Subsidiaries	12,664	11,818	-	-
	- Others	1,000	4,691	-	-
B.	Balance outstanding as at balance sheet date in respect of above cases:				
	- Subsidiaries	53,620	40,805	17,466	-
	- Others	6,000	21,925	-	-

Note

Guarantee amount is computed based on Sanction Working Capital limits and outstanding Term Loan/ LC amount payable as on March 31, 2022.

Further, for outstanding balance of loans/working capital aggregating to INR 17,466 lakhs as at March 31, 2022, obtained by the three subsidiary companies, the Company has given security of its investment held in those subsidiaries in addition to corporate guarantees. Also, refer footnote 9(ix).

31.24 Disclosure under Rule 11(e) of the Companies (Audit & Auditors) Rule, 2014

(INR in Lakhs)						
S. No.	Name of the investor	Date	Amount	Nature of Fund	Name of Intermediary Company	Relationship
1.	Max Healthcare Institute Limited	August 27, 2021	5,000	Investment	ALPS Hospital Limited	Wholly-owned subsidiary

(INR in Lakhs)						
S. No.	Name of Intermediary Company	Date	Amount	Nature of Fund	Ultimate Beneficiaries	Relationship
1.	ALPS Hospital Limited ('ALPS')	August 27, 2021	5,000	Investment	ET Planners Private Limited	Wholly-owned subsidiary of ALPS & Step down subsidiary of MHIL

Notes:

- Other than as disclosed above, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes

forming part of Standalone financial statements

31.25 The Company does not have any transactions with struck off Companies u/s 248 or 560 of Companies Act, 2013.

31.26 The Company has neither proposed, declared nor paid any dividend during the year.

31.27 The Company was not required to transfer any amount to Investor Education and Protection Fund during the year.

31.28 Pursuant to the amendment in the schedule III, the figures for the previous year have been regrouped/ reclassified, wherever necessary, to correspond with the current year end classification/ disclosure.

31.29 The figures have been rounded off to the nearest lakhs of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than INR 50,000/-.

31.30 Note No.1 to 31 form integral part of the standalone financial statements.

**For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED**

ABHAY SOI

(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN

(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

RUCHI MAHAJAN

(Company Secretary)
Membership Number: F5671
Place : New Delhi

Date : May 25, 2022

Place : New Delhi
Date : May 25, 2022

Particulars	Max Hospitals and Allied Services Limited (formerly Radiant Life Care Mumbai Private Limited)					ET Planners Private Limited (step down subsidiary through ALPS)	(Rs in Lakhs)
	ALPS Hospital Limited ('ALPS')	Hometrail Buildtech Private Limited	Crosslay Remedies Limited	Saket City Hospitals Limited	Max Lab Limited		
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Reporting Company	Same as Reporting Company	Same as Reporting Company	Same as Reporting Company	First reporting period starting from date of incorporation i.e. June 02, 2021 to March 31, 2022	Same as Reporting Company	Same as Reporting Company
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N/A	N/A	N/A	N/A	N/A	Reporting currency- UAE Dirham (AED) Exchange rate as on 31- Mar-22 is 20.63 AED	Reporting currency- Nigerian Naira (NGN) Exchange rate on 31-Mar-22 : 0.18
Share capital	356	5,094	14,319	2,943	500	8,932	176
Reserves & surplus (Other Equity)	10,792	10,875	11,341	(4,280)	(1,634)	7,934	(15)
Total assets	18,569	37,211	46,595	24,506	1,488	24,756	183
Total Liabilities	7,421	21,242	20,935	25,843	2,622	7,890	22
Investments (refer note 1)	-	-	-	-	-	-	-
Turnover	19,261	39,427	57,282	4,326	1,716	1,483	-
Profit/(Loss) before taxation	3,483	9,021	14,333	898	(1,663)	(399)	(22)
Provision for taxation	831	2,290	3,670	-	-	-	-
Profit/(Loss) after taxation (After OCI)	2,647	6,753	10,681	898	(1,645)	(405)	(15)
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding/Nature of control	Equity - 100% Preference-100%	Equity- 100% Preference-100%	Equity- 99.90%	Equity- 100%	Equity- 100%	Equity- 100%	Equity- 100%
						Equity- 26% and option right for 74%	Controlled by way of contractual agreement
							Controlled by way of contractual agreement

Notes:

1. Investments excludes investments in subsidiaries
2. Subsidiaries which are yet to commence operations: Max Healthcare FZ-LLC, MHC Global Healthcare (Nigeria) Limited and ET Planners Private Limited.
3. Subsidiaries which have been liquidated or sold during the year: No such Subsidiary liquidated or sold during the year.
4. Since the Company holds right to appoint majority of Directors on the Board of Eqova Healthcare Private Limited ("Eqova") by virtue of share purchase agreement dated February 10, 2022, Eqova has been shown as subsidiary.

For and on behalf of the Board of Directors of Max Healthcare Institute Limited

FOR AND ON BEHALF OF
ABHAY SOI

(Chairman and Managing Director)

DIN:00203597

Place : Mumbai

YOGESH KUMAR SAREEN

(Chief Financial Officer)

ICAI Membership Number: 087383

Place : New Delhi
Date : May 25, 2022

RUCHI MAHAJAN

(Company Secretary)

Membership Number: F5671

Place : New Delhi

Independent Auditor's Report

TO THE MEMBERS OF
MAX HEALTHCARE INSTITUTE LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **Max Healthcare Institute Limited** ("the Parent"), its subsidiaries and its deemed separate entities, that is 'Silos' over which the parent has control (the Parent, its subsidiaries and its deemed separate entities that is 'Silos', together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S No. Key Audit Matter	Auditor's Response
1. Impairment of intangible assets (Goodwill and trademark) (Refer to note 7 and note 8 of the notes forming part of the Consolidated Financial Statements) The Group has intangible asset with indefinite lives comprising Goodwill of INR 245,466 lakhs and Trademarks of INR 49,378 lakhs as at March 31, 2022. The Group's evaluation of goodwill and trademark for impairment involves the comparison of the recoverable value of cash generating unit to its carrying value in accordance with Ind AS 36, Impairment of Assets. The recoverable amount is determined based on the higher of the fair value less cost of disposal or the value in use.	Principal audit procedures performed With respect to Impairment of intangible assets (Goodwill and trademark), we: - Evaluated the design, implementation and operating effectiveness of controls over impairment assessment, including controls relating to review of future cash flow forecasts (including forecast of future revenue and operating margins) and controls relating to review of assumptions of discount rates and the long-term growth rates. - Evaluated the reasonableness of the estimates used by management in assessment of future cash flow forecasts and operating margins by comparing them to historical revenue and operating margins, latest approved forecasts and long term plans. - With the assistance of our fair value specialist, evaluated the appropriateness of the valuation methodology and reasonableness of the key valuation assumptions used by management and tested mathematical accuracy of the calculations used in assessment of recoverable value.

in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

S No. Key Audit Matter	Auditor's Response
The Group has determined recoverable value, which included use of discounted cash flow model to estimate recoverable value, and requires management to make significant estimates and assumptions related to future cash flow forecasts (including forecast of future revenue and operating margins), discount rates and the long term growth rates applied to these future cash flow forecasts. Changes in these estimates and assumptions could have a significant impact on the assessment of the recoverable value and the consequential impact on impairment loss. The management has concluded that the recoverable value is higher than the carrying amount and accordingly, no impairment provision is required as at March 31, 2022. Considering the significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the recoverable value used in the impairment evaluation, we have determined impairment of such goodwill and trademark carried in the books of account as at March 31, 2022 arising from the business combination from an earlier year as a key audit matter for the current year audit.	Evaluated the appropriateness of the accounting and disclosures in the consolidated financial statements in compliance with the accounting standards.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Board report, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income,

consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The Board of Directors of the Parent in respect of itself and the deemed separate entities, that is 'Silos', and the respective Board of Directors of the subsidiary 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 and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, 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 management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Parent in respect of itself and the deemed separate entities, that is 'Silos', and the respective Board of Directors of the subsidiary companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit financial statements for the year ended March 31, 2022 of three subsidiary companies included in the consolidated financial statements, whose financial statements reflect total assets (before consolidation adjustment) of INR 2,968 Lakhs as at March 31, 2022 and total revenues (before consolidation adjustment) of INR Nil Lakhs and net cash flows (net) of INR 1,641 Lakhs for the year ended March 31, 2022, as considered in the consolidated financial Statements. These financial statements have been audited by other auditors

whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Of the above entities, 2 subsidiary companies are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion/conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022, and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, the remuneration paid by the Parent Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer note no. 34 of the consolidated financial statements).
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts - Refer note 34.C (ii) forming part of the consolidated financial statements.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies. Refer note 35.26 of the consolidated financial statements.
 - iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such

subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note no. 35.27 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 Parent 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 Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note no. 35.27 to the consolidated financial statements, no

funds have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

Sr. No.	Name of Entity	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavorable or qualified or adverse
1	ALPS Hospital Limited	U74899MH1989PLC357940	Subsidiary	3(ix)(e)
2	Saket City Hospitals Limited	U85110MH1991PLC357942	Subsidiary	3(i)(c)
3	ET Planners Private Limited	U74999DL2017PTC324142	Subsidiary	3(xvii)
4	Eqova Healthcare Private Limited	U85300DL2021PTC377462	Subsidiary	3(xvii), 3(xviii)

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

(RASHIM TANDON)
(Partner)

(Membership No. 95540)
(UDIN: 22095540AJOB008098)

Place: New Delhi
Date: May 25, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Max Healthcare Institute Limited** (hereinafter referred to as “Parent”) and its subsidiary companies (the Parent and its subsidiaries together referred to “the Group”), which are companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting 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 over financial reporting 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on “the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 subsidiary company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm’s Registration No. 015125N)

(RASHIM TANDON)

(Partner)

(Membership No. 95540)

(UDIN: 22095540AJOB008098)

Place: New Delhi

Date: May 25, 2022

Consolidated Balance Sheet

as at March 31, 2022

(INR in Lakhs)			
	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,73,257	1,52,271
Capital work-in-progress	5	10,473	2,672
Right-of-use assets	6	22,101	22,548
Goodwill	7	2,45,466	2,45,466
Other intangible assets	8	2,60,934	2,33,353
Intangible assets under development	9	4,639	21
Financial assets			
(i) Investments	10	51	51
(ii) Trade receivables	10	10,773	11,945
(iii) Loans	10	17,345	16,195
(iv) Other financial assets	10	27,578	19,745
Income tax assets (net)	11	15,517	15,533
Deferred tax assets (net)	27	-	98
Other non current assets	12	30,750	22,099
Total non-current assets		8,18,884	7,41,997
Current assets			
Inventories	13	6,136	5,380
Financial assets			
(i) Trade receivables	14	38,536	36,589
(ii) Cash and cash equivalents	14	30,914	62,659
(iii) Bank balances other than (ii) above	14	19,017	2,633
(iv) Loans	14	258	543
(v) Other financial assets	14	3,010	2,191
Income tax assets (net)	15	-	661
Other current assets	16	2,158	1,791
Total current assets		1,00,029	1,12,447
TOTAL ASSETS		9,18,913	8,54,444
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	96,961	96,595
Other equity	18	5,31,286	4,67,273
Total Equity		6,28,247	5,63,868
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	62,941	84,282
(ii) Lease liabilities	20	17,017	16,999
(iii) Other financial liabilities	21	37,850	23,726
Provisions	22	5,979	6,019
Deferred tax liabilities (net)	27	68,141	58,192
Other non-current liabilities	23	23,011	23,665
Total non-current liabilities		2,14,939	2,12,883
Current liabilities			
Financial liabilities			
(i) Borrowings	24	9,724	7,753
(ii) Lease liabilities	24	1,656	1,107
(iii) Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	24	546	95
-Total outstanding dues of creditors other than micro enterprises and small enterprises	24	44,662	43,474
(iv) Other financial liabilities	24	8,456	15,871
Other current liabilities	25	6,515	5,450
Provisions	26	4,168	3,943
Total current liabilities		75,727	77,693
Total Liabilities		2,90,666	2,90,576
TOTAL EQUITY AND LIABILITIES		9,18,913	8,54,444

The accompanying notes are integral part of the consolidated financial statements 1 - 35

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

RASHIM TANDON
(Partner)
Membership No: 95540

Place : New Delhi
Date : May 25, 2022

For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED

ABHAY SOI
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Consolidated Statement of profit and loss

for the year ended March 31, 2022

(INR in Lakhs)			
	Note No.	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
I Revenue from operations	28	3,93,146	2,50,797
II Other income	29	12,736	11,144
III Total income (I+II)		4,05,882	2,61,941
IV Expenses			
(a) Purchase of pharmacy, drugs, consumables and implants		93,046	58,051
(b) (Increase)/decrease in inventory of pharmacy, drugs, consumables and implants		(756)	1,390
(c) Employee benefits expenses	30	75,992	58,878
(d) Professional and consultancy fees		80,945	53,291
(e) Finance costs	31	10,087	17,946
(f) Depreciation and amortization expense	32	22,112	17,409
(g) Other expenses	33	49,663	38,471
Total expenses (IV)		3,31,089	2,45,436
V Profit before exceptional items, tax and share of profit in associate (III-IV)		74,793	16,505
VI Exceptional items	35.18	(903)	(23,370)
VII Profit/(loss) before tax and share of profit/(loss) in associate (V + VI)		73,890	(6,865)
VIII Tax expenses			
(a) Current tax	27	11,578	162
(b) Tax relating to earlier years	27	6	81
(c) Deferred tax	27	1,801	4,342
Total tax expenses		13,385	4,585
IX Profit/(Loss) after tax and before share of profit/(loss) in associate (VII - VIII)		60,505	(11,450)
X Share of profit/(loss) in associate (refer note 35.15)		-	(2,305)
XI Profit/(Loss) for the year (IX+X)		60,505	(13,755)
XII Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement gains/(losses) on defined benefit plans	35.01 & 35.02	298	2
(b) Exchange differences on translation of foreign operation		7	-
(c) Income tax effect	27	(40)	49
Other Comprehensive income/(loss) for the year		265	51
XIII Total comprehensive income/(loss) for the year (XI+XII)		60,770	(13,704)
XIV Earnings per equity share (Nominal Value of share INR 10)			
Basic (INR)	35.12	6.25	(1.59)
Diluted (INR)		6.24	(1.59)

The accompanying notes are integral part of the Consolidated financial statements 1 - 35

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

RASHIM TANDON
(Partner)
Membership No: 95540

Place : New Delhi
Date : May 25, 2022

For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED

ABHAY SOI
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Consolidated Statement of changes in equity

for the year ended March 31, 2022

A) EQUITY SHARE CAPITAL

(INR in Lakhs)		
(i) Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	96,595	53,724
Changes in equity share capital during the year	366	42,871
Balance at the end of the year	96,961	96,595

(ii) Reconciliation of equity shares at the beginning and at the end of the year.

Particulars	Numbers	(INR in Lakhs)
Equity shares of INR 10 each issued, subscribed and fully paid		
As at April 1, 2020	53,72,44,328	53,724
Less: Cancellation of shares upon business combination (refer note 17)	53,39,95,874	53,399
Add: Issue of shares pursuant to the Scheme of Merger (refer note 17)	90,12,84,070	90,129
Add: Issue of shares under Qualified Institutional Placement (refer note 17)	6,14,12,482	6,141
As at March 31, 2021	96,59,45,006	96,595
Add: Issue of shares under employee stock option plan('ESOP') (Refer note 17)	36,68,449	366
As at March 31, 2022	96,96,13,455	96,961

B) OTHER EQUITY

(INR in Lakhs)				
Particulars	Reserves and surplus			Other equity
	Securities premium (Refer note 18)	Stock options outstanding account (Refer note 18)	Retained earnings (Refer note 18)	
As at April 1, 2020	2,34,045	-	(32,454)	2,01,591
Loss for the year	-	-	(13,755)	(13,755)
Other comprehensive income for the year	-	-	51	51
Pursuant to the Scheme of Merger	1,64,661	-	956	1,65,617
Premium on issue of equity shares under Qualified Institutional Placement	1,13,859	-	-	1,13,859
Less: Share issue expenses	(2,084)	-	-	(2,084)
Employee stock option compensation expenses	-	2,651	-	2,651
Increase in Payable for Share Purchase	-	-	(657)	(657)
As at March 31, 2021	5,10,481	2,651	(45,859)	4,67,273
Profit for the year	-	-	60,505	60,505
Other comprehensive income for the year	-	-	265	265
Employee stock option compensation expenses	-	3,393	-	3,393
Transfer to security premium account on exercise of employee stock option	3,832	(3,832)	-	-
Change in valuation for put options liability for stake in subsidiary	-	-	(150)	(150)
As at March 31, 2022	5,14,313	2,212	14,761	5,31,286

The accompanying notes are integral part of the Consolidated financial statements 1-35

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)**RASHIM TANDON**
(Partner)
Membership No: 95540Place : New Delhi
Date : May 25, 2022For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED**ABHAY SOI**
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai**YOGESH KUMAR SAREEN**
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(INR in Lakhs)		
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Cash flows from operating activities		
Profit/(loss) before tax and share of profit/(loss) in associates	73,890	(6,865)
Adjustments to reconcile profit before tax to net cash flows from operating activities:		
Depreciation of Property, Plant & equipment	14,399	10,923
Amortization of intangible assets	5,188	4,439
Depreciation of right to use assets	2,525	2,047
Contract expense	310	310
Net (gain) /loss on foreign exchange fluctuation	34	(1,788)
Loss on remeasurement of previously held equity interest by Radiant Life Care	-	19,592
Employee stock options expense	3,393	2,651
Capital work in progress/asset written off	6	814
Loss on fair valuation of contingent consideration	1,300	160
Bad debts and Debit balances written off	924	3,564
Provision for doubtful advances and doubtful debts (net)	(2,421)	(1,904)
(Income)/loss on modification/termination of Lease under Ind AS 116	(62)	163
Net loss on sale/disposal of property, plant and equipment	306	24
Unclaimed balances and excess provisions written back	(2,634)	(1,013)
Finance income	(7,208)	(6,608)
Interest on lease liability	1,873	1,589
Interest on debts and borrowings	7,128	15,511
Operating cash inflow before working capital changes	98,951	43,609
Working capital changes:		
Decrease in trade receivables	291	5,606
(Increase)/decrease in other financial assets	(8,383)	9,483
(Increase) in other current and non current assets	(619)	(7,573)
(Increase)/decrease in inventories	(756)	1,725
(Decrease) in trade payables and other financial liabilities	(4,620)	(47,790)
Increase in Provisions	483	855
Increase in other current and non current liabilities	408	69
Cash generated from operations	85,755	5,984
Taxes (paid)/refund - (net)	(10,906)	5,802
Net cash generated from operating activities (A)	74,849	11,786
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, Capital work in progress and capital advances	(56,131)	(11,842)
Proceeds from Sale/disposal of property, plant and equipment	517	162
Loan given to other healthcare service providers	(4,300)	(5,291)
Loan repayments by other healthcare service providers	3,150	3,700
Investments in fixed deposit with bank(with maturity of more than three months)	(17,119)	-
Loan and deposits given to others	-	(637)
Amount paid for acquisition of subsidiaries	(10,716)	-
Interest income received	7,422	6,608
Net cash flows from/(used in) investing activities (B)	(77,177)	(7,300)

Consolidated Cash Flow Statement

for the year ended March 31, 2022

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Cash flows from financing activities		
Net proceeds from issuance of equity share capital including security premium	366	1,17,916
Proceeds from non current borrowings	3,656	73,720
Repayment of non current borrowings	(24,960)	(83,263)
Proceeds from/(repayments of) short-term borrowings (net)	2,028	(69,569)
Payment of lease liabilities	(1,412)	(2,571)
Payment of interest on lease liabilities	(1,873)	(1,589)
Interest on debts and borrowings paid	(7,222)	(15,511)
Net cash flows from/(used in) financing activities (C)	(29,417)	19,133
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(31,745)	23,619
Cash and cash equivalents at the beginning of the year	62,659	11,101
Increase in cash and cash equivalents pursuant to the Scheme (refer note 35.15)	-	27,939
Cash and cash equivalents at the end of the year (refer note 14(ii))	30,914	62,659

Components of cash and cash equivalents :

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balances with banks on current accounts	3,330	1,385
Bank deposits with original maturity of less than three months	26,887	60,739
Cheques on hand, credit card and digital wallet receivables	466	313
Cash on hand	231	222
Total cash and cash equivalents	30,914	62,659

The consolidated cash flow statement has been prepared under the ' Indirect Method' set out in Indian Accounting Standard-7, "Statement of cash flow".

The accompanying notes are integral part of the Consolidated financial statements 1-35

As per our report of even date attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

RASHIM TANDON
(Partner)
Membership No: 95540

Place : New Delhi
Date : May 25, 2022

**For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED**

ABHAY SOI
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

Date : May 25, 2022

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Notes

forming part of Consolidated financial statements

1. CORPORATE INFORMATION

Max Healthcare Institute Limited ("MHIL" or "the Company") was incorporated on June 18, 2001 and its registered office is located at 401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West), Mumbai 400056. The equity shares of the Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited since August 21, 2020.

The Company along with its subsidiary companies and deemed separate entities, that is 'Silos' (Collectively referred to as 'the Group') is primarily engaged in provision of healthcare services through primary care clinics, multi-speciality hospitals/medical centres and super-speciality hospitals facilities. These include 'managed facilities' and medical facilities of third party healthcare providers with whom, the Company has entered into long term service contracts for providing operation and management, medical services, clinical, radiology, pathology and related healthcare services.

The financial statements have been approved by the Board of Directors at its meeting held on May 25, 2022.

2. BASIS OF PREPARATION AND PRESENTATION

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standard) Rule, 2015, as amended from time to time and other relevant provision of the Act.

The Financial Statements includes the financial information of the following entities:

- a) Max Healthcare Institute Limited, the Parent company; b) ALPS Hospital Limited, a subsidiary company; c) Hometrail Buildtech Private Limited , a subsidiary company d) Crosslay Remedies Limited, a subsidiary company; e) Saket City Hospitals Limited, a subsidiary company; f) Max Hospitals & Allied Services Limited (Formerly Known as Radiant Life Care Mumbai Private Limited) , a subsidiary company; g) Max Lab Limited, a subsidiary company; h) ET Planners Private Limited, a subsidiary company; i) Eqova Healthcare Private Limited, a subsidiary company; j) Max Healthcare Fz-LLC, a subsidiary company; k) MHC Global Healthcare Nigeria, a subsidiary company; l) Operations of Dr. B.L. Kapur Memorial Hospital, deemed separate entity 'Silo' considered for consolidation; m) Operations of Dr. Balabhai Nanavati Hospital, deemed separate

entity 'Silo' considered for consolidation and proportionate share of net profit/(loss) of previously held equity stake in Max Healthcare Institute Limited. Also refer Note 3 below.

The Financial Statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair values at end of each reporting period (as explained in significant accounting policies note 3 below) and accounting for business combination carried out by the Group during the period (as more fully explained in note 35.15).

The following note provides list of the significant accounting policies adopted in the preparation of these Financial Statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders
- (v) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases

Notes

forming part of Consolidated financial statements

when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated financial statements incorporate the financial statements of the Parent, its subsidiary Companies and deemed separate entities that is 'Silos' (refer 2 above). The deemed separate entities that is Silos are considered for consolidation on the following basis:

a) **Operations of Dr. B L Kapur Memorial Hospital (being a unit of Lahore Hospital Society)**

The Company has entered into an Operation and Management Agreement with Lahore Hospital Society, whereby the Company has agreed to operate, manage and provide medical services on an exclusive basis for a period of 15 years with effect from July 10, 2010, renewable for additional 30 years on the same terms and conditions.

b) **Operations of Dr. Balabhai Nanavati Hospital**

Max Hospitals & Allied Services Limited (Formerly Known as Radiant Life Care Mumbai Private Limited), subsidiary of the Company, has entered into an Operation and Management Agreement with Dr. Balabhai Nanavati Hospital Society, whereby it has agreed to operate, manage and provide medical services on an exclusive basis for a period of 29 years with effect from July 16, 2014.

Financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial information in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries/Silos. For this purpose, income and expenses of the subsidiary/Silos are based on the amounts of the assets and liabilities recognized in the consolidated Financial Statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property plant & equipments, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated Financial Statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary
- (ii) Derecognises the carrying amount of any non-controlling interests
- (iii) Derecognises the cumulative translation differences recorded in equity
- (iv) Recognises the fair value of the consideration received /receivable
- (v) Recognises the fair value of any investment retained
- (vi) Recognises any surplus or deficit in profit or loss
- (vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

All group entities follow same financial year as accounting year.

Notes

forming part of Consolidated financial statements

Business combination

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

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.

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.

The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

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.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, over the net of the acquisition-date amounts of the fair value of identifiable assets acquired and the liabilities assumed less the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any).

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been

allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates or joint ventures are incorporated in the financial statement using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate is recognised initially in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or has made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate , any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in capital reserve in the period in which the investment is acquired.

3.2 Other significant accounting policies

a. **Property, Plant and Equipment**

Property, plant and equipment ("PPE") are stated at cost, net of accumulated depreciation and accumulated impairment

Notes

forming part of Consolidated financial statements

losses, if any. The cost comprises of purchase price, taxes, duties (including import duties discharged under EPCG scheme), freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of Goods and Service Tax credit ("GST") wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment or any significant component thereof initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The Group identifies and determines cost of each component/part of the assets separately, if the component/part has a cost which is significant to the total cost and has useful life that is materially different from that of remaining asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advance.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date less impairment losses, if any.

Depreciation on property, plant and equipment is provided on pro-rata basis on straight-line method using the useful lives of the assets prescribed in schedule II of companies act 2013, except for certain classes of property, plant and equipment which are depreciated based on the technical assessment made by the independent valuation expert engaged by group. The estimated useful lives, residual values and depreciation method are reviewed periodically and the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful life of the assets are as follows:

Assets	Useful lives
	Shorter of the estimated useful life of tangible asset or respective lease term
Leasehold improvements	
Building	3-60 years*
Medical equipment	4-24 years*
Hand instruments	4 years
Lab equipment	10 years
Electrical installations and equipment	5-22 years*

Assets	Useful lives
Plant and equipment	4-23 years*
Office equipment	2-7 years
Computers & data processing units	3-6 years
Furniture and fixtures	5-10 years
Motor vehicles other than ambulances	8 years
Ambulances	6 years

*The Group has determined the remaining useful life of the PPE acquired on date of acquisition, based on the assessment made by independent valuation expert engaged by the Group on the date of acquisition. The value of PPE acquired is depreciated/amortised over such remaining useful life determined on straight line method basis which best reflects the usage of asset to the accounting acquirer. The useful life during the previous year ended March 31, 2021 estimated by independent valuation expert for the following block of asset are as given below:

Assets	Useful lives
Building	5-60 years
Medical Equipment	4-24 years
Electrical Installations and Equipment's	5-22 years
Plant and Equipment	4-23 years

Any tangible assets purchased during the year costing upto INR 5,000 are depreciated within one year.

On the basis of technical assessment made by the Group, it believes that useful lives used are realistic and reflect fair approximation of the period over which the assets are likely to be used.

b. Intangible assets

Intangible assets acquired separately are stated at cost except for fair valued on business combination (Refer note 35.15). less accumulated amortization and accumulated impairment losses, if any. The amount initially recognised for internally-generated intangible assets is the sum of the amount incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed periodically. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates.

Notes

forming part of Consolidated financial statements

Intangible assets with indefinite useful lives i.e. Goodwill and Trademarks are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

Intangible assets with finite useful life are amortized on straight line basis over their estimated useful life as follows:-

Intangible Assets	Useful lives
Softwares	2-5 years
Non-Compete agreement	3-7 years
Medical service agreement	As per the terms of agreement
Radiology & pathology s ervice agreement	As per the terms of agreement
Operation & Management Rights	As per the terms of agreement

c. Impairment of non financial assets

The Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates are made.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is

reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

d. Financial instruments

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.

(i) Financial assets

The Group classified its financial assets in the following measurement categories :-

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

Initial recognition and measurement

Financial assets are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in statement of profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- At amortized cost
- At Fair Value Through Profit or Loss ("FVTPL")
- At Fair Value Through Other Comprehensive Income ("FVTOCI")-Equity Instruments

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference. (Refer Note 3.2(e)(i))

Notes

forming part of Consolidated financial statements

Unbilled revenue

Unbilled revenue represents value of services rendered to patients undergoing treatment and pending for billing and is reported under other current financial assets.

At amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Cash flow characteristics test : The asset's contractual cash flows represent Sole Payment of Principal and Interest ("SPPI").

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Group estimate the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

At FVTPL

FVTPL is a residual category for debt instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Income from these Debt instruments is included in other income.

At FVTPL and FVTOCI

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other

comprehensive income all subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and loss.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

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

- (a) Financial assets measured at amortised cost;
- (b) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

The Group follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at the time of initial revenue recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on the historically observed default rates over the expected life of various categories of trade receivables and these are updated and changed based on forward looking estimates at every reporting date.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 months ECL.

Notes

forming part of Consolidated financial statements

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Group financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money and other payables.

The measurement of financial liabilities depends on their classification, as described below:

Trade payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs its obligations under the contract.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount

or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by a Group entity are initially measured at their fair values.

Derecognition

A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet of entities of the Group, if there is a enforceable legal right to offset the recognized amounts and the company intends to settle on a net basis.

Reclassification of financial assets and liabilities

After initial recognition of financial assets and liabilities, no re-classification is made except for financial assets where there is a change in the business model for managing those assets. The Group's determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

- e. Revenue
- (i) Revenue from contract with customers

Revenue from contracts with customers is recognized when control of the goods are transferred or services are rendered to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services net of returns and allowances, trade discounts and volume rebates. The Group has concluded that it is generally the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue is usually recognized when it is probable that economic benefits associated with the

Notes

forming part of Consolidated financial statements

transaction will flow to the entity, amount of revenue can be measured reliably and entity retained neither ownership nor effective control over the goods sold or services rendered.

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

(a) Sale of goods

Revenue from sale of pharmacy and pharmaceutical supplies is recognized at the point in time when control of the goods is transferred to the customer, generally on delivery of the pharmacy and pharmaceutical items. The Group collects goods and service tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group and thus excluded from revenue. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(b) Revenue from healthcare services

Revenue from rendering of healthcare services (including drugs, consumables and implants used in delivery of such services) is recognized over the time based on the performance of related services to the customers as per the terms of contract.

Income from medical services and operation and management fee is recognised as and when obligations arising out of the contractual arrangements are fulfilled and services are provided in terms of such agreements.

(ii) Other services rendered

Income from other services like sponsorship income, education income, clinical trials and other ancillary activities is recognized based on the terms of the contract and when it is probable that economic benefits associated with the transaction will flow to the entity and amount of revenue can be measured reliably.

(iii) Rental income

Rental income arising from operating leases and licences is accounted as per their respective terms of contract and

is included in operating revenue in the statement of profit or loss due to its operating nature.

(iv) Incentive income

Benefits under "Service exports from India Scheme" and "Export promotion capital goods scheme" on foreign exchange earned under prevalent scheme of Government of India are accrued when the right to receive these benefits as per the terms of the scheme is established, and to the extent there is no significant uncertainty about the measurability and their ultimate utilization.

(v) Other income

Interest income included in Finance Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

f. Inventories

Inventories comprise of pharmacy, drugs, consumable and implants which are valued at lower of cost and net realizable value. Cost includes the cost of purchase, duties, taxes (other than those recoverable from tax authorities) and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first-out ("FIFO") basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and those necessary to make the sale.

g. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on completion of obligation of Government grant. Non-monetary government grants related to assets, shall be recognised for the amount incurred over and above the grant received and in case of nil consideration both Government grant & assets are recognised at a nominal amount.

h. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards ("ICDS") enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Notes

forming part of Consolidated financial statements

Current income tax relating to items recognized outside profit or loss is included either in other comprehensive income or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate, if any.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized : when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

The Group classifies non-current assets held for sale if their carrying amounts will be principally recovered through a sale rather than through continuing use of assets and action required to complete such sale indicate

that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the group expects to complete the sale within one year from the date of classification.

A discontinued operation is a 'component' of the group business that represents a separate line of business that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale. The group considers the guidance in Ind AS 105 Non-Current assets held for sale and discontinued operations to assess whether a divestment asset would qualify the definition of 'component' prior to classification into discontinued operation.

j. Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and charged to statement of profit and loss on the basis of effective interest rate (EIR) method. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs directly attributable to the acquisition, construction or production of qualifying asset, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the asset. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other finance costs are expensed in the period in which they occur.

k. Leases

As per Ind AS 116 applicable from April 01, 2019

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

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities for payment to lessor and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount

Notes

forming part of Consolidated financial statements

of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Assets	Useful lives (years)
Leasehold land	Over the leasehold period
Leasehold building	Over the leasehold period
Medical equipment	15 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (Refer note 3.1(d)).

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its weighted average cost of debt as incremental borrowing rate as on initial recognition date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term/lease payments or a change in the assessment of an option to purchase the underlying asset and corresponding adjustment to right to use assets.

Short term leases and lease of low value assets

The Group applies the short term lease recognition exemptions to its short term leases of property like nursing hostels i.e. those leases that have a lease term of 12 months or less from commencement date and do not contain a purchase option. Lease payment

on short term leases are recognized as expenses on a straight line basis over the term of the lease.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised as per the term of lease agreement.

I. Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event and 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 such obligation. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Financial Statements unless the probability of outflow of resources is remote. Contingent assets are disclosed in the financial statement by way of notes to accounts when an inflow of economic benefit is probable.

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

m. Employee benefits

Provident fund (PF)

Retirement/ post-employment benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the regional Provident Fund Commissioner. The Group recognise contribution payable to provident fund scheme as an expenditure, when an employee renders related service.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at least at the end of each financial year. For some group companies the group

Notes

forming part of Consolidated financial statements

has also made contribution to life insurance companies towards a policy to partially cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the period-end and the balance of funds with the life insurance companies is provided as liability in the books.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Group recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- (i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- (ii) Net interest expenses or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Post-retirement employee medical scheme

One of the deemed separate entities, namely, Dr. Balabhai Nanavati Hospital provides post-retirement healthcare benefits to certain categories of its employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age.

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the profit or loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

Long term incentive plan

Employees of the Group receives defined incentive, whereby employees render services for a specified period. Long term incentive is measured on accrual basis over the period as per the terms of contract.

Leave encashment

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee service unto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

n. Share-based payments

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to stock options outstanding account.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

Notes

forming part of Consolidated financial statements

o. Cash and cash equivalents and other bank balances

Cash and cash equivalent in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value. Restricted bank balances and deposits having maturity more than 3 months are classified and disclosed as other bank balances.

p. Earning per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders (i.e profit/(loss)) after tax (including the post tax effect of exceptional items, (if any) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

q. Foreign currencies

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's Financial Statements are presented in Indian Rupee ('the functional currency₹') which is also the Group's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the balance sheet date

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured at historical cost in foreign currency and are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of :-

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note for hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statement, the assets and liabilities of the Group's foreign operations are translated into Indian Rupee using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

r. Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or

Notes

forming part of Consolidated financial statements

losses arising from changes in the fair value of derivatives are recognised in profit or loss account.

s. Fair value measurement

The Group measures financial instruments, such as, derivatives 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorized 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:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

t. Segment accounting

In accordance with Ind AS 108, Segment Reporting, the Chief Executive Officer and Managing Director is the Group's Chief Operating Decision Maker ("CODM").

The Group has identified only one reportable business segment as it deals mainly in provision of healthcare services.

u. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.3 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Financial Statements requires group to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Notes

forming part of Consolidated financial statements

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Judgements

In the process of applying the group's accounting policies, group has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

a. Impairment

(i) Impairment testing of goodwill and other intangible assets

Goodwill and intangible assets (such as Trademarks), if any, that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other intangible assets (including Operation and management rights and Service agreement) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units) (refer note 7). During the year the Group carried out an impairment assessment of Goodwill and other intangibles (including those appearing in the subsidiaries) and have concluded that there is no impairment in value of goodwill and other intangibles assets as appearing in the Financial Statements.

(ii) Impairment testing of non-Financial assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Determining whether the asset is impaired requires to assess the recoverable amount

of the asset or Cash Generating Unit (CGU) which is compared to the carrying amount of the asset or CGU, as applicable. Recoverable amount is the higher of fair value less costs of disposal and value in use. Where the carrying amount of an asset or CGU exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(iii) Impairment testing of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs for the impairment calculation based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(iv) Impairment testing of trade receivables

The Group reviews its trade receivables to assess impairment at regular intervals. In determining of impairment losses, the Group makes judgement as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows and a risk of default and expected loss rates exists. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or conditions which is based on historic loss rates, present developments such as liquidity issues and information about future economic conditions, with respect to reduction in the recoverability of cash flows.

b. Consolidation

Preparation of consolidated financial statements is based on the requirements of Ind AS 110 Consolidated Financial Statements. The Group has determined 'Silos' (refer note 3.1) amongst the agreements with Healthcare Service Providers (HSP's), based on the assessment of control criteria and consolidated for financial reporting purposes and form part of the consolidated financial statements of the Group.

Identification of Silos including related control, certain elements of the consolidation including identification of assessments consideration, determine appropriate accounting and fair value adjustments require the group to exercise significant judgements. This also requires a detailed assessment of the underlying a judgement and the related contracts to ascertain arrangements for purposes of control evaluation.

c. Contingent Consideration

The valuation model considers the present value of expected payment, discounted using an appropriate discount rate. The expected payment is determined

Notes

forming part of Consolidated financial statements

by considering the possible scenarios of forecast revenue and profitability on which contingent consideration is depend, the amount to paid under each scenario and the probability of each scenario. Key assumptions include annual revenue growth rate, risk-adjusted discount rate, occupancy rate and average revenue and expenditures over the period of contracts. All assumptions are reviewed at each reporting period.

d. Useful lives of Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the group at the time the asset is acquired and reviewed periodically, including at each financial year end.

e. Taxes

Significant judgement is involved in the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. The Group recognises provisions and measurement of deferred tax, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

f. Assessment of claims and litigations disclosed as contingent liabilities

There are certain claims and litigations which have been assessed as contingent liabilities by the group (also refer note 34) which may have an effect on the operations of the Group should the same be decided against the Group. The Group has assessed that no further provision / adjustment is required to be made in these financial statements for the above matters, other than what has been already recorded, as they expect a favourable decision based on their assessment and the advice given by the external legal counsels / professional advisors.

g. Gratuity and Leave encashment

The cost of defined benefit plans (i.e. Gratuity and Leave Encashment) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. Future salary increases and pension increases are based on expected future inflation rates.

h. Fair value measurement of financial instrument

When the fair value 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 Discounted Cash Flow (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.

3.4 Recent accounting pronouncements, to the extent applicable to the Group

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Notes

forming part of Consolidated financial statements

Ind AS 103-Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standard (Conceptual Framework) issued by the institute of Chartered Accountants of Indian at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact on its financial statements.

Ind AS 16-Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022. The Group has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37-Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify that the 'Cost of Fulfilling' a contract comprises the 'Cost that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (Examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Group does not expect the amendment to have any significant impact on its financial statements.

Ind AS 109-Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Group does not expect the amendment to have any significant impact on its financial statements.

Notes

forming part of Consolidated financial statements

4. PROPERTY, PLANT AND EQUIPMENT ("PPE")

(Carried at cost, unless otherwise stated)

	Leasehold land	Freehold land	Building	Building improve-ments	Leasehold improvements	Medical equipment	Lab equipment	Plant and equipment	Office equipment	Furniture and fixture	Motor vehicles	Computers and data processing units	Electrical installations and equipment	Other surgical instruments	Total
(INR in Lakhs)															
Gross carrying amount															
(at cost)															
As at April 1, 2020	-	-	-	4,376	-	42,811	-	7,415	639	2,684	538	1,777	2,944	-	63,184
Pursuant to the Scheme (Refer Note 4.02)	21,500	13,006	43,881	-	3,144	14,886	43	23,853	669	1,477	825	762	1,646	439	1,26,131
Additions	-	-	949	295	87	5,855	5	792	235	223	525	212	70	538	9,786
Disposals	-	-	(171)	-	(163)	(292)	-	(116)	(23)	(97)	(58)	(72)	(16)	(92)	(1100)
As at March 31, 2021	21,500	13,006	44,659	4,671	3,068	63,260	48	31,944	1,520	4,287	1,830	2,679	4,644	885	1,98,001
Additions (refer note 4.05)	19,426	1,440	448	448	129	10,318	58	505	506	459	694	947	111	1,191	36,232
Disposals	-	-	(433)	(11)	-	(2705)	(2)	(1266)	(56)	(196)	(252)	(59)	(25)	(102)	(5107)
Re-classification/Adjustment	-	-	(26)	55	-	(38)	-	(543)	593	210	-	(270)	7	(6)	(18)
As at March 31, 2022	21,500	32,432	45,640	5,163	3,197	70,835	104	30,640	2,563	4,760	2,272	3,297	4,737	1,968	2,29,108
Accumulated depreciation															
As at April 1, 2020	-	-	-	680	-	23,050	-	5,238	464	2,249	103	1,496	2,448	-	35,728
Additions	-	-	992	274	390	6,106	4	1,170	248	519	214	430	375	210	10,932
Disposals	-	-	(162)	-	(162)	(270)	-	(66)	(4)	(95)	(4)	(72)	(16)	(79)	(930)
As at March 31, 2021	-	-	830	954	228	28,886	4	6,342	708	2,673	313	1,854	2,807	131	45,730
Additions	-	-	1,376	300	289	8,441	7	1,371	476	545	297	507	378	412	14,399
Disposals	-	-	(428)	(3)	-	(2416)	-	(951)	(49)	(188)	(67)	(58)	(23)	(102)	(4285)
Re-classification/Adjustment	-	-	-	30	-	(38)	-	(283)	379	140	-	(233)	6	6	7
As at March 31, 2022	-	-	1,778	1,281	517	34,873	11	6,479	1,514	3,170	543	2,070	3,168	447	55,851
Net carrying amount															
As at March 31, 2022	21,500	32,432	43,862	3,882	2,680	35,962	93	24,161	1,049	1,590	1,729	1,227	1,569	1,521	1,73,257
As at March 31, 2021	21,500	13,006	43,829	3,717	2,840	34,374	44	25,602	812	1,614	1,517	825	1,837	754	1,52,271

4.01 Title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.

4.02 During the previous year, pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement, identified tangible assets of accounting acquiree (as fully explained in note 35.15) were measured at acquisition date fair value, as determined by independent valuation expert engaged by the Group. Fair value of the land of the hospital units of the accounting acquiree (Max Healthcare Institute Limited and its subsidiaries) was determined at acquisition date by independent valuation expert based on active market prices, adjusted for difference in the nature, locations and conditions of the specific Property. These assets include:

- Land pertaining to hospital situated at West Block, Saket and Shalimar Bagh that has been allotted by Delhi Development Authority under perpetual lease.

Notes

forming part of Consolidated financial statements

- Freehold land pertaining to hospital situated at Vaishali.
- Fair value and remaining useful life of of other assets acquired during previous year ended March 31, 2021, namely hospital buildings / other buildings and medical equipment's, plant and machinery and other assets that were determined by valuation expert which takes into account remaining economic life and replacement cost of such assets. The value of PPE acquired is depreciated/amortised over such remaining useful life determined on straight line method basis which best reflects the usage of asset to the accounting acquirer.
- Building at Mohali and Bathinda has been constructed on the land provided by Punjab Health Systems Corporation under concession agreement.

4.03 PPE are subject to charge to secure the Group's secured long term borrowings as disclosed in note 19 and 24.

4.04 During the previous year, the difference of depreciation amount from statement of profit and loss is INR 9 Lakhs pertaining to depreciation expense capitalised in the capital work in progress of the Group (refer note 35.06).

4.05 On Dec 28 2021, the Company has received possession of two land parcels situated in Gurugram measuring 6.11 acres and 5.26 acres located at Sectors 53 and Sector 56 respectively with Floor Space Index "FSI" of 1.50 times, allotted by HSVP (Haryana Shahri Vikas Pradhikaran) on a freehold basis consequent to public auction for setting up hospitals.

4.06 The Group has not revalued any of its property, plant and equipment during the year.

5. CAPITAL WORK-IN-PROGRESS ("CWIP")

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress as at March 31, 2022	8,498	46	372	1,557	10,473
Projects in progress as at March 31, 2021	804	295	747	826	2,672

Note:

As on March 31, 2022, there are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan. Construction of immigration Centre at Mohali was started in October 22, 2019, but the same was completed in May, 2021 due to delay in receipt of occupancy certificate and other regulatory approvals by the landlord owing to COVID related restrictions.

Notes

forming part of Consolidated financial statements

6. RIGHT-OF-USE ASSETS

	(INR in Lakhs)			
	Leasehold land (Refer Note 6.03)	Leasehold building	Medical equipment	Total
Gross carrying amount (at cost)				
As at April 1, 2020	-	1,678	454	2,132
Pursuant to the Scheme (Refer Note 6.02)	5,060	18,432	388	23,880
Additions	153	910	77	1,140
Less: Deletion	-	(2107)	(262)	(2369)
As at March 31, 2021	5,213	18,913	657	24,783
Additions	-	2,537	-	2,537
Less: Deletion	-	(381)	-	(381)
Adjustment	-	15	-	15
Reclassification	-	18	(18)	-
As at March 31, 2022	5,213	21,102	639	26,954
Accumulated depreciation				
As at April 1, 2020	-	363	148	511
Additions	1	2,002	100	2,103
Less: Deletion	-	(346)	(33)	(379)
As at March 31, 2021	1	2,019	215	2,235
Additions	1	2,497	51	2,549
Less: Deletion	-	(89)	-	(89)
Adjustment	-	158	-	158
Reclassification	-	(5)	5	-
As at March 31, 2022	2	4,580	271	4,853
Net carrying amount				
As at March 31, 2022	5,211	16,522	368	22,101
As at March 31, 2021	5,212	16,894	442	22,548

6.01 During the previous year ended on March 31, 2021, Pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement, lease contracts of accounting acquiree (Max Healthcare Institute Limited and its subsidiaries, as more fully explained in note 35.15) were measured at acquisition date fair value. These assets majorly includes leased Hospital at Dehradun, Panchsheel Park, Noida and Nursing Hostels and other accommodations.

6.02 The Group has a plot of land measuring 1.23 acres situated in Gurugram on sublease for a period of 97 years expiring in the year 2086. The sublease is further renewable for two terms of 97 years each and has been fair valued at the date of acquisition at INR 5,060 lakhs by independent valuation expert engaged by the group. During the previous year, the Group has paid additional INR 150 lakhs as security deposit in terms of settlement agreement entered with the lessor. The security deposit is non interest bearing and refundable on expiry of the lease. The discounted value of security deposit paid has been recognised as right of use towards leasehold land being amortised over the remaining lease period.

6.03 The difference of depreciation amount from statement of profit and loss is INR 24 Lakhs (March 31, 2021: INR 56 Lakhs) pertaining to depreciation expense capitalised in the capital work in progress (refer note 35.06).

6.04 In respect of immovable properties that have been taken on lease and disclosed in financial statements as right-of-use assets, the lease agreements are duly executed in favour of the Group.

Notes

forming part of Consolidated financial statements

7. GOODWILL

Goodwill represents purchase consideration in excess of net fair value of identifiable assets and liabilities and contingent liabilities acquired.

	(INR in lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	2,45,466	41,758
Additional amount recognised pursuant to the scheme (Refer Note 35.15)	-	2,03,708
Balance at end of the year	2,45,466	2,45,466

For the purpose of impairment testing, goodwill acquired on business combination or on consolidation is allocated to the Cash-Generating Units ("CGU") that are expected to benefit from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The carrying value of the goodwill has been allocated as follows:

	(INR in lakhs)	
Cash Generating Unit	As at March 31, 2022	As at March 31, 2021
Radiation Oncology services at Dr. B. L. Kapur Memorial Hospital	548	548
Operation & Management Contracts of the accounting acquirer for 'Silo':		
Dr. B.L. Kapur Memorial Hospital ('Silo')	34,673	34,673
Dr. Balabhai Nanavati Hospital ('Silo')	6,537	6,537
Hospital Operations acquired upon business combination effective June 01, 2020:		
Max Super Speciality Hospital, Saket (including related day care and other wings)	48,319	48,319
Max Super Speciality Hospital, Shalimar Bagh	20,729	20,729
Max Super Speciality Hospital, Dehradun	18,730	18,730
Max Lab	6,526	6,526
Max Super Speciality Hospital - Mohali	43,622	43,622
Max Super Speciality Hospital - Bathinda	2,522	2,522
Saket City Hospitals Limited	37,193	37,193
Crosslay Remedies Limited	20,843	20,843
ALPS Hospital Limited	5,224	5,224
Total	2,45,466	2,45,466

The Group's evaluation of goodwill for impairment involves the comparison of the recoverable value of cash generating unit to its carrying value in accordance with Ind AS 36, Impairment of Assets. The recoverable amount is determined based on the higher of the fair value less cost of disposal or the value in use. The Group has determined recoverable value, which includes use of discounted cash flow model to estimate recoverable value, and requires management to make significant estimates and assumptions related to future cash flow forecasts (including forecast of future revenue and operating margins), discount rates and the long term growth rates applied to these future cash flow forecasts. The cash flow projections generally cover a period of upto six years/balance tenure of O&M agreement.

The estimated cash flows reflects the assumptions for mid-term to long term market developments. The average long term growth rate used in extrapolating cash flows beyond the planning period is ranging from 3% to 5%. Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. Weighted average cost of capital used is ranging from 11.5% - 12.5% over the years.

As the recoverable value is higher than the carrying amount and accordingly, no impairment provision has been recorded during the year ended March 31, 2022. The Group further believes that any reasonable change, including those related to the possible effects of the COVID-19 pandemic, in key assumptions on which recoverable amount is based, is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of any of the cash generating units.

Notes

forming part of Consolidated financial statements

8. OTHER INTANGIBLE ASSETS

	(INR in Lakhs)					
	Operation and management rights (Refer foot note 8.01)	Computer software	Non compete fee (Refer foot note 8.02)	Trademarks (Refer foot note 8.02)	Service agreement (Refer foot note 8.02 and 8.03)	Total
Gross carrying amount (at cost)						
As at April 1, 2020	16,820	1,322	-	-	-	18,142
Pursuant to the Scheme (refer note 35.15 and footnote 8.02 below)	-	2,410	1,311	49,378	1,70,320	2,23,419
Additions	-	113	-	-	-	113
Disposals	-	(2)	-	-	-	(2)
As at March 31, 2021	16,820	3,843	1,311	49,378	1,70,320	2,41,672
Additions (refer foot note 8.03)	-	178	-	-	32,604	32,782
Disposals	-	(10)	-	-	-	(10)
Reclassification	-	(12)	-	-	-	(12)
As at March 31, 2022	16,820	3,999	1,311	49,378	2,02,924	2,74,432
Accumulated amortization						
As at April 1, 2020	2,804	1,078	-	-	-	3,882
Additions	601	712	429	-	2,697	4,439
Disposals	-	(2)	-	-	-	(2)
As at March 31, 2021	3,405	1,788	429	-	2,697	8,319
Additions	601	730	515	-	3,342	5,188
Disposals	-	-	-	-	-	-
Reclassification	-	(9)	-	-	-	(9)
As at March 31, 2022	4,006	2,509	944	-	6,039	13,498
Net carrying amount						
As at March 31, 2022	12,814	1,490	367	49,378	1,96,885	2,60,934
As at March 31, 2021	13,415	2,055	882	49,378	1,67,623	2,33,353

8.01 Intangible assets as at April 01, 2020 relates to assets pertaining to healthcare undertaking of Radiant Life Care Private Limited (Refer to note 35.15), which includes operation and management rights.

Operations and management rights recognised based on acquisition accounting for Silo as per Ind AS 103 'Business Combinations'. Dr. Balabhai Nanavati Hospital ('Silo') amortizes the Operation and Management Rights for Dr. Balabhai Nanavati Hospital Society over the contract period i.e. 29 years.

8.02 During the previous year ended March 31, 2021, pursuant to business combination accounting on June 01, 2020 as per Composite Scheme of Amalgamation and Arrangement ('Scheme') (Refer note 35.15), identified intangible assets of accounting acquiree i.e. Max Healthcare Institute Limited and its subsidiaries (as more fully explained in note 35.15) were measured at acquisition date fair value, as determined by independent valuer engaged by the Group. These intangible assets include :

- Service Agreement:** Service agreement is an intangible asset identified in terms of accounting principles of Ind AS, arising from Medical Service Agreement and Radiology and Pathology Agreement ('Agreements'), between Max Healthcare Institute Limited and other healthcare service providers to provide medical services. The Group receives service fees in consideration of medical services provided. Upon business combination accounting on June 01, 2020, service agreement of INR 1,70,320 lakhs were recognised as per Ind AS 103 on acquisition date fair value determined by independent valuation expert engaged by the Group. Such service agreements are amortised as per the terms of respective Agreements.
- Trademarks:** Hospital units held by accounting acquiree (Max Healthcare Institute Limited, as more explained in note 35.15) operate under the name of 'Max Healthcare' Trademark name. The Group uses the 'Max Healthcare' trademark and this trademark was transferred as part of the Scheme. Accordingly, trademark was recognised at the time of merger as per Ind AS 103 at acquisition date fair value determined by independent valuation expert engaged by the Group. The trademark have indefinite life and carried at acquisition date fair value less impairment losses, if any.
- Non compete fee** of INR 1,311 lakhs has been recognised in the transaction upon business combination as per Ind AS 103. Such non-compete fee are amortised over the period of non-compete agreement.

Notes

forming part of Consolidated financial statements

8.03 During the current year, one of the subsidiary (ALPS Hospital Limited) of the Company acquired 100% stake in ET Planners Pvt Ltd. (ETPPL) in an all cash deal. ETPPL has exclusive and long term rights to provide medical services in key specialties and aid development of a Children's Hospital ('Hospital') on this 3.5 acres of land, situated between Max Super Speciality Hospital, Saket and Max Smart Super Speciality Hospital, a unit of Gujarmal Modi Hospital and Research Centre for Medical Sciences. Acquisition of stake in ETPPL resulted in recognition of Intangible Asset - Service Agreement towards the medical service agreement, which has been recorded after considering related deferred tax impact upon acquisition accounting in the consolidated financial statements.

Further, the Company entered into Shareholders Agreement for purchase of 100% equity of Eqova Healthcare Private Limited ('Eqova') in tranches. Eqova has an exclusive rights to aid development of and provide medical services to a 400 bed hospital to be built on 2.1 acres of land parcel in Patparganj, Delhi, owned by Nirogi Charitable and Medical Research Trust. Acquisition of stake in Eqova resulted in recognition of Intangible Asset - Service Agreement towards the medical service agreement, which has been recorded after considering related deferred tax impact upon acquisition accounting in the consolidated financial statements.

The service agreements are recorded at acquisition date fair value, basis the allocation of consideration paid to acquire such assets. Such service agreements are amortised over the remaining tenure of respective agreements.

8.04 The Group has not revalued any of its intangible assets during the year.

9. INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development as at March 31, 2022	4,639	-	-	-	4,639
Intangible assets under development as at March 31, 2021	16	5	-	-	21

(INR in Lakhs)

9.01 Projects in progress as at March 31, 2022 represents long terms service agreement with Muthoot Hospitals Private Limited ("MHPL"). The Group on January 20, 2022 has entered into a long term services agreement with Muthoot Hospitals Private Limited ("MHPL") towards operations and management ("O&M") of 300+ beds hospital being constructed and developed at Sector 10 Dwarka, New Delhi. The Services Agreement will have an initial term of 30 (thirty) years from the date of construction completion notice ('effective date'). The Group has paid an interest free refundable performance deposit under terms of Service Agreement, and will be entitled to a fixed and a variable service fee as stipulated in the Services Agreement upon provision of services from the effective date. The difference between the non-interest bearing refundable security deposit given under terms of O&M agreement and the present value of the same at the transaction date, has been recognised as identifiable intangible assets under development. Such intangible asset on completion of development will be amortised over the duration of contract i.e. 30 years from the effective date.

10. NON-CURRENT FINANCIAL ASSETS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
i) Investment in equity instrument (fair value through OCI)		
Sandhya Hydro Power Projects Balargha Private Limited		
5,07,795 (March 31, 2021 : 5,07,795) equity shares of INR 10 each fully paid-up	51	51
	51	51
Aggregate value of unquoted investments	51	51
Amount of impairment in value of investments	-	-
Note : The Group holds 507,795 equity shares of Sandhya Hydro Power Projects Balargha Private Limited, a company engaged in the business of generation and sale of hydro energy.		
ii) Trade receivables (unsecured)		
Trade receivables - considered good	10,773	11,945
	10,773	11,945

No trade receivables are due from directors or other officers of the group either severally or jointly with any other person. Neither any trade nor other receivables are due from firms or private companies in which any director is a partner, director or a members.

Notes

forming part of Consolidated financial statements

Trade Receivables ageing as at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date				
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade receivables – considered good	10,773	-	-	-	-	-
Total	10,773	-	-	-	-	-

Trade Receivables ageing as at March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date				
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade receivables – considered good	11,945	-	-	-	-	-
Total	11,945	-	-	-	-	-

Notes:

Max Medical Services Limited (merged with the MHIL with effect from October 1, 2016) had entered into an agreement in December 10, 2001, with a healthcare service provider to construct a hospital building. The phase I of the construction was completed and handed over in financial year 2004-05 for a consideration of INR 2,431 lakhs. The said consideration is repayable in equal instalments over 26.5 years from the handover date. Further, the Company completed phase II of the construction in financial year 2010-11 and handed over the possession for a consideration of INR 3,520 lakhs. The said consideration is repayable in equal instalments over 20.5 years from the handover date. The recoverable value was determined at the date of business combination, based on expected cash flow as per the contractual terms and accordingly recognised.

Since the receipt of the consideration is spread over 26.5 years and 20.5 years respectively for phase I and phase II, an income amounting to INR 180 lakhs (March 31, 2021 : INR 57 lakhs), has been recognized based on a fixed percentage of the turnover of the healthcare service provider and disclosed under "Other income" as income from deferred credit and INR 1,242 lakhs (March 31, 2021 : INR 1,051 lakhs) as interest income on fair valuation of trade receivables under "Finance income". Also refer to note 29(g)(iii).

iii) Loans (valued at amortized cost) (unsecured considered good unless stated otherwise)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Loans and advances to other healthcare service providers [refer footnote (a)]	17,345	16,195
	17,345	16,195

(a) Interest bearing loan amounting to INR 14,845 lakhs (March 31, 2021 : INR 13,695 lakhs) given to Gujarmal Modi Hospital & Research Centre for Medical Science and INR 2,500 lakhs (March 31, 2021: INR 2,500 lakhs) to Devki Devi Foundation. Loan carries interest rate @ 10.25% for the year ended March 31, 2022 (11 % for the year ended March 31, 2021). These loans are extended by the Group as it helps to extend the depth and width of its offering leading to growth in revenue & improvement in profitability. The Group does not expect any default. Also, refer note 35.17.

(iv) Other financial assets

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Deposit with bank having balance maturity of more than 12 months	151	53
Fixed deposits under lien [#]	522	188
Fixed deposits with escrow account(Refer footnote(a))	6,880	-
Security deposits - considered good (Refer footnote (b))	20,025	19,504
Security deposits - credit impaired	87	200
Less:- Impairment allowance for security deposits - credit impaired	(87)	(200)
	27,578	19,745

[#] Margin money deposits made to secure Bank Guarantee/ Letter of Credit issued by banks for EPCG Licenses/ESIC/Government authorities.

Notes

forming part of Consolidated financial statements

- (a) Amount of INR 6,880 lakhs is deposited in escrow account in the current year towards purchase of further stake of 34% in Eqova Healthcare Private Limited subject to agreed conditions precedent. Also refer note 35.29.
- (b) Security deposits includes interest bearing security deposits aggregating to INR 17,853 lakhs (March 31, 2021: INR 17,853 lakhs) given to Devki Devi Foundation, Balaji Medical and Diagnostic Research Centre and Gujarmal Modi Hospital & Research Centre for Medical Science under the term of long term service agreements with these healthcare service providers. The deposit carry interest @10.25% during the year ended March 31, 2022.

Further, the Group has also provided non-interest bearing security deposits aggregating to INR 9,139 lakhs (March 31, 2021: INR 7,243 lakhs) to Gujarmal Modi Hospital & Research Centre for Medical Science, Vikrant Children Foundation and Research Centre and Nirogi Charitable and Medical Research Trust as per terms of respective long term service agreements, which are refundable upon expiry of agreement and are recorded at discounted value in the financial statements at the period end.

These deposits are extended by the Group as it provides opportunities to the Group to increase the depth and width of its offering leading to growth in revenue and improvement in profitability. The Group does not expect any default. Also refer note 35.17.

11. INCOME TAX ASSETS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance income tax & tax deducted at source (net of provision)	15,517	15,533
	15,517	15,533

12. OTHER NON CURRENT ASSETS (UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Capital advances [refer footnote (i)]	10,896	3,120
Unamortised contract expense [refer footnote (ii)]	9,545	9,855
Others		
Prepaid expense	9,148	7,419
Licence receivable	-	39
Balance with statutory authorities	5	10
Other Advance [refer footnote (iii)]	1,156	1,656
Other Advances - credit impaired	-	308
Less:- Impairment allowance for Other Advances - credit impaired	-	(308)
	30,750	22,099

- (i) Capital advances includes:

- (a) INR 7,552 lakhs (March 31, 2021 – NIL) as an advance for purchase of Transferable Development Rights ("TDR") from a third party, for purposes of increasing Floor Space Index in connection with newly acquired hospital project land in Sector-53 and Sector-56, Gurugram. The Company is currently in process of acquiring TDR certificates.
- (b) Carrying value aggregating to INR 2,898 lakhs (March 31, 2021 – INR 2,898 lakhs) relates to pending land allotment by Greater Noida Industrial Development Authorities ("GNIDA"). The Company has applied to GNIDA for possession of land and is in regular discussion with GNIDA for the pending allotment to the Company.
- (ii) Unamortized contract expense represents cost of land and buildings of Dr. B.L. Kapur Memorial Hospital and Dr Balabhai Nanavati Hospital being consolidated in the financial statements and expensed over the period of contract.
- (iii) Other advances represents amounts receivable from Greater Mohali Area Development Authority (GMADA) upon non-allotment of land by GMADA. The Group has filed for a refund of the amount paid and based on the discussions between GMADA officers and Company representative, an amount of INR 1,156 lakhs (net of estimated deduction) has been considered recoverable in the books of account.

Notes

forming part of Consolidated financial statements

13. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
	6,136	5,380
Stock of pharmacy, drugs, consumables and implants	6,136	5,380

14. CURRENT FINANCIAL ASSETS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables (Unsecured considered good, unless otherwise stated)		
Trade receivables - considered good (also refer note 35.17)	38,535	36,548
Trade receivables from related parties- considered good (refer note 35.10)	1	41
Trade receivables - credit impaired	4,298	6,242
Less : Impairment allowance for trade receivables	(4,298)	(6,242)
	38,536	36,589
Trade receivables are not interest bearing.		

Trade receivables ageing as at March 31,2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	23,279	13,242	2,015	-	-	-	38,536
(ii) Undisputed Trade receivables – credit impaired	-	315	814	1,268	989	912	4,298
Total	23,279	13,557	2,829	1,268	989	912	42,834
Less: Impairment allowance for trade receivables							(4,298)
							38,536
Trade receivables - Unbilled (refer note 14(v))							2,458
							40,994

Trade receivables ageing as at March 31,2021

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	22,854	11,645	2,090	-	-	-	36,589
(ii) Undisputed Trade receivables – credit impaired	-	250	2,040	1,935	937	1,080	6,242
Total	22,854	11,895	4,130	1,935	937	1,080	42,831
Less: Impairment allowance for trade receivables							(6,242)
							36,589
Trade receivables - Unbilled [refer note 14(v)]							2,191
							38,780

Notes

forming part of Consolidated financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
ii) Cash and cash equivalents		
Balances with banks:		
On current accounts	3,330	1,385
Bank deposits with original maturity of less than 3 months	26,887	60,739
Cheques on hand, credit card and digital wallet receivables	466	313
Cash on hand	231	222
	30,914	62,659
	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
iii) Bank balances other than (ii) above		
Deposits:		
On escrow accounts (refer note (i) and (ii))	540	1,382
Fixed deposits under lien (refer note (iii))	1,294	1,231
Fixed deposits with banks with maturity more than 3 months but less than 12 months	17,183	20
	19,017	2,633
(i) Amount includes INR 1,250 lakhs payable to Book Running Lead Managers ("BRLMs") towards service fee in connection with the QIP issue in previous year.		
(ii) Deposits on escrow account include INR 540 lakhs (March 31, 2021: INR 132 Lakhs) towards concessional fee payable to Punjab Health Systems Corporation under Public Private Partnership agreement.		
(iii) Margin money deposits given as security includes :		
- INR 90 Lakhs (March 31, 2021: INR 352 Lakhs) to secure bank guarantee issued for EPCG Licenses and other government authorities.		
- INR 2 Lakhs (March 31, 2021: INR 69 Lakhs) to secure bank guarantee issued to customers i.e. ECHS, ESIC and Northern Railways.		
- INR 333 Lakhs (March 31, 2021: INR 268 Lakhs) to secure fixed deposit to bank against letter of credit.		
- INR 869 Lakhs (March 31, 2021: INR 542 Lakhs) to secure bank guarantee issued to banks against overdraft limit.		
	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
iv) Loan (valued at amortized cost) (unsecured considered good, unless otherwise stated)		
Loans to other healthcare service providers	258	543
Other advances :		
Credit impaired	-	94
Less: Impairment allowance for other advances - credit impaired	-	(94)
	258	543
	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
v) Other financial assets (unsecured considered good, unless otherwise stated)		
Unbilled revenue	2,458	2,191
Security deposits	7	-
Service Exports from India scheme scrips	545	-
	3,010	2,191

Notes

forming part of Consolidated financial statements

15. INCOME TAX ASSETS

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance income tax & tax deducted at source (net of provision)	-	661
	-	661

16. OTHER CURRENT ASSETS

(unsecured considered good unless otherwise stated)

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Other advances:		
Considered good	275	334
Credit impaired	20	335
Less: Impairment allowance for Other advances - credit impaired	(20)	(335)
Balance with statutory authorities	29	39
Less: Impairment allowance for Balance with statutory authorities	-	(29)
Prepaid expenses	1,501	1,110
Unamortised contract expense	307	307
Licenses receivable	46	30
	2,158	1,791

17. EQUITY SHARE CAPITAL

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
a) Authorized		
1,26,00,00,000 (March 31, 2021: 1,26,00,00,000) equity shares of INR 10 each	1,26,000	1,26,000
12,50,00,000 (March 31, 2021: 12,50,00,000) cumulative preference shares of INR 10 each	12,500	12,500
	1,38,500	1,38,500
Issued, subscribed and fully paid-up		
96,96,13,455 (March 31, 2021: 96,59,45,006) equity shares of INR 10 each	96,961	96,595
Total issued, subscribed and fully paid-up share capital	96,961	96,595

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity shares	March 31, 2022		March 31, 2021	
	No. of shares	(INR in Lakhs)	No. of shares	(INR in Lakhs)
At the beginning of the year	96,59,45,006	96,595	53,72,44,328	53,724
Cancellation of shares upon business combination (Refer Note 35.15)	-	-	(53,39,95,874)	(53,399)
Issue of share pursuant to the Scheme (Refer note 35.15 and footnote (i) below)	-	-	90,12,84,070	90,129
Issue of shares under Qualified Institutional Placement (refer foot note (ii))	-	-	6,14,12,482	6,141
Issue of shares under employee stock option plan (refer foot note (iii))	36,68,449	366	-	-
Outstanding at the end of the year	96,96,13,455	96,961	96,59,45,006	96,595

Notes

forming part of Consolidated financial statements

- (i) During the previous year ended March 31,2021, Pursuant to the Scheme (refer note 35.15) becoming effective from June 01, 2020, on June 19, 2020, MHIL allotted 26,62,41,995 equity shares to equity shareholders of Max India Limited and 63,50,42,075 equity shares to equity shareholders of Radiant Life Care Private Limited in the following ratio:

- 9,074 fully paid-up equity shares of MHIL of face value INR 10/- each, for every 10 fully paid-up equity shares, of face value INR 10/- each held in Radiant as on the record date i.e. June 01, 2020; and
- 99 fully paid up equity shares of MHIL of face value INR10/- each, for every 100 equity shares of INR 2 each held in the Max India Limited as on the record date i.e. June 15, 2020.

- (ii) The Company completed Qualified Institutional Placement on March 10, 2021, and allotted 6,14,12,482 equity shares at a floor price of INR 195.40 per share (having face value of INR 10 each) aggregating to INR 11,999,998,982 pursuant to the approval accorded by the members of the Company at its Annual General Meeting held on September 29, 2020 which enabled it to raise funds by way of issue of equity shares to Qualified Institutional Buyers for an amount upto INR 120,000 lakhs.

- (iii) During the year ended March 31, 2022, the company issued and allotted 36,68,449 ordinary shares of Rs. 10 each under the Company's Employee Stock Option Schemes.

c) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	March 31, 2022		March 31, 2021	
	No. of shares	% held	No. of shares	% held
Equity Shares of INR 10 each fully paid				
Kayak Investments Holding Pte. Limited ('Kayak')	26,70,71,209	27.54%	46,98,45,836	48.64%
Mr. Abhay Soi	22,39,33,252	23.10%	21,03,65,264	21.78%
SBI Focused Equity Fund	7,94,33,334	8.19%	1,82,26,323	1.89%

e) Details of Shareholding of Promoters

As at March 31, 2022

S. No.	Name of Promoter	No. of Shares as at March 31, 2022	% of total shares	% of Change during the year
1	Kayak Investments Holding Pte. Limited	26,70,71,209	27.54%	-21.10% Refer foot note (i)
2	Mr. Abhay Soi	22,39,33,252	23.10%	1.32% Refer foot note (ii)
Total		49,10,04,461	50.64%	-19.78%

During the FY 21-22 following changes have done in Promoter shareholdings:

- (i) In August, 2021, Kayak sold 27,26,754 equity shares through open market sale towards compliance with the minimum public shareholding (MPS) threshold. In addition, Kayak has sold 18,64,79,885 equity shares through block trade during the year. Further, 1,35,67,988 equity shares were sold to Mr. Abhay Soi.

Notes

forming part of Consolidated financial statements

- (ii) Promoter named Mr Analjit Singh, Ms. Piya Singh, Mrs. Neelu Analjit Singh, Ms. Tara Singh Vachani, Mr. Veer Singh & Max Ventures Investment Holdings Private Limited were classified from 'Promoter' category to 'Public' category of the Company, with effect from March 24, 2022.

As at March 31, 2021

S. No.	Name of Promoter	No. of Shares as at March 31, 2021	% of total shares	% of Change during the year
1	Kayak Investments Holding Pte. Limited	46,98,45,836	48.64%	1.69% Refer footnote (i) & (iv)
2	Mr. Abhay Soi	21,03,65,264	21.78%	- Refer foot note (iv)
3	Mr. Analjit Singh	99,000	0.01%	-0.63% Refer foot note (ii)
4	Ms. Piya Singh	1,09,229	0.01%	-
5	Mrs. Neelu Analjit Singh	99,000	0.01%	-
6	Ms. Tara Singh Vachani	99,000	0.01%	-
7	Mr. Veer Singh	-	-	-0.01% Refer foot note (ii)
8	Max Ventures Investment Holdings Private Limited	-	-	-11.35% Refer foot note (iii)
9	Max India Limited	-	-	-49.70% Refer foot note (iv)
10	Radiant Life Care Private Limited	-	-	-49.70% Refer foot note (iv)
Total		68,06,17,329	-	

During the FY 20-21 following changes have done in Promoter shareholdings:

- (i) M/s Kayak Investments Holding Pte. Limited purchased 4,51,69,025 equity shares through off market from Max Venture Investments Holdings Private Limited. The details have been submitted to stock exchange.
- (ii) Mr. Analjit Singh sold 58,18,021 equity shares through market sale and received 99,000 equity shares as gift from Mr. Veer Singh.
- (iii) Max Ventures Investment Holdings Private Limited has sold 10,26,31,287 equity shares.
- (iv) Erstwhile Max India Limited and Radiant Life Care Private Limited were promoter as on March 31, 2020 however, the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') vide its order dated January 17, 2020 sanctioned the Composite Scheme of Amalgamation and Arrangement amongst erstwhile Max India Limited, the Company, Radiant, Max India Ltd. (formerly known as Advaita Allied Health Services Limited) and their respective shareholders and creditors ('Scheme') and the Scheme was effective from June 1, 2020. Pursuant to the Scheme, the Company, on June 19, 2020, allotted 63,50,42,075 fully paid up equity shares to the shareholders of Radiant as on June 1, 2020 in the share entitlement ratio of 9,074:10 and 26,62,41,995 fully paid up equity shares to the shareholders of erstwhile Max India Limited as on June 15, 2020 in the share exchange ratio of 99:100. Further, 26,69,97,937 equity shares each held by Radiant and erstwhile Max India Ltd., in the Company, got cancelled simultaneous to the issuance of equity shares to the shareholders of Radiant and erstwhile Max India Limited as aforesaid, on June 19, 2020.
- f) Pursuant to Regulation 31 of the SEBI Listing Regulations, the details of shareholding for the quarter ended March 31, 2022 have been submitted to the stock exchanges.

g) Share reserved for issue under option

Information relating to Max Healthcare Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the year end, is set out in note 35.05.

Notes

forming part of Consolidated financial statements

18. OTHER EQUITY

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Securities premium (refer note (a) below)	5,14,313	5,10,481
Retained earnings (refer note (b) below)	14,761	(45,859)
Stock options outstanding account (refer note (c) below)	2,212	2,651
Share application money pending for allotment [refer note (d) below]	0.2	-
	5,31,286	4,67,273
Notes:		
(a) Securities premium (refer footnote (i))		
At the beginning of the year	5,10,481	2,34,045
Add: Transfer on account of exercise of employee stock options(refer foot note (iv))	3,832	-
Add: premium on issue of equity shares pursuant to the Scheme (refer note 35.15)	-	1,64,661
Add: premium on issue of equity shares under Qualified Institutional Placement (refer footnote (iii))	-	1,13,859
Less: share issue expenses (refer footnote (iii))	-	(2,084)
	5,14,313	5,10,481

- (i) Securities premium reserve is recognized to record the premium on issue of shares. The reserve can be utilized only for limited purpose as per the provision of the Companies Act, 2013.
- (ii) The Company completed Qualified Institutional Placement of equity shares in March, 2021, allotting 6,14,12,482 equity shares at a price of INR 195.40 per share (face value of INR 10 per share) @ premium of INR 185.40 aggregating premium to INR 1,13,859 Lakhs.
- (iii) Share issue expenses are pertaining to issue of equity shares. In accordance with Ind AS 109 read with Ind AS 32, transaction costs in respect of the new share issued has been recognised in equity.
- (iv) During the year ended March 31, 2022, Company issued and allotted 36,68,449 Ordinary Shares at a price of INR 114.47 per share (face value of INR 10 per share).The amount of INR 3832 lakhs (@ 104.47 per share) recorded in stock options outstanding account is transferred to securities premium upon exercise of stock options.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(b) Retained earnings		
At the beginning of the year	(45,859)	(32,454)
Profit/(loss) for the year	60,505	(13,755)
Items of other comprehensive income :		
Remeasurement gain / (loss) on defined benefit plans (net of tax)	258	51
Exchange differences on translation of foreign operation	7	-
Pursuant to the Scheme Pursuant to the scheme of merger (refer note 35.15)	-	956
Increase in 'Payable for Share Purchase' [refer note 21 (ii) and 24 (iv)]	(150)	(657)
	14,761	(45,859)
(c) Stock options outstanding account		
At the beginning of the year	2,651	-
Add : Employees stock compensation expenses	3,393	2,651
Transfer to security premium account on exercise of option	(3,832)	-
	2,212	2,651
The above reserve relates to stock options granted by the Group to its employees under its employee stock option plan. Further information about share-based payments to employees is set out in note 35.05 .		
(d) Share application money pending for allotment		
At the beginning of the year	-	-
Add : Received during the year (Refer footnote (i))	0.2	-

Notes

forming part of Consolidated financial statements

	0.2	-
(i) Share application money received for 2,000 shares under share based payment to employee.		
19. BORROWINGS		
	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Non-current borrowings :-		
Term loans (secured)		
From banks (refer note (I) below)	62,410	83,782
Vehicle loans (secured) (refer note (IV) below)	481	397
Deferred payment liabilities (secured) (refer note (V) below)	-	53
Term loan from others (unsecured) (refer note (III) below)	50	50
Current maturity of non current borrowings :-		
Term loans (secured)		
From banks (refer note (I) below)	1,927	2,041
From non-banking financial company (refer note (II) below)	-	2
Vehicle loans (secured) (refer note (IV) below)	252	199
Deferred payment liabilities (secured) (refer note (V) below)	92	86
	65,212	86,610
Less: Amount disclosed under "other current financial liabilities" [refer note 24(i)]	2,271	2,328
	62,941	84,282
Aggregate secured loans (Non-Current & Current)	65,162	86,560
Aggregate unsecured loans (Non-Current & Current)	50	50

Borrowing notes

(I) Term loan from banks :-

- (i) INR 21,751 Lakhs (March 31, 2021 : INR 24,728 Lakhs) from IDFC First Bank Limited for Max Healthcare Institute Limited repayable in 52 quarterly instalments from April, 2018 is secured by way of :
- (a) A First Mortgage and Charge on entire immovable properties of the Company pertaining to Max Saket Hospital and Max Shalimar bagh Hospital, both present and future.
- (b) A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of the Company , both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.
- (c) A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the borrower of whatsoever nature and wherever arising, both present and future (subject to a prior charge in favor of working capital lenders restricted to working capital limits of INR 9,500 lakhs in aggregate).
- (d) A first charge on the entire intangible assets of the Company, including but not limited to goodwill and uncalled capital, intellectual property, both present and future.
- (e) A first charge/mortgage/assignment, as the case may be, of -(a) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the project document, duly acknowledged and consented to by the relevant counter-parties to such project Documents, all as amended, varied or supplemented from time to time (b) subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the Clearance, and (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (d) all the right , title, interest, benefits claims and demands whatsoever of the Company under all insurance contracts.

Security interest set out in sub clause (c) shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 9,500 lakhs.

Security interest set out in sub clauses (a), (b), (d) and (e) shall rank pari-passu amongst the lenders of the borrower for an aggregate rupee loan of up to INR 34,000 lakhs.

- (ii) INR 1951 Lakhs (March 31, 2021: INR 2,427 Lakhs) from IndusInd Bank Limited for Max Healthcare Institute Limited repayable

Notes

forming part of Consolidated financial statements

in 150 monthly instalments from June, 2019 is secured by way of :

- (a) First Pari Passu Charge on the entire current assets, both present and future, subject to the first prior charge of working capital facility lenders to the extent of INR 9500 Lakhs.
- (b) First Pari Passu Charge on the moveable fixed asset (excluding vehicles specifically charged to lenders who have financed those assets) including medical equipment (except medical equipment specifically charged to lenders who have financed those assets), movable plant and machinery, spares etc. of the Borrower with IDFC First Bank Ltd.
- (c) First Pari Passu Charge on the intangible asset of the borrower but not limited to Goodwill and uncalled capital, intellectual property, both present and future of the Borrower with IDFC First Bank Ltd.
- (iii) INR 3,636 Lakhs (March 31, 2021 : INR 4,267 Lakhs) from IDFC First Bank Limited for Max Healthcare Institute Limited repayable in 23 quarterly instalments from August, 2022 is secured by way of :
 - (a) First Pari Passu on charge on Land and Building of MHIL Saket and MHIL Shalimar Bagh with other Term lenders
 - (b) First Pari Passu on entire intangible Assets both present and future with other Term Lenders
 - (c) First Pari Passu on entire movable fixed assets of MHIL both present and future (except equipment/ vehicle finance by specific loans) with other Term Lenders and
 - (d) Second Pari Passu on entire Current Assets of MHIL with other Term Lenders (Working Capital Lenders have first Charge on the entire Current Assets for their Working Capital Limits of INR 9500 lakhs).
- (iv) INR 3,739 lakh (March 31, 2021 : INR 4900 Lakhs) from IndusInd Bank Limited for ALPS Hospital Limited repayable in quarterly structured instalments from December 31, 2021. As on March 31, 2022 Rs. 328 lakhs equivalent to 12 instalment already being paid pertaining to FY 2022-23. Next instalment will be due on April 30, 2023.

The above loan is secured by way of :

- (a) Exclusive charge on all movable fixed assets, intangible assets and current assets (both present and future) of the ALPS Hospital Limited
- (b) Pledge over 30% of the equity shares capital of the ALPS Hospital Limited (Exclusively to IndusInd Bank Limited) to be create upfront.
- (c) NDU of 21% of the equity share capital of the ALPS Hospital Limited (Exclusively to IndusInd Bank Limited)
- (v) INR 4,792 lakhs (March 31, 2021: Rs. 5,447 lakhs) from IDFC First Bank Limited (earlier know as IDFC Bank Limited) for Hometrail Buildtech Private Limited repayable in 52 quarterly instalments from June, 2018 is secured by way of:
 - (a) A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of the Hometrail Buildtech Private Limited present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.
 - (b) A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the borrower of whatsoever nature and wherever arising, both present and future.
 - (c) A First Charge on entire intangible assets of the borrower including but not limited to goodwill and uncalled capital, intellectual property, both present and future.
 - (d) A first charge/mortgage/assignment, as the case may be, of -(1) all the rights, title, interest, benefits, claims and demands whatsoever of the Hometrail Buildtech Private Limited in the project document , duly acknowledged and consented to by the relevant counter-parties to such project documents, all as amended, varied or supplemented from time to time (2) subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the HBPL in the Clearance, and (3) all the rights, title, interest, benefits, claims and demands whatsoever of the Hometrail Buildtech Private Limited in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (4) all the right , title, interest, benefits claims and demands whatsoever of the HBPL under all insurance contracts.
 - (e) Security interest set out in sub clauses (a), (c) and (d) shall rank pari-passu amongst the lenders of the HBPL for an aggregate rupee loan of up to INR 9,500 lakhs.
 - (f) An irrevocable and unconditional corporate guarantee of Max Healthcare Institute Limited.

Notes

forming part of Consolidated financial statements

- (vi) INR 4,207 lakhs (March 31, 2021: Rs. 4,778 lakhs) from IDFC First Bank Limited (earlier know as IDFC Bank Limited) for Hometrail Buildtech Private Limited repayable in 52 quarterly instalments from June, 2018 is secured by way of :
 - (a) A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of the HBPL present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/ equipment finance loans.
 - (b) A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the borrower of whatsoever nature and wherever arising, both present and future.
 - (c) A First Charge on entire intangible assets of the borrower including but not limited to goodwill and uncalled capital, intellectual property, both present and future.
 - (d) A first charge/mortgage/assignment, as the case may be, of -(1) all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in the project document , duly acknowledged and consented to by the relevant counter-parties to such project documents, all as amended, varied or supplemented from time to time (2) subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the HBPL in the clearance, and (3) all the rights, title, interest, benefits, claims and demands whatsoever of the HBPL in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (4) all the right , title, interest, benefits claims and demands whatsoever of the HBPL under all insurance contracts.
 - (e) Security interest set out in sub clauses (a), (c) and (d) shall rank pari-passu amongst the lenders of the HBPL for an aggregate rupee loan of up to INR 11,900 lakhs.
 - (f) Security interest set out in sub clause (b) mentioned for both the loans of borrower i.e. at (ix) & (x) mentioned above shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 2,000 lakhs.
 - (g) An irrevocable and unconditional corporate guarantee of Max Healthcare Institute Limited.
- (vii) INR 10,450 Lakhs (March 31, 2021: INR 15,710 Lakhs) from Axis Bank Limited for Crosslay Remedies Limited (CRL) repayable in 45 unstructured quarterly instalment from December 31, 2021. As on March 31, 2022 Rs. 6052.27 lakhs equivalent to 10 instalments have been prepaid. Next instalment is due on June 30, 2024.
 - (a) First charge on all the movable/ immovable fixed asset of the Company property, both present and future, excluding vehicle specifically charged to other lenders, both present and future.
 - (b) First charge on all the current assets of the Company both present and future.
 - (c) Collaterally secured by way of corporate guarantee of Max Healthcare Institute Limited .
- (viii) NIL (March 31, 2021: INR 7,692 Lakhs) from Yes Bank Limited for Saket City Hospitals Limited (SCHL) repayable in 48 quarterly instalment from March, 2019 The loan is secured by way of.
 - (a) First Pari passu charge over all movable fixed assets both present and future and immovable (if any acquired in future) of the borrower.
 - (b) First pari passu charge over all current assets (both present and future) of the borrower.
 - (c) First pari passu charge on book debts operating cash flow, receivables, commission, revenues, intangibles, goodwill (of whatsoever nature and wherever arising) of the borrower.
 - (d) Assignment of all borrowers rights under the service agreement and any other such agreement for providing any other services to Saket City Hospitals Limited, letter of credit, guarantee, or performance bond provided by any party for any contract related to the Hospital project in favor of the borrower on first pari passu basis.
 - (e) Assignment of all the contracts, documents, insurance policies, rights, titles, permits/approvals, clearances and interest of the borrower pertaining to the hospital project on first pari passu basis.
 - (f) Pledge of 25.5% equity shares of the SCHL held by Max Healthcare Institute Limited.
 - (g) Unconditional and irrevocable corporate guarantee of Max Healthcare Institute Limited to remain valid during entire tenor of facilities.

The loan has been prepaid fully in the current year. The charges have been satisfied as on the date of approval of these Financial Statements.

- (ix) INR 4,499 Lakhs (March 31, 2021: INR 5,390 Lakhs) from Axis Bank Limited for Saket City Hospitals Limited (SCHL) repayable

Notes

forming part of Consolidated financial statements

in 52 structured quarterly instalment from January, 2019. The loan is secured by way of:

- (a) A first pari passu charge on borrower's all movables and immovable (if any acquired in future), including but not limited to movable plant and machinery, machinery, spares, tools and accessories, furniture, fixture, and all other movable assets, intangible, goodwill, uncalled capital, both present and future.
 - (b) A first pari passu charge by way of assignment/hypothecation/creation of security interest, including but not limited to, of all the rights, title, interest, benefits, claims and demands whatsoever of the borrower in all documents executed by the borrower with SHRC "Gujarmal Modi Hospital and Research Centre for Medical Sciences" including but not limited to the hospital service agreement, both present and future.
 - (c) First pari passu charge on all receivables, current assets, present and future, of the borrower.
 - (d) Pledge (in compliance with BR Act) of 25.5% share capital (on a fully diluted basis) of the borrower held by Max Healthcare Institute Limited and option to increase it to 51% subject to inclusion of new lenders.
- (x) NIL (March 31, 2021: INR 1,179 lakhs) from Punjab National Bank for Dr. B.L. Kapur Memorial Hospital as repayable in 90 monthly instalments commencing from April 2018 is secured by way of:
- (a) First pari passu charge by way of mortgage on all the immovable properties including leasehold and freehold land.
 - (b) First pari passu charge by way of hypothecation of all movable properties and assets, including plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets excluding vehicles, both present and future.
 - (c) First pari passu charge by way of hypothecation of all book debts, operating cash flows and all the receivables and revenues, all current assets, commissions and the revenues of whatsoever nature and wherever arising, both present and future.
 - (d) Corporate Guarantee given by Max Healthcare Institute Limited.
- (xi) NIL (March 31, 2021: INR 866 lakhs) from Punjab National Bank for Dr. B.L. Kapur Memorial Hospital as repayable in 90 monthly instalments commencing from July 2019 after moratorium of 15 months is secured by way of:
- (a) First exclusive charge on plant and machinery, equipment's and other block assets to be created out of total project of INR 3,600 lakhs.
 - (b) Exclusive charge on entire block of assets .
- (xii) INR 770 lakhs (March 31, 2021: INR 1,463 lakhs) from HDFC Bank Ltd for Dr. B.L. Kapur Memorial Hospital as repayable in 84 monthly instalments commencing from April 2020 is secured by way of Hypothecation of medical equipment's Dr. B.L. Kapur Memorial Hospital.
- (xiii) INR 1375 lakhs (March 31, 2021: INR NIL) from Yes Bank of Dr. B.L. Kapur Memorial Hospital as repayable in 15 quarterly instalments commencing from June 2023 is secured by way of:
- (a) Exclusive charge on all current assets;
 - (b) Exclusive charge on all Movable Fixed Assets (both present and future), excluding assets specifically charged in favour of equipment financiers;
 - (c) Corporate Guarantee of Max Healthcare Institute Ltd (MHIL)
- (xiv) Rs. 5,345 lakhs (March 31, 2021: Rs. 6,476 lakhs) from IndusInd Bank Limited for Dr. Balabhai Nanavati Hospital as repayable in 28 quarterly instalments from April 30, 2018 and Rs. 1,822 lakhs (March 31, 2021 : Rs. 500.15 lakhs) repayable in 35 quarterly instalments commencing from February 29, 2020 is secured by way of :
- (a) First exclusive charge upon all movable fixed assets and immovable property.
 - (b) Exclusive charge on the Designated Account of the borrower, including Collaboration Collection Account, to be maintained with the bank.
 - (c) Corporate Guarantee given by Max Hospitals And Allied Services Limited

(II) Term loan from non-banking financial company :-

- (i) NIL (March 31, 2021: INR 2 lakhs) from NIIF Infrastructure Finance Limited for Max Healthcare Institute Limited repayable in 52 structured quarterly instalments from May 2018 has been repaid during the current year.

Notes

forming part of Consolidated financial statements

(III) Unsecured Term loan from Others:-

Unsecured Term loan of INR 50 Lakhs (March 31, 2021: INR 50 Lakhs) from Rajiv Chaudhary HUF for Dr. B.L. Kapur Memorial Hospital is interest free & repayable on demand.

(IV) Vehicle loan :-

Vehicle Loans of INR 733 lakhs (March 31, 2021: INR 596 lakhs) are repayable over the period ranging from one to five years and are secured by way of hypothecation of respective vehicles.

The rate of interest ranging from 7.25% to 12.01% on outstanding car loan on the basis of actual rate charged depending upon the tenure and lending institution.

(V) Deferred payment liabilities :-

- (a) Deferred payment liabilities is secured by hypothecation of medical equipment and repayable in 20 quarterly instalments from June 2018.

20. LEASE LIABILITIES -NON CURRENT

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities	17,017	16,999
	17,017	16,999

21. OTHER FINANCIAL LIABILITIES -NON CURRENT

	(INR in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Consideration payable (refer footnote (i) below)	24,023	23,726
Put option liability (refer footnote (ii) below)	13,827	-
	37,850	23,726

- (i) Contingent Consideration payable has been recognized based on acquisition accounting applied by the Group as per Ind AS 103 Business Combinations. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.
- (ii) On February 10, 2022, the Company entered into Shareholders and Share purchase Agreement for purchase of 100% equity of Eqova Healthcare Private Limited ('Eqova') in tranches. Accordingly, the Company acquired 26% stake in Eqova on February 15, 2022 and also placed a deposit of INR 6,840 Lakhs in escrow account towards purchase of a further stake of 34%, subject to agreed conditions precedent. Further, the Company shall acquire the remaining stake of 40%, upon exercise of put / call options as per shareholders option agreement. The group basis its assessment of non-controlling interest under Ind AS 110, believes that the as per terms of Shareholders Agreement and Option Agreement, the Group has 100% ownership interest in Eqova and has thus, recorded financial liability towards amount payable under Options Agreement at its present fair value ("Put Option Liability").

22. PROVISIONS - NON CURRENT

	(INR in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021

Notes

forming part of Consolidated financial statements

Provision for restoration under public private partnership	325	285
Provision for gratuity (refer note 35.01)	5,391	5,454
Provision for Post retirement medical benefit (refer note 35.02)	263	280
	5,979	6,019

23. OTHER NON CURRENT LIABILITIES

	(INR in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Government grant [Refer note (i) below]	1,082	1,141
Unfavourable lease liability [Refer note (ii) below]	21,929	22,524
	23,011	23,665

Note:

- (i) Movement in Government Grant

Particulars	Amount in Lakhs
Opening Balance	1,141
Add:- Liability towards custom duty discharged under EPCG scheme	520
Less:- Income booked during the year	579
Closing balance	1,082

- (ii) Unfavourable lease liability is net of Fair value of Land at Mohali & Bathinda provided by Punjab Health Systems Corporation for a period of 50 years and Present value of estimated outflow obligation against such land as per the concession agreement recognised upon acquisition date.

24. CURRENT FINANCIAL LIABILITIES

	(INR in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
(i) Current borrowings		
Cash credit from banks (secured) [Refer note (I) below]	7,453	5,425
Current maturity of non current borrowings (Refer Note 19)	2,179	2,242
Current maturity of deferred payment liabilities (Refer note 19)	92	86
	9,724	7,753

(I) Cash credit from banks (secured)

- (A) Cash credit facility of Max Healthcare Institute Limited

- (a) Cash credit facility of INR 834 lakhs (March 31, 2021: INR 497 lakhs) against sanctioned limit of INR 3,500 lakhs from Yes Bank Limited.
- (b) Cash credit facility of INR 745 lakhs (March 31, 2021: INR 539 lakhs) against sanctioned limit of INR 2,000 Lakhs from Indusind Bank Limited.
- (c) INR 220 lakhs (March 31, 2021: INR 188 lakhs) against sanctioned limit of INR 2,000 Lakhs from ICICI Bank Limited.
- (d) INR 487 lakhs (March 31, 2021: INR 211 lakhs) against sanctioned limit of INR 2,000 Lakhs from IDFC First Bank Limited.

These cash credits are secured by way of pari – passu charge on stocks, book debts and other current assets, present and future of the Company prior to charge in favor of term lenders of the Company. The cash credits are repayable on demand.

- (B) Cash Credit facility of ALPS Hospital Limited

- (a) Cash credit facility of INR 130 lakhs (March 31, 2021: INR 109 lakhs) against sanctioned limit of INR 1,000 Lakhs from Indusind Bank Limited of ALPS Hospital Ltd is repayable on demand and secured by way:-
- 1st pari passu charge on the entire current assets.
 - 1st Pari Passu charge on the entire movable fixed Assets (Except vehicles and assets charged exclusively to lenders).

Notes

forming part of Consolidated financial statements

- (C) Cash Credit facility of Hometrail Buildtech Private Limited

- (a) Cash credit facilities INR 109 lakhs (March 31, 2021: INR 80 lakhs) against sanctioned limit of INR 1,500 lakhs from IndusInd Bank Limited of Hometrail Buildtech Private Limited is secured by:

- First Charge by way of hypothecation of the borrower's entire current assets (present and future) to the extent allowed by existing term lenders and except escrow account with the Punjab Health Systems Corporation.

- Second charge on entire movable fixed assets (excluding Vehicles) as provided to first charge holders of the borrower both present and future.

- (D) Cash Credit facility of Crosslay Remedies Ltd

- (a) Cash credit facility of INR 456 lakhs (March 31, 2021: INR 163 lakhs) from Indusind bank of Crosslay Remedies Ltd against sanctioned limit of INR 2,000 lakhs is repayable on demand and are secured by way of:

- First charge by the way hypothecation over all current assets of the borrower both present and future.

- Second charge by the way hypothecation over all movable fixed assets of the borrower both present and future.

- Second charge by way of equitable mortgage over the land and building.

- (E) Cash Credit facility of Saket City Hospitals Limited

- (a) Cash Credit facility of NIL (March 31, 2021: INR 44 Lakhs) of Saket City Hospitals Limited against sanctioned limit of INR 750 Lakhs from Yes Bank Limited is secured by way of:

- First Pari Passu charge over all movable fixed assets (both present & future) and immoveable (if any acquired in future) of the borrower.

- First pari passu charge over all current assets (both present & future) of the borrower.

- First pari passu charge on book debts, operating cash flows, receivables, commissions, revenues, intangibles, goodwill (of whatsoever nature and wherever arising) of the borrower.

- Assignment of all borrower's rights under the service agreement and any other such agreement for providing any other services to Saket City Hospital, letter of credit, guarantee, or performance bond provided by any party for any contract related to the hospital project in favor of the borrower on first pari passu basis.

- Assignments of all the contracts, documents, insurance policies, rights, titles, permits/approvals, clearances and interest of the borrower pertaining to the hospital project on first pari passu basis.

- Pledge of 25.5% equity shares of the borrower held by Max Healthcare Institute Limited.

- Unconditional and irrevocable corporate guarantee of Max Healthcare Institute Limited to remain valid during entire tenor of facilities.

- (b) Cash credit facility of INR 54 Lakhs (March 31, 2021: INR 40 Lakhs) of Saket City Hospitals Limited against sanctioned limit of INR 750 Lakhs from Axis Bank Limited is secured by way of:

- First pari passu charge on all borrower's movables and immovable (if any acquired in future), including but not limited to movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, and all other movable assets intangible, goodwill, uncalled capital, both present and future.

- A First pari passu charge by way of assignment/hypothecation/creation of security interest, including but not limited to, of all the rights, title, interest, benefits, claims and demands, whatsoever of the borrower in all documents executed by the borrower with SHRC "Gujarmal Modi Hospital and Research Centre for Medical Sciences" including but not limited to the hospital service agreement both present and future.

- First pari passu charge on all receivables, current assets, present and future, of the borrower.

- Pledge of 25.5% share capital (on a fully diluted basis) of the borrower (in compliance with BR Act) and option to increase it to 51% subject to inclusion of new lenders

- Assignment of all the contracts, documents, insurance policies, rights, titles, permits/approvals, clearances and interest of the Borrower pertaining to the hospital project on first pari passu basis.

- Negative lien for the remaining 21% shareholding of the borrower. Total aggregate percentage of pledge and negative lien not to exceed 51% of share capital at any time.

- (F) Cash Credit facility of Dr. B.L. Kapur Memorial Hospital

- (a) INR 2,454 lakhs (March 31, 2021: INR 2,017 lakhs) from Punjab National Bank of Dr. B.L. Kapur Memorial Hospital repayable

Notes

forming part of Consolidated financial statements

on demand and is secured by way of first pari passu charge by way of hypothecation of all book debts, operating cash flows and all the receivables and revenues, all current assets, commissions and the revenues of whatsoever nature and wherever arising, both present and future.

(G) Cash Credit facility of Dr Balabhai Nanavati Hospital

(a) Cash credit facilities INR 1,964 lakhs (March 31, 2021: INR 1,537 lakhs) of Dr Balabhai Nanavati Hospital against sanctioned limit of INR 4,000 lakhs from IndusInd Bank Limited is secured by:

- First exclusive charge upon all movable fixed assets and mortgage/leasehold rights on all the immovable property.

- Exclusive charge on the Designated Account of the Borrower to be maintained with the bank.

- Corporate Guarantee given by Max Hospitals And Allied Services Limited

(INR in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
(ii) Lease liabilities - Current		
Lease liabilities	1,656	1,107
	1,656	1,107
(iii) Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises ("MSME")	546	95
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises ("MSME")	44,651	43,310
Trade payable to related party (refer note 35.10)	11	164
	45,208	43,569

Trade payables ageing as at March 31, 2022

Particulars	Not due	Outstanding for following periods from transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	546	-	-	-	546
(ii) Others	15,703	27,992	310	350	307	44,662
Total	15,703	28,538	310	350	307	45,208

Trade payables ageing as at March 31, 2021

Particulars	Not due	Outstanding for following periods from transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	95	-	-	-	95
(ii) Others	17,725	24,700	328	550	171	43,474
Total	17,725	24,795	328	550	171	43,569

Notes

forming part of Consolidated financial statements

Trade payables are usually non- interest bearing, unsecured and are settled as per contract terms.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 and March 31, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:

Principal	546	95
-----------	-----	----

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Group. This has been relied upon by the auditors. The Group has made an assessment of interest payable under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and on 31 March. 2022 has concluded that it is in compliance with the MSMED Act and rules thereto and accordingly, concluded that there is no interest liability dues as at the year end.

(INR in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
(iv) Other financial liabilities - Current		
Contingent consideration (refer note 21)	871	807
Transfer fee payable (refer footnote (a))	1,475	1,475
Concessional fee payable (refer footnote (b))	823	407
Provision for deferred compensation (refer note 35.05)	740	1,004
Capital creditors (refer footnote (c))	3,146	2,703
Security deposits	685	498
Payable for share purchase (refer footnote (d))	48	8,197
Payable to trust	668	612
Foreign exchange forward contracts	-	18
Others	-	150
	8,456	15,871

Note:

- Transfer fees payable represent amount payable to Dr. Balabhai Nanavati Hospital (a Society) upon completion of certain condition precedent as per term of agreement.
- Hometrail Buildtech Private Limited had entered into tri-partite long term concession agreement dated February 20, 2009 along with its holding company, with the Punjab Health Systems Corporation. As per the terms of concession agreement, the Group is to build and operate a hospital for initial term of 50 years on Public-Private-Partnership ("PPP") mode. The Group is obliged to pay concession fee to Government of Punjab as per terms of agreement.
- Capital creditors include amount of INR 1,246 Lakhs (March 31, 2021 : Nil), stamp duty payable to government authorities on account of registration of land acquired during the year.
- During the year ended March 31, 2022 the Group has acquired 2,46,17,449 equity shares of Crosslay Remedies Limited, a subsidiary of the Group and post acquisition it holds 99.90% equity stake in Crosslay Remedies Limited (as at March 31, 2021 : 83.16%). The Company is in the process of acquiring balance shares from remaining shareholders of Crosslay Remedies Limited in accordance with the Shareholders Agreement.

25. OTHER CURRENT LIABILITIES

(INR in Lakhs)

Notes

forming part of Consolidated financial statements

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from patients	2,181	1,906
Unfavourable lease liability	595	595
Statutory dues	2,989	2,463
Grant - Deferred Liability Current	24	-
Other	726	486
	6,515	5,450

26. PROVISIONS - CURRENT

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax)	-	5
Provision for leave encashment	3,181	2,954
Provision for gratuity (refer note 35.01)	948	964
Post retirement medical benefit (refer note 35.02)	39	20
	4,168	3,943

27. INCOME TAXES

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Income tax expense in the statement of profit and loss comprises :		
Current income tax charge	11,578	162
Adjustment of tax relating to earlier years	6	81
Deferred tax		
Relating to origination and reversal of temporary differences	1,801	4,342
Income tax expense reported in the statement of profit and loss	13,385	4,585
(b) Other comprehensive income		
Re-measurement (gain) / losses on defined benefit plans	40	(49)
Income tax related to item recognised in OCI during the year	40	(49)
(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :		
Accounting profit before tax	73,890	(6,865)
Applicable tax rate	25.17%	25.17%
Computed tax expense at applicable tax rate	18,597	(1,728)
Profit before tax adjustment for tax computation Pursuant to the Scheme	-	(299)
Losses on which no deferred tax recognised	562	(320)
Profit not considered for deferred tax purpose	(2,981)	(102)
Income not considered for tax purpose	(276)	224
Expense not allowed for tax purpose	11	1,174
Fair Valuation loss on investment not considered for tax purposes	-	4,931
Property plant and equipment and others	-	61
DTA of opening expense provision reversed	706	342
Employee Stock Option Plan expenses claimed under tax law (Refer note 35.05)	(2,256)	-
Expenses benefit to be claimed in future	(733)	-

Notes

forming part of Consolidated financial statements

	Year ended March 31, 2022	Year ended March 31, 2021
Reversal of Deferred tax liability on fair valuation of land	(186)	-
Opening adjustments of provision	(31)	-
Demerger expense carried forward claim in current year	(244)	-
Deferred Tax not recognised on losses	-	-
Other	210	193
Change in tax rate	-	28
Adjustment of tax relating to earlier year	6	81
Income tax reported in the statement of profit and loss	13,385	4,585

	As at March 31, 2022	As at March 31, 2021
(d) Deferred tax (assets)/liabilities comprises :		
Deferred tax liability		
Difference in book base and tax base of Property plant and equipment & Intangible assets	54,783	46,484
Fair valuation of Land and Purchase Price Allocation Adjustment	25,966	26,033
Fair valuation of Financial Instrument	-	-
Others	2,737	2,797
Recognized deferred tax liability	83,486	75,314
Deferred tax asset :		
Difference in written down value of right of use assets net of lease liability	866	1,110
Unfavourable lease liability	(5,670)	(5,819)
Expenses allowed on payment basis	(3,071)	(2,196)
Allowance for doubtful debts and provision	(591)	(904)
Provision for restoration under public private partnership	(82)	(72)
On Unabsorbed Tax depreciation and loss		(4,006)
Amortisation of Security deposit	(5,002)	(4,129)
Others	(1,626)	(693)
Recognized deferred tax (asset)	(15,176)	(16,709)
Net deferred tax liabilities/(asset)	68,310	58,605
Deferred tax assets on carried forward losses & depreciation restricted to deferred tax liability	(169)	(511)
Recognized deferred tax (asset) / liability*	68,141	58,094
Reflected in balance sheet as follows :		
Deferred tax asset	-	(98)
Deferred tax liabilities	68,141	58,192
Net deferred tax liabilities/(asset)	68,141	58,094
(e) Reconciliation of deferred tax (assets)/liabilities (net)		
Opening balance as per last balance sheet	58,094	-
Balance transferred pursuant to the Scheme	-	10,564
(Charged)/credited during the period/year		
due to fair valuation on date of acquisition*	8,206	43,437
to profit and loss account	1,801	4,142
to Other comprehensive income	40	(49)

Notes

forming part of Consolidated financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Closing balance	68,141	58,094

* Deferred Tax Liability on fair valuation is recognised on date of acquisition and also considered as part of business combination.

28. REVENUE FROM OPERATION

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
(a) Revenue from contracts with customers	3,88,319	2,48,241
(b) Other operating revenue (refer note 28.3)	4,827	2,556
	3,93,146	2,50,797

28.1 Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by type of goods or service provided, geography and the timing of transfer of goods and services.

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Revenues by type of goods or service		
Revenue from healthcare services (net)	3,77,612	2,41,250
Sale of pharmacy and pharmaceuticals supplies	10,707	6,991
Total	3,88,319	2,48,241
Revenues by geography		
India	3,88,319	2,48,241
Outside India	-	-
Total	3,88,319	2,48,241
Revenues by timing of revenue recognition		
Services provided over time	3,77,612	2,41,250
Goods transferred at a point in time	10,707	6,991
	3,88,319	2,48,241

28.2 Reconciling of revenue recognized in the statement of profit and loss with contracted price

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Revenue as per contracted price	4,11,516	2,68,215
Allowance for deduction	(1,876)	(3,196)
Discount	(21,321)	(16,778)
Revenue from contract with customers	3,88,319	2,48,241

28.3 Other operating revenue

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
(a) Income from sponsorship and educational income	1,724	1,247
(b) Deferred income under EPCG	579	330

Notes

forming part of Consolidated financial statements

(c) Income from ancillary activities	1,979	979
(d) Income from service exports from India scheme	545	-
	4,827	2,556

29. OTHER INCOME

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
(a) Income from deferred credit (refer note 10 (ii))	180	57
(b) Unclaimed balances & excess provisions written back	2,634	1,013
(c) Provision for doubtful debts and advances/ bad debts written off		
(i) Provision for doubtful debts	1,956	
(ii) Provision for doubtful advances	465	
(iii) Bad debts written off	(889)	
(iv) Debit balances written off	(35)	
(d) Foreign exchange fluctuation gain (net)	-	1,788
(e) Income on modification/ termination of Lease under Ind AS 116	62	163
(f) Other non-operating income	854	450
(g) Finance Income		
- Interest income on		
(i) Bank deposits	2,117	1,152
(ii) Security deposits	73	164
(iii) Non current trade receivables (refer note 10(iii))	1,242	1,051
(iv) Loans to related parties	-	991
(v) Loans to other healthcare service providers	3,631	3,229
(vi) Loan to others	145	21
(vii) Income tax refund	301	1,065
	12,736	11,144

30. EMPLOYEE BENEFITS EXPENSE

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Salaries, wages and bonus	66,119	51,202
Contribution to provident and other funds	2,960	2,187
Share based payments to employees (refer note 35.05)	4,682	3,255
Gratuity expense (refer note 35.01)	1,158	1,042
Post retirement medical benefits (refer note 35.02)	30	37
Staff welfare expenses	1,043	1,155
	75,992	58,878

31. FINANCE COST

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Interest on debts and borrowings	7,128	15,511
Interest on lease liabilities	1,873	1,589

Notes

forming part of Consolidated financial statements

Bank charges	1,086	846
	10,087	17,946

32. DEPRECIATION AND AMORTIZATION EXPENSE

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
Depreciation of tangible assets (refer note 4)	14,399	10,923
Depreciation of right of use assets (refer note 6)	2,525	2,047
Amortization of intangible assets (refer note 8)	5,188	4,439
	22,112	17,409

33. OTHER EXPENSES

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Outside lab investigation	1,932	1,461
Concessional fee (Refer footnote (a))	1,377	918
Patient catering expenses	3,487	2,101
Rent	1,215	1,260
Insurance	1,148	1,259
Rates and taxes	663	396
Facility maintenance expenses	4,277	3,688
Power and fuel	6,267	5,137
Repairs and maintenance:		
- Building	713	671
- Plant and equipment	4,386	3,147
- Others	1,424	1,107
Printing and stationery	1,215	871
Travelling and conveyance	2,145	938
Communication	515	356
Legal and professional (Refer footnote (b))	8,211	7,307
Share issue expenses	19	125
Information technology support expense	1,473	1,196
Watch and ward	1,434	1,170
Directors' sitting fee	142	86
Advertisement and publicity	4,462	1,675
Loss on foreign exchange fluctuation (net)	34	-
Contract expense	310	310
Fair value loss on contingent consideration	1,300	160
Charity and donation	2	-
Equipment hiring charges	670	341
Provision for doubtful debts and advances/ bad debts written off		
- Provision/(Writeback) for doubtful debts	-	(2,353)

Notes

forming part of Consolidated financial statements

	(INR in Lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
- Provision/(Writeback) for doubtful advances	-	449
- Bad debts written off	-	3,230
- Debit balances written off	-	334
Net loss on sale/disposal of property, plant and equipment	306	24
Corporate social responsibility contribution (refer note 35.11)	25	40
Expenses for Medical treatment of weaker section	124	15
Capital work in progress/asset written off	6	814
Miscellaneous expenses	381	238
	49,663	38,471

(a) Hometrail Buildtech Private Limited had entered into tri-partite long term concession agreement dated February 20, 2009 along with its holding company, with the Punjab Health Systems Corporation. As per the terms of concession agreement, the Group is to build and operate a hospital for initial term of 50 years on Public-Private-Partnership ("PPP") mode. The Group is obliged to pay concession fee to Government of Punjab as per terms of agreement.

(b) Legal and professional fee include payment to auditors (excluding taxes) as set out below:

	(INR in Lakhs)	
	Year ended March 31, 2022 (Refer Note 35.22)	Year ended March 31, 2021 (Refer Note 35.22)
As auditor:		
Audit fee (including quarterly reviews)	246	210
Other certification services (including fees for certificates) (Refer footnote (i) and (ii))	7	81
Reimbursement of expenses	7	1
	260	292

(i) In addition to above, INR 110 lakhs was paid to the auditors during the previous year in respect of services rendered in connection with Qualified Institutional Placement of equity shares, which has been charged to Securities premium account.

(ii) During the previous year, other services include fee paid to the current statutory auditors towards audit of financial information at the acquisition date for business combination accounting.

34. CONTINGENT LIABILITIES, LITIGATIONS AND COMMITMENTS

A. Contingent liabilities (to the extent not provided for)

		(INR in Lakhs)	
S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Corporate guarantee given to financial institutions / banks in respect of financial assistance availed by other healthcare service providers (Amount is computed based on sanction working capital limits and outstanding term loan/ LC amount payable as on March 31, 2022).(refer footnote (a) below)	21,924	20,152
(ii)	Claims against the Group not acknowledged as debts		
	- Civil Cases (refer footnote (b) and (g) below)	19,067	15,501
	- VAT cases (refer footnote (c) below)	557	780
	- Income taxes (refer footnote (h) below)	21	-
	- Others (refer footnote (i) and (j) below)	652	64

Note:

(a) Guarantees given by the Group to the lenders on behalf of other healthcare services provider is not considered as prejudicial to the interest of the Group as it provides opportunities to the Group to increase the depth and width of its offering leading to growth in revenue & improvement in profitability. The Group does not expect any default by other healthcare services provider and any liability to accrue on the Group.

(b) Claims against the Group not acknowledged as debts represent the cases that are pending with various Consumer Disputes Redressal Commissions / Courts and the group, including its legal advisers, expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group financial positions and results of operations. In

Notes

forming part of Consolidated financial statements

addition to this, the Group has taken Professional Indemnity Insurance Policy for certain claims pending against the Group to secure the Group from any financial implication in case of claims adjudicated against the Group.

- (c) The Group is contesting the demands of VAT on drugs and consumables used for treatment of patients in In-patient department and the group, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group financial position and results of operations.
- (d) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on provident fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Group was evaluating and seeking legal inputs regarding various interpretative issues. However, in absence of clarity on effective date, the Group has implemented the Supreme court (SC) Judgement in respect to PF calculation from April 1, 2019 and included all allowances for the purpose of PF contribution calculation.
- (e) "Directorate General of Health Services ("DGHS"), Govt. of NCT Delhi had, on December 8, 2017, issued an order under Section 7 of the Delhi Nursing Home Registration Act, 1953 for cancelling the registration of Max Super Speciality Hospital, Shalimar Bagh "Hospital" with immediate effect and further directed to refrain from admitting any IPD Patients in the Hospital. Against this order, the Group had filed an appeal bearing no. 335/2017 before the Hon'ble Financial Commissioner, Govt. of Delhi "Appellate Authority" on December 13, 2017. On December 19, 2017, the Appellate Authority stayed the operation of the said cancellation order. Accordingly, the Hospital resumed its operations on December 20, 2017 and the stay continues. The parents of the deceased child had filed an application for impleadment in the said appeal. The case is now fixed for September 20, 2022 for reply of Govt. of NCT of Delhi to the impleadment application of the parents of the deceased child. The Group is of the view that the said cancellation order was passed by the DGHS in contravention of the provisions of Section 8 of Delhi Nursing Home Registration Act and violates the principles of natural justice and due process prescribed under the Act. The Group is confident that the Appellate Authority will set aside the cancellation order dated December 8, 2017 and uphold its view in the matter.
- (f) A writ petition was filed by the Association of Healthcare Providers (India) ("AHPI"), which represented a majority of "healthcare providers" in Delhi, including the Company's hospitals in Delhi, before the Delhi High Court, in relation to an order dated June 25, 2018 issued by the Director General Health Services ("DGHS"), Government of National Capital Territory of Delhi ("DGHS Order"). DGHS Order mandated that all private hospitals in Delhi comply with the recommendations of the Expert Committee, constituted pursuant to the Supreme Court order dated January 29, 2016, in W.P.(C) No. 527/2011, regarding the working conditions and pay of nurses in private hospitals. The Single Bench of Delhi High Court, on July 24, 2019, upheld the DGHS Order and directed mandatory compliance by all the private hospitals within a period of three months i.e. by October 24, 2019. It was further directed by the Single Bench that before cancellation of the registration of any private hospital for any non-compliance, DGHS will give the concerned private hospital a personal hearing and an opportunity to represent against such proposed cancellation of registration and the cancellation will be only through a speaking order. Till date no private hospital in Delhi has been called for personal hearing by DGHS. AHPI has appealed against the said Single Bench Order before the Division Bench of Delhi High Court. During the current year ended March 31, 2022, DGHS vide its order dated November 25, 2021 directed that nurses working in private hospitals are covered under minimum rates of wages and accordingly, previous order of DGHS dated June 25, 2018 stands withdrawn. The next date of the hearing is scheduled on July 26, 2022 and appropriate steps will be taken by the appellate (AHPI).The Group is complying with applicable rules and accordingly, the management believes that there is unlikely to be any material adverse impact on the Group.
- (g) The Assistant Charity Commissioner (Hospital) filed a criminal complaint against Dr. Balabhai Nanavati Hospital and certain others, pursuant to an order dated September 25, 2017, passed by the Hon'ble Charity Commissioner directing the Assistant Charity Commissioner (Hospital) to file the said complaint, under section 66B of the Maharashtra Public Trust Act, 1950, for the irregularities/illegalities found in the implementation of the scheme framed by the Bombay High Court in Writ Petition (PIL) No. 3132 of 2004. The matter is currently pending and management basis legal view believes that the ultimate outcome of the proceeding will not have a material adverse effect on the Group's financial position and results of operations.
- (h) The Group has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses, tax treatment of expenses claimed by the Group as deductions and such similar matters, in various

Notes

forming part of Consolidated financial statements

years. These matters have been contested by the Group. Some of these, have been decided in favor of the Group. Income tax authorities have filed an appeal before Income Tax Appellate Tribunal (ITAT) and is currently ongoing. The Group reserves its right to contest the matter with appropriate authorities. No provision has been made in the financial statements for the tax matters as the Group expects a favourable decision considering the prevailing favourable tax case laws and tax assessments.

- (i) BNH filed an appeal before the Sub Divisional Officer (SDO) against the order of the Tehsildar Office, Andheri for payment of Non-Agricultural Tax (NA Tax) since 1972 including an amount of INR 172 Lakhs as NA Tax, penalty, and interest thereon amounting to INR 513 Lakhs. The appeal is listed for hearing on 31 May 2022 before the Sub Divisional Officer. The group believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Hospital's financial position and results of operations.
- (j) Crosslay Remedies Limited is contesting the demands of INR 139 lakhs from Ghaziabad Development Authority ('GDA') with respect to infrastructure surcharge of 10% on land High Court gave directions to Crosslay Remedies Limited to make the representation to Housing board and if rejected from there, then they can come back to HC for further remedy. Detailed representation filed by Crosslay Remedies Limited with The Secretary, State of U.P. Housing and Urban Planning Department, U.P. Secretariat Lucknow. The same is pending for consideration. The same was also communicated to Ghaziabad Development Authority ('GDA').

B. Capital commitment

Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)

	(INR in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account	20,191	5,428
Less: Capital advances	10,895	3,124
Balance value of contracts	9,296	2,304

C. Other commitment

- (i) The Group has no other commitments other than those in the nature of its routine business operation for purchase/sales as per the normal operating cycle of Group, obligations under other long term agreements towards medical and management services with healthcare service providers including indemnities to such healthcare service providers.
- (ii) The Group does not have any long term commitments or material non-cancellable contractual commitments/ contracts, including derivative contracts for which there were any material foreseeable losses other than the ones recognised or disclosed elsewhere.

35. OTHER NOTES TO ACCOUNTS

35.01 Defined benefit obligations :

Gratuity

The Group has a defined benefit gratuity plan. Under gratuity plan, every employee who has completed five years or more of service gets a gratuity on cessation of employment at 15 days of last drawn basic salary for each completed year of service. The scheme is partially funded with Life Insurance Company of India and Max Life Insurance Company Limited in the form of a qualifying insurance policy.

	(INR in Lakhs)	
Defined benefit plan	As at March 31, 2022	As at March 31, 2021
(a) Reconciliation of opening and closing balances of defined benefit obligation		
Defined benefit obligation at the beginning of the year	6,544	3,233
Liability taken on pursuant to the Scheme (refer note 35.15)	-	2,710
Acquisition adjustment	85	
Interest expense	383	327
Current service cost	781	676
Past service cost	-	48
Benefit paid	(1,000)	(442)
Employees transferred from /(to) other companies	24	14

Notes

forming part of Consolidated financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Defined benefit plan		
Remeasurement of (gain)/loss in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	(216)	203
Actuarial changes arising from changes in financial assumptions	(278)	(138)
Actuarial changes arising from changes in experience adjustments	170	(87)
Defined benefit obligation at year end	6,493	6,544
(b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	125	-
Plan assets taken on business acquisition	12	130
Investment Income	-	7
Returns of plan assets	17	(11)
Fair value of plan assets at year end	154	126
(c) Net defined benefit asset/(liability) recognized in the balance sheet		
Present value of defined benefit obligation	(6,493)	(6,544)
Fair value of plan assets	154	126
Amount recognized in balance sheet- asset/(liability) at year end	(6,339)	(6,418)
(d) Net defined benefit expense (Recognized in the statement of profit and loss for the year)		
Current service cost	781	676
Past service cost	-	48
Interest cost on benefit obligation	381	318
Net actuarial (gain) / loss recognized in the year	-	-
Expected return on plan assets	(4)	-
Net defined benefit expense debited to statement of profit and loss	1,158	1,042
(e) Other comprehensive income		
Change in demographic assumptions	(216)	203
Change in financial assumptions	(272)	(138)
Return on plan assets	(11)	12
Experience variance	167	(87)
Remeasurement of (Gain)/loss in other comprehensive income	(332)	(10)
(f) Broad categories of plan assets as a percentage of total assets		
Insurer managed funds	100%	100%
(g) Principal assumptions used in determining defined benefit obligation		
Assumption particulars		
Discount rate	6.11% to 7.12%	5.5% to 6.32%
Salary escalation rate	6.5% to 8%	6.5% to 8%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
(h) Quantitative sensitivity analysis for significant assumptions is as below:		
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
(i) Discount rate		
Increase by 1%	(360)	(437)
Decrease by 1%	404	497
(ii) Salary growth rate		
Increase by 1%	396	485
Decrease by 1%	(352)	(435)
(iii) Attrition rate		
Increase by 50% of attrition rate	(236)	(265)
Decrease by 50% of attrition rate	471	465
(iv) Discount rate (excluding Dr. Balabhai Nanavati Hospital)		
Increase by 1%	(202)	12
Decrease by 1%	224	13

Notes

forming part of Consolidated financial statements

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Defined benefit plan		
(v) Discount rate (Dr. Balabhai Nanavati Hospital)		
Increase by 0.50%	(158)	(194)
Decrease by 0.50%	180	222
(vi) Salary growth rate (excluding Dr. Balabhai Nanavati Hospital)		
Increase by 0.50%	216	11
Decrease by 0.50%	(191)	11
(vii) Salary growth rate (Dr. Balabhai Nanavati Hospital)		
Increase by 1%	180	219
Decrease by 1%	(161)	(195)
(viii) Attrition rate		
Increase by 50% of attrition rate	(13)	(56)
Decrease by 50% of attrition rate	15	89
(i) Maturity profile of defined benefit obligation(undiscounted, as per actuarial certificate)		
Within the next 12 months (next annual reporting period)	948	966
Between 2 and 5 years	2,660	2,725
Between 6 and 10 years	2,414	2,507
More than 10 years	4,869	4,605
Total expected payments	10,891	10,803

35.02 Post- Retirement Medical Benefits

The Group also pays for the post-employment medical costs for certain categories employees of one of the deemed separate entities i.e. 'Silos'.

Liabilities in respect of the Post-employment medical benefits are determined by an actuarial valuation, based upon which the Hospital makes provision for defined benefit obligation in books of accounts.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the post-employment medical costs was carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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:

Change in the Present Value of Projected Benefit Obligation

	(INR in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Benefit Obligation at the beginning of the year	300	323
Interest cost	16	21
Current service cost	13	16
(Benefit paid directly by the employer)	(62)	(68)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	(4)
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(15)	3
Actuarial (gains)/losses on obligations - due to experience	50	9
Present value of benefit obligation at the end of the year	302	300
Current	39	20
Non-current	263	280
Total	302	300
Expenses recognized in the statement of profit or loss for the year		
Current service cost	13	16
Net interest cost	17	21
Expenses recognized	30	37

Notes

forming part of Consolidated financial statements

(INR in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Expenses recognized in the other comprehensive income (OCI) for the year		
Actuarial (gains)/losses on obligation for the year	34	8
Net (income)/expense for the year recognized in OCI	34	8
Maturity analysis of the benefit payments from the employer		
Within next 12 months	39	20
Between 2 and 5 years	114	92
Between 6and 10 years	154	122
Above 10 years	377	290
Projected benefits payable in future years from the date of reporting		
1 st Following year	39	20
2 nd Following year	35	22
3 rd Following year	30	23
4 th Following year	26	23
5 th Following year	23	24
Sum of year 5 and above	531	412
Actuarial assumptions		
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).		
Leaving service attrition rate	For service years, 0 to 2 - 15%, 3 to 4 - 0.9%, 4 and above - 5.20%	For service years, 0 to 2 - 15%, 3 to 4 - 0.9%, 4 and above - 5.20%
Rate of medical cost inflation	5.00%	5.00%
Discount rate	7.12%	6.50%
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Sensitivity Analysis		
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
Discount rate		
Increase by 1.00%	(22)	(23)
Decrease by 1.00%	27	27
Attrition rate		
Increase by 50% of attrition rate	(16)	(17)
Decrease by 50% of attrition rate	19	19

- (j) The average duration of the defined benefit plan obligation at the end of the reporting period is 5-9 Years .
- (k) The plan assets are maintained with LIC of India and Max Life Insurance Company Limited.
- (l) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including demand and supply in the employment market. The above information is as certified by the actuary.
- (m) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

Notes

forming part of Consolidated financial statements

- (n) The sensitivity analysis 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.

35.03 Other long term benefit plans

Leave encashment

The Group pays leave encashment benefits to employees as and when claimed subject to the policies of the Group. The liability towards compensated absences based on actuarial valuation using the projected accrued benefit method amounted to as follows:

(INR in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Current provision	3,181	2,954
Non-current provision	-	-
Total	3,181	2,954

(A) Assumptions used for Silos :

The significant actuarial assumptions used for the purposes of the actuarial valuations of Dr. B. L. Kapur Memorial Hospital were as follows.

(INR in Lakhs)		
Assumption Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.11%	5.50%
Salary escalation rate	8%	8%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The significant actuarial assumptions used for the purposes of the actuarial valuations of Dr. Balabhai Nanavati Hospital were as follows.

(INR in Lakhs)		
Assumption Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.12%	6.32%
Salary escalation rate	6.50%	6.50%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

(B) Assumptions used for entities other than Silos:

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows.

(INR in Lakhs)		
Assumption Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.11%	5.50%
Salary escalation rate	8%	8%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

35.04 Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the regional PF Commissioner. The Group recognizes contribution payable to provident fund scheme as an expenditure, when an employee renders related service.

35.05 Share based payment plans

A. Equity settled plans

The Nomination and Remuneration Committee of Board of Directors of the Company (“NRC”) on September 29, 2020 and

Notes

forming part of Consolidated financial statements

November 12, 2021 considered and approved the grant of 61,65,265 and 3,75,924 respectively Employee Stock Options ("ESOPs") to the eligible employees of the Group, under the 'MHIL ESOP 2020' scheme, at an exercise price of INR 10 per share. These options will vest subject to requirements of the SEBI SBEB Regulations and the 'MHIL ESOP 2020' scheme.

The following table provides an overview of all existing stock option plans of the Group :

Particulars	Numbers	Grant Date	Vesting Date	Exercise price	Fair value at grant date
Max Healthcare Institute Ltd. (1 year vesting plan)	43,15,689	September 29, 2020	September 29, 2021	10	104
Max Healthcare Institute Ltd. (2 years vesting plan)	18,49,576	September 29, 2020	September 29, 2022	10	105
Max Healthcare Institute Ltd. (1 year vesting plan)	3,75,924	November 12, 2021	November 12, 2022	10	335

The stock options vesting is subject to service and certain performance conditions mainly pertaining to certain financial parameters.

The movement in the number of stock options and the related weighted average exercise prices are given in the table below:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Number of stock Options	Weighted average exercise price	Number of stock Options	Weighted average exercise price
MHIL ESOP 2020				
Outstanding at the beginning of year	59,30,769	10	-	-
Granted	3,75,924	10	61,65,265	10
Exercised	36,70,449	10	-	-
Forfeited/expired	1,95,259	10	2,34,496	10
Outstanding at end of year	24,40,985	10	59,30,769	10
Exercisable at end of year	3,85,003	10	-	-

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2022 are as follows:

Date of grant	March 31, 2022		March 31, 2021	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
September 29, 2020	3,85,003	2.5 years	41,51,542	2.5 years
September 29, 2020	16,80,058	3.5 years	17,79,227	3.5 years
November 12, 2021	3,75,924	2.5 years	-	-

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options is determined using the Black Scholes Option Pricing Model with the following assumptions.

Particulars	Inputs used for different grant dates for Black Scholes Valuation of Option Granted		
	1 year vesting plan (November'2022)	1 year vesting plan (September'2021)	2 year vesting plan (September'2021)
A. Stock Price (in Rupees)	343.45	113.40	113.40
B. Exercise Price (in INR)	10.00	10.00	10.00
C. Expected Volatility (Standard Deviation- Annual)	44.89%	39.20%	36.00%
D. Expected Life of the options granted (Vesting and exercise period) in years	2.50	2.50	3.50
E. Expected Dividend	-	-	-
F. Average Risk- Free Interest Rate	4.74%	4.70%	5.20%
G. Expected Dividend Rate	-	-	-

The Group granted stock options aggregating to 6,541,189 numbers to the eligible employees (including employees of the subsidiary companies) under the ESOP Plan. In accordance with the provisions of Ind-AS and Guidance Note on Accounting for

Notes

forming part of Consolidated financial statements

Employee share-based payments, issued by the Institute of Chartered Accountants of India for the purposes of accounting of the stock options, estimated fair value of the options determined on grant date is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the required service period for each separately vesting portion, as 'Share-based payments to employees'. Accordingly, INR 6,044 lakhs has been debited to the Profit and Loss account (FY 2020-21 INR 2,651 lakhs and FY 2021-2022 : INR 3,393 lakhs) to the extent relating to the employees of the Group.

The market value of shares as on the date of exercise of the options is much higher than the fair value of the stock options as on the date of grant. ESOP value to the extent of (a) the difference between the fair value of the equity shares on the date of exercise and exercise price paid by the employees and (b) expense already recognised in the books of account (based on fair value of the grants), aggregating to INR 8,782 lakhs (including INR 1,485 lakhs pertaining to stock options issued to subsidiary but not recovered from the subsidiaries by the Company) is not debited to the profit and loss account of the Company in the books of account, in terms of above accounting principles.

However, basis the legal advice, this amount is claimed as deduction in the return of income of the Company and accordingly, the Company has claimed such tax deduction in computation of income for tax purposes for the current financial year 2021-22. Accordingly, tax expense for the current year is lower on account of such tax deduction claimed by the Company, upon allotment of shares to the employees.

B. Cash settled (Employee Phantom Stock Plan 2017)

Employee Phantom Stock Plan, 2017 ('the Scheme') are cash settled rights where the employees are entitled to get cash compensation based on the Group's fair value, provided certain conditions as laid out in the Scheme are met. The fair value of the amount payable to the employees in respect of phantom stocks, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment.

The liability is remeasured at each reporting date at fair value until the liability is settled with any changes in the liability are recognized in statement of profit and loss as detail given below:-

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Opening balance	1,004	-
Pursuant to the Scheme (Refer Note 35.15)	-	400
Add: Expenses during the year	1,288	1,055
Less : Payment during the year	-	-
Less : Lapsed/forfeited during the year	(1,552)	(451)
Closing balance (refer note 24 (iv))	740	1,004

During the current year, certain employees of the Group surrendered their retention incentive in terms of unvested/vested phantom shares. The group has reversed the net liability aggregating to INR 1,552 Lakhs.

The details of the grant/issue as at March 31, 2022 and as at March 31, 2021 are given below:

Particulars	March 31, 2022	March 31, 2021
Outstanding as at beginning of the year	7,77,945	-
Pursuant to the Scheme (Refer Note 35.15)	-	23,36,797
Granted during the year	-	-
Date of grant	-	-
Grant price per unit	-	-
Total Number of PSPs vested during the year	-	-
Total Number of PSPs exercised during the year	-	-
Lapsed/ forfeited/ surrendered during the year	4,67,290	15,58,852
Outstanding as at the year end	3,10,655	7,77,945
Exercisable as at the year end	-	4,67,290

Vesting period

30% at the end of 24 months, 30% at the end of 36 months and 40% at the end of 48 months.

Notes

forming part of Consolidated financial statements

Particulars	March 31, 2022	March 31, 2021
Exercise period	Within 12 months of the vesting period, unless extension approved by the NRC*	
Exercise price	The Exercise Price of a vested unit shall be equal to the prevailing fair value (FV) as on the date of the relevant exercise notice, determined in accordance with the scheme and subject to applicable laws.	
Settlement of phantom stock options	Settlement Amount for the vested units, exercised by the unit holder or deemed automatically and mandatorily exercised, will be paid in cash within a period of 30 (thirty) calendar days from the date of the relevant exercise notice.	

*NRC of MHIL vide its meeting held on May 8, 2018 extended the exercise period of first two tranches of Phantom Stock Options, granted on May 23, 2017 by 12 month each for all option holders.

35.06 During the year Group has capitalized the following expenses to the cost of fixed asset/capital work-in-progress(CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group. (refer note 4,6 and 32)

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Opening Balances	205	-
Add:		
Rent	6	9
Salaries, wages and bonus	7	6
Interest & other finance cost	51	116
Depreciation and amortization expense	24	65
Miscellaneous Expenses	71	35
Less:		
Rent Concession recognised as Income *	-	(26)
Total	364	205
Less: Capitalized during the year	364	-
Preoperative expenses pending for capitalization	-	205

* As per the practical expedient of Ind AS 116.

35.07 Financial instruments

The carrying value and fair value of financial instruments by categories are as follows:

Category	(INR in Lakhs)			
	March 31, 2022		March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
1) Financial assets at amortized cost				
Trade receivables (current/non-current)	49,309	49,309	48,534	48,534
Cash and cash equivalents	30,914	30,914	62,659	62,659
Other bank balances (current)	19,017	19,017	2,633	2,633
Loans (current/non current)	17,603	17,603	16,738	16,738
Other financial assets (current/non-current)	30,588	30,588	21,936	21,936
2) Financial Liabilities at amortized cost				
Borrowings (current/non-current)	72,665	72,665	92,035	92,035
Trade payables	45,208	45,208	43,569	43,569
Lease liabilities (current/non-current)	18,673	18,673	18,106	18,106

Notes

forming part of Consolidated financial statements

Other financial liabilities (current/non-current)	21,412	21,412	15,064	15,064
3) Financial assets carried at fair value through OCI				
Non Current Investment	51	51	51	51
4) Financial assets carried at fair value through profit and loss				
Current Investment	-	-	-	-
5) Financial liabilities carried at fair value through profit and loss				
Other financial liabilities (current/non-current)	24,894	24,894	24,533	24,533

The Group assessed that the carrying value of all financial assets and financial liabilities approximates the fair value.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments, loans from banks and other financial liabilities as well as other noncurrent financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed in the table below. Group regularly assesses a range of reasonably possible alternatives for those significant observable and unobservable inputs and determines their impact on the total fair value.

The fair values of the Group's interest-bearing borrowings and other non-current financial liabilities are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

35.08 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Quantitative disclosures of fair value measurement hierarchy for financial assets/liability as on March 31, 2022

Particulars	Carrying Value March 31, 2022	(INR in Lakhs)		
		Fair Value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current/non-current)	49,309	-	-	49,309
Loans (current/non current)	17,603	-	-	17,603
Other financial assets (current/non-current)	30,588	-	-	30,588
Assets carried at fair value through OCI				
Investment (non current)	51	-	-	51
Liabilities carried at amortized cost for which fair value are disclosed				
Borrowings (current/non-current)	72,665	-	-	72,665
Trade payables	45,208	-	-	45,208
Other financial liabilities (current/non-current)	21,412	-	-	21,412
Financial liabilities carried at fair value through profit and loss				
Other financial liabilities (current/non-current)	24,894	740	-	24,894

Quantitative disclosures of fair value measurement hierarchy for financial assets / liability of as on March 31, 2021

Notes

forming part of Consolidated financial statements

(INR in Lakhs)				
Particulars	Carrying Value March 31, 2021	Fair Value		
		Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Trade receivables (current/non-current)	48,534	-	-	48,534
Loans (current/non current)	16,738	-	-	16,738
Other financial assets (current/non-current)	21,936	-	-	21,936
Assets carried at fair value through OCI				
Investment (non current)	51	-	-	51
Assets carried at fair value through profit and loss				
Investment (current)	-	-	-	-
Liabilities carried at amortized cost for which fair value are disclosed				
Borrowings (current/non-current)	92,035	-	-	92,035
Trade payables	43,569	-	-	43,569
Other financial liabilities (current/non-current)	15,064	-	-	15,064
Financial liabilities carried at fair value through profit and loss				
Other financial liabilities (current/non-current)	24,533	1,004	-	24,533

35.09 Financial risk management objectives and policies

The Group has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses forward covers to hedge foreign currency risk exposures. Financial risk management is carried out by a corporate finance department under policies approved by the audit committee from time to time. The corporate finance department, evaluates and hedges financial risks in close co-operation with the various stakeholders. The audit committee approves written principles for overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Group is exposed to capital risk, market risk, credit risk and liquidity risk. These risks are managed pro-actively by the senior management of the Group, duly supported by various functionaries and committees.

(a) Capital risk

The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits for other stakeholders and to provide for sufficient capital expansion. The capital structure of the Group consists of equity and debt, which includes the borrowings disclosed in notes 19 and 24(i) after netting-off cash and cash equivalents disclosed in note 14(ii) and equity as disclosed in the statement of financial position. The Group uses the Debt : Equity as well as Net Debt to EBITDA ratio to measure the funding versus raising of additional share capital requirement. Debt: Equity ratio is calculated as debt divided by the Shareholder's Fund and for calculating Net Debt to EBITDA Net Debt is divided by the Normalized EBITDA. Net debt is calculated as long term borrowings (including current maturities) and short term borrowings as shown in the note 19 and 24(i) less net cash and cash equivalents (excluding deposits with original maturity less than 3 months as such funds pertain to short term loan raised from shareholder). Normalized EBITDA is defined as earnings before interest, tax, depreciation and amortization. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt or raise debt and review decision on distributions to the shareholders. The Debt : Equity ratio of the Group as at March 31, 2022 and March 31, 2021 stood at 0.12 and 0.16 respectively. Similarly, the Net Debt to EBITDA ratio of the Group stood at 0.39 as at March 31, 2022 and 0.57 as at March 31, 2021.

The Audit Committee and the Senior management review the status vis a vis approved maximum limit of debt, based on lower of Debt : Equity of 2:1 and Net Debt to EBITDA ratio of 4:1.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared not only for the entities but the Group as a whole and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Group while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match

Notes

forming part of Consolidated financial statements

with the generation of cash on such investment.

The table below represents the maturity profile of Group's financial liabilities at the end of March 31, 2022 and March 31, 2021 based on contractual undiscounted payments:-

Particulars	(INR in Lakhs)			
	0-1 Years	1-5 Years	More than 5 Years	Total
March 31, 2022				
Interest bearing borrowings	9,723	38,730	24,212	72,665
Lease liabilities (refer note 20 & 24 (iii))	1,529	3,987	13,157	18,673
Trade payable	45,208	-	-	45,208
Other financial liabilities	8,458	12,056	25,792	46,306
% to Total	36%	30%	34%	100%
March 31, 2021				
Interest bearing borrowings	7,754	44,993	39,288	92,035
Lease liabilities (refer note 20 & 24 (iii))	1,107	3,980	13,019	18,106
Trade payable	43,569	-	-	43,569
Other financial liabilities	15,865	8,084	15,648	39,597
% to Total	35%	30%	35%	100%

(c) Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management department assessed the credit quality of the customer, taking into account its financial position, past experience and other factors. The Group provides credit to individuals on exceptional basis only. An impairment analysis is performed at each reporting date on an individual basis. Trade receivables comprise a widespread customer base and a large part of these sits in the State and Central Government bodies and institutions. A large segment of the Group's customers settle their bill in cash or using major credit cards on discharge date as far as possible. Further, a fairly large proportion of the customers are discharged post confirmation of third party administrator of the insurance companies, with whom the Group has a written contract. Further the Group provides for allowance for deductions based on empirical evidence whereby the receivables from various counterparties is marked down at the time of recognition of revenue. The management does not expect any significant loss from non-performance by counterparties on credit granted during the period under review that has not been provided for.

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Neither past due or impaired	34,052	34,799
0 to 180 days due past due date	13,242	11,645
More than 180 days due past due date	2,015	2,090
Total trade receivables (refer note 10(ii) & 14(i))	49,309	48,534

The following table summarizes the change in provision for doubtful debts measured using the life time expected credit loss model:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	6,242	4,113
Pursuant to the Scheme (refer note 35.15)	-	3,476
Provision/(Reversal) during the year	(1,055)	1,883

Notes

forming part of Consolidated financial statements

Bad debts written off	(889)	(3,230)
At the end of the year	4,298	6,242

The Group has provided the general provision in the case of trade receivables as follows (refer note 14(i)):

Corporate, TPA and PSU's	Amount exceeding 365 days from transaction date after adjusting allowance for deduction created at the time of revenue recognition
Individual	Amount exceeding 120 days from transaction date

The Group uses an allowance for deduction to determine the expected credit loss on the portfolio of its trade receivables. Allowance for deduction has been created on total trade receivable. These estimates are reviewed periodically and change in estimates are taken on prospective basis. Group has fixed a percentage for allowance for deduction as mentioned below:

Category	% of Allowance
Corporate and International	0.50%
TPA	1.00%
PSU	3.00%

(ii) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned by international and domestic credit rating agencies.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 is the carrying amounts as illustrated in note 35.09 and the liquidity table above.

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at March 31 2022. The analysis exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2022.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and the impact on the Group profit before tax is due to changes in the fair value of monetary assets and liabilities.

Notes

forming part of Consolidated financial statements

Unhedged foreign currency exposures recognized by the Group are as under:

				(INR in Lakhs)
Currency	March 31, 2022 Foreign currency	March 31, 2022 Indian Rupees	Increase/decrease in rate	Impact on profit before tax
Payables in EURO	0.5	43	1%	0.4
Payables in USD	3	195	1%	2
Payables in Kenyan Shiling	47	31	1%	0.3

The impact of foreign exchange sensitivity on the Group profit and loss to change in the fair value of monetary assets and liabilities will be 2.7 Lakhs as there was no unhedged foreign currency exposure as at March 31, 2022.

				(INR in Lakhs)
Currency	March 31, 2021 Foreign currency	March 31, 2021 Indian Rupees	Increase/decrease in rate	Impact on profit before tax
Payables in Euro	2	154	1%	2
Payables in USD	3	238	1%	2
Payables in Kenyan Shiling	23	16	1%	0.2

The Group has derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. The details of the outstanding foreign exchange forward are as follows:

		(INR in Lakhs)
Particulars	March 31, 2022	March 31, 2021
Payables in USD	-	658
Payables in EURO	-	328

(ii) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation at floating interest rates. The Group's policy is to hedge part of its borrowings.

Interest rate Sensitivity of Borrowings

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of borrowings.

		(INR in Lakhs)
Year	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2022	0.50%	365
March 31, 2021	0.50%	64

35.10 Related party transactions

As per Ind AS-24, the disclosures of transactions with the related parties are given below:

Balances and transactions between the Company and its subsidiaries/silos, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Also, refer to note 35.15 with respect to business combination pursuant to approval of Composite Scheme of Amalgamation and Arrangement (hereafter referred to as 'the Scheme') by National Company Law Tribunal (NCLT) amongst the Company/ MHIL, Radiant Life Care Private Limited 'Radiant', erstwhile Max India Limited and its subsidiary company Advaita Allied Healthcare Services Limited (now known as Max India Limited 'Max India') effective from June 01, 2020.

Accordingly, related party transactions disclosure for the previous year ended March 31, 2021, pertains to ten months operations of Max Healthcare Institute Limited and twelve months of Radiant.

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

(i) Entity / Individual having significant influence / exercising control over the Group

Notes

forming part of Consolidated financial statements

1. Mr. Abhay Soi
 2. Kayak Investment Holdings Pte. Limited (Parent Company till March 09, 2021 and continues to have control till date)
- (ii) Ultimate controlling entity of Kayak Investment Holding Pte. Limited
1. KKR Group Partnership L.P.
- (iii) Entity on which the Radiant Life Care Private Limited had joint control over economic activities (with whom transaction has taken place during the previous year)
1. Max Healthcare Institute Limited (From June 21, 2019 to May 31, 2020)
- (iv) Entity under common control of KKR Group Partnership L.P. (with whom transaction has taken place during the previous year)
1. KKR Capital Market Asia Limited (upto March 09, 2021)
- (v) Entity under control of Kayak Investments Holding Pte. Limited and Mr. Abhay Soi
1. Radiant Life Care Private Limited
- (vi) Enterprises in which directors are interested (with whom transactions have taken place)
1. Neo Legno Consultants Private Limited
 2. Epimoney Private Limited
 3. KKR India Advisors Private Limited
- (vii) Directors of Radiant Life Care Private Limited (with whom transactions have taken place during the previous year)
1. Mr. Abhay Soi (Also, a director in MHIL)
 2. Mr. Mahendra Gumanmalji Lodha till October 07, 2020, a director in MHIL also till date
- (viii) Directors of MHIL (with whom transaction has taken place)
1. Mr. Abhay Soi (Chairman and Managing Director w.e.f June 19,2020 - Also refer ix below)
 2. Mr. Kummamuri Murthy Narasimha, Independent Director
 3. Mr. Mahendra Gumanmalji Lodha, Independent Director (from June 21, 2019)
 4. Mr. Upendra Kumar Sinha, Independent Director (from June 21, 2019 till May 20, 2021)
 5. Mr. Michael Thomas Neeb, Independent Director (from June 21, 2019)
 6. Ms. Harmeen Mehta (from May 24, 2021)
- (ix) Key Managerial Personnel "KMPS" (with whom transactions have taken place)
1. Mr. Abhay Soi, Chairman and Managing Director of Radiant and Chairman & Managing Director of MHIL w.e.f June 19, 2020#
 2. Mr. Yogesh Kumar Sareen, Chief Financial Officer of MHIL (from acquisition date i.e. June 01, 2020)
 3. Dr. Mradul Kaushik, Manager (in terms of the Companies Act, 2013 from August 1, 2019 till June 15, 2020)
 4. Ms. Ruchi Mahajan, Company Secretary of MHIL (from acquisition date i.e. June 01, 2020)
 5. Mr. Dilip Bidani (Chief financial officer of Radiant till May 31, 2020)
 6. Ms. Prachi Singh (Company Secretary of Radiant till May 31, 2020)
- # Non-Executive Chairman of MHIL from June 21, 2019 till June 18, 2020.
- (x) Relative of directors/Key Managerial Personnel (with whom transactions have taken place)
1. Mr. Aditya Soi (Brother of Mr. Abhay Soi)

(B) Transactions during the year

Notes

forming part of Consolidated financial statements

	(INR in Lakhs)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Security deposit Received		
Mr. Yogesh Kumar Sareen	4	-
Security deposit Return		
Mr. Yogesh Kumar Sareen	16	-
Healthcare services rendered		
KKR India Advisors Private Limited	2	-
Epimoney Private Limited	3	-
Purchase of equity shares in subsidiaries from existing shareholders		
Mr. Abhay Soi	0.10	-
Kayak Investments Holding Pte. Ltd. (Purchase of remaining 42.8% stake in Saket City Hospitals Limited)	-	46,810
Repayment of loan and advances taken		
Neo Legno Consultants Private Limited	-	4,500
Interest income		
Max Healthcare Institute Limited	-	991
Borrowing cost		
Finance arrangement fees to KKR Capital Market Asia Limited	-	393
Interest on Loan From Neo Legno Consultants Private Limited	-	159
Key management personnel remuneration (refer note 1 and 2 below)		
Mr. Yogesh Kumar Sareen	284	353
Mr. Mradul Kaushik	-	4
Ms. Ruchi Mahajan	97	76
Mr. Dilip Bidani	-	19
Ms. Prachi Singh	-	4
Director's remuneration (refer note 1 below)		
Mr. Abhay Soi	1,400	1,046
Remuneration to relative of director (refer note 1 below)		
Mr. Aditya Soi	127	66
Independent Director's remuneration		
Mr. Kummamuri Murthy Narasimha	13	-
Mr. Mahendra Gumanmalji Lodha	13	-
Mr. Michael Thomas Neeb	13	-
Ms. Harmeen Mehta	13	-
Director's sitting fee		
Mr. Kummamuri Murthy Narasimha	19	22
Mr. Upendra Kumar Sinha	1	20
Mr. Mahendra Gumanmalji Lodha	20	20
Mr. Michael Thomas Neeb	15	7
Ms. Harmeen Mehta	13	-
Reimbursement of expenses		
Mr. Abhay Soi	-	3
Space taken on lease rent		
Radiant Life Care Private Limited	19	10
Corporate Guarantee in respect of financial assistance availed by the Company:		
Kayak Investments Holding Pte. Ltd.	-	48,600

As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors /KMPS has not been ascertained separately and, therefore, not included in above mentioned managerial remuneration. Managerial remuneration mentioned above also do not include accrual recorded towards employee share based payments but includes benefit value on account of ESOP exercise during the reporting year.

Notes

forming part of Consolidated financial statements

(C) Balances at the year end

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Trade payable		
Mr. Abhay Soi	-	4
Mr. Kummamuri Murthy Narasimha	1	2
Mr. Mahendra Gumanmalji Lodha	-	2
Mr. Aditya Soi	8	5
Mr. Michael Thomas Neeb	1	
Ms. Harmeen Mehta	1	
Radiant Life Care Private Limited	0.22	5
Other payable		
Finance Arrangement fee to KKR Capital Market Asia Limited	-	150
Trade receivables :		
Radiant Life Care Private Limited	-	41
Epimoney Private Limited	1	
Security deposit received		
Mr. Yogesh Kumar Sareen	4	16
Dr. Mradul Kaushik	-	4
Ms. Ruchi Mahajan	3	3

Terms and conditions of transactions with related parties :-

- The income/expense from sales to and purchases from related parties are made on arm's length basis. Outstanding balances at the year end are unsecured and interest free.
- The above transactions with related parties are excluding of taxes.

35.11 Corporate social responsibility

As per the provision of section 135 of the Companies Act, 2013 the Group has to incur at least 2% of average net profit of the preceding three financial years of 'ALPS Hospital Limited', toward Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activity as per schedule VII of the Companies Act, 2013. The Group has contributed a sum of INR 25 lakhs (March 31, 2021: INR 40 lakhs) to a Charitable Society towards serving the underprivileged patients under its specialized Oncology, Cardiology and Dialysis treatment programmes. The above mentioned expenditure is debited to the statement of profit and loss.

(INR in Lakhs)

Notes

forming part of Consolidated financial statements

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Details of CSR expenditure :		
(a) Gross amount required to be spent by the Group during the year	25	40
(b) Amount spent during the year	25	40

	Paid in cash		Yet to be paid in cash	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(i) Construction/acquisition of any asset	-	-	-	-
(ii) On purpose other than (i) above	25	40	-	-
	25	40	-	-

35.12 Earnings per share (EPS)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Earning per share		
a) Basic earnings per share		
Numerator for earnings per share		
Profit/ (loss) after taxation	60,505	(13,755)
Denominator for earnings per share		
Weighted average number of equity shares outstanding during the year	96,74,65,373	86,31,95,968
Earnings per share-Basic (one equity share of INR 10 each)	6.25	(1.59)
b) Diluted earnings per share		
Numerator for earnings per share		
Profit/ (loss) after taxation	60,505	(13,755)
Denominator for earnings per share		
Weighted average number of equity shares outstanding during the year*	96,93,82,717	86,31,95,968
Earnings per share- Diluted (one equity share of INR 10 each)	6.24	(1.59)

*The effect of issue of potential equity shares under ESOP scheme is anti-dilutive in nature for the year ended March 31, 2021, hence the effect of potential equity shares are ignored in calculating dilutive earning per share.

As per Ind AS 103, weighted average number of ordinary shares outstanding during the period in which the reverse acquisition occurs is the number of ordinary shares outstanding from the beginning of that period to the acquisition date, which is computed on the basis of the weighted average number of ordinary shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the scheme; and the number of ordinary shares outstanding from the acquisition date to the end of that period is the actual number of ordinary shares of the legal acquirer (the accounting acquiree) outstanding during that period. Also, as per Ind AS 103, weighted average number of last year ordinary share outstanding is the legal acquiree's historical weighted average number of ordinary shares outstanding multiplied by the exchange ratio established in the acquisition agreement.

35.13 Capital management

For the purpose of the Group's capital management, capital includes issued equity attributable to the equity shareholders of the Group, share premium and all other equity reserves. The primary objective of the Group's capital management is to maintain an efficient capital structure and maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 20%

Notes

forming part of Consolidated financial statements

and 50%. The net debt includes interest bearing loans and borrowings (excluding loan from shareholder repayable with in one year), less cash and cash equivalents, excluding discontinued operations.

	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Borrowings(including current maturities of long term borrowing) (refer note 19 and 24)	72,665	92,035
Less: cash and cash equivalents (refer note 14(ii))	(30,914)	(62,659)
Net debt (a)	41,751	29,376
Equity (refer note 17 and 18)	6,28,247	5,63,868
Total capital (b)	6,28,247	5,63,868
Total capital and net debt (a+b)	6,69,998	5,93,244
Gearing ratio	6.23%	4.95%

35.14 Ratios

S. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for variance
1	Current ratio	Current assets	Current liabilities	1.32	1.45	-8.73%	Utilisation of qualified institutional placement fund.
2	Debt equity ratio	Total debt	Shareholder's equity	0.12	0.16	-29.14%	Repayment of term loan and increase in "other equity" due to profit.
3	Debt service coverage ratio	Earnings available for debt service	Total debt service	5.08	0.83	510.31%	Profit during the year has resulted in a change in the ratio.
4	Return on equity ratio	Net profit/(loss) after tax	Average shareholder's equity	10.20	-3.35	-404.72%	Refer footnote (i)
5	Inventory turnover ratio	Cost of good sold	Average inventory	16.03	14.75	8.67%	
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	8.04	8.63	-6.85%	
7	Trade payables turnover ratio	Net credit purchases*	Average trade payables	6.73	6.83	-1.39%	
8	Net capital turnover ratio	Revenue from operations	Average working capital	13.31	2.23	498.03%	
9	Net profit ratio	Net Profit/(loss) after tax	Total revenue	14.97	-5.23	386.18%	
10	Return on capital employed	Net profit/(loss) before interest and tax	Capital employed**	29.99	11.38	163.45%	
11	Return on investment	Not possible as the Group does not have any investment in marketable securities.					

(i) Amount for the year ended March 31, 2022 are not comparable for the reason fully explained in note 35.21 and 35.22.

* Net credit purchases comprises of cost of good sold, professional and consultancy fee, employee benefit expenses and other expense

Capital employed = Tangible net worth* + Total debt + Deferred tax liability

***Tangible net worth = Total assets - Total liabilities - Intangible assets

35.15 (a) Business combination during the previous year ended March 31, 2021

The Company, on May 27,2020 received the certified copy of National Company Law Tribunal ('NCLT') approving the Composite Scheme of Amalgamation and Arrangement ('the Scheme') amongst the Company, Radiant Life Care Private Limited ('Radiant'), erstwhile Max India Limited and its subsidiary company Advaita Allied Healthcare Services Limited (now known as Max India Limited ('Max India')). Thereafter, the Board of Directors took note of the NCLT order approving the scheme and filed the NCLT order with the respective Registrar of Companies on June 01, 2020 giving effect to the Scheme. Consequently, Kayak Investments Holding Pte. Ltd.('Kayak') and Mr. Abhay Soi, (the shareholder of 'Radiant Life Care Private Limited ('Radiant')' (Demerged healthcare business of Radiant)) obtained control of the Company. The business combination has been treated as a reverse acquisition for

Notes

forming part of Consolidated financial statements

financial reporting purposes in accordance with Ind AS 103, with Radiant Life Care as the accounting acquirer and Max Healthcare Institute Limited as the accounting acquiree/legal acquirer.

Accordingly, these financials issued under the name of Max Healthcare Institute Limited 'legal acquirer' represent the continuation of the financials of 'Radiant Life Care Private Limited ('Radiant')' (accounting acquirer) except for capital structure and reflects the assets and liabilities of Radiant Life Care measured at their pre-combination carrying value and acquisition date fair value of the identified assets acquired and liabilities taken over with respect to Max Healthcare Institute Limited and its subsidiaries.

Further, 'Radiant Life Care Private Limited ('Radiant')' for business combination accounting on acquisition date, re-measured its previously held equity interest of 49.70% in the Company at INR196,309 Lakhs (previous carrying value INR 215,901 Lakhs) and recognized a loss of INR 19,592 lakhs, which has been disclosed as exceptional item (Refer note 35.18). In addition, the Company has also incurred a stamp duty cost of INR 3,778 Lakhs under the Maharashtra Stamp Act, 1958 and reported this as an acquisition related exceptional cost. (Refer note 35.18).

Details in respect of business combination is provided below:

		(INR in Lakhs)
No.	Particulars	Amount
A.	Consideration transferred	
(i)	Fair value of the 'Radiant Life Care Private Limited ('Radiant')' previously held equity interest in the Company	1,96,309
(ii)	Fair value of shares deemed to be issued on reverse acquisition	2,02,372
	Total consideration (A)	3,98,681
B.	Fair value of identifiable assets and liabilities recognised as a result of the Reverse Acquisition	
	Assets	
(i)	Property, plant and equipment	1,26,131
(ii)	Right-of-use assets	23,880
(iii)	Capital work-in-progress	841
(iv)	Intangible assets	2,23,419
(v)	Intangible assets under development	11
(vi)	Non-current investments	51
(vii)	Trade receivables (non-current)	11,891
(viii)	Loans (non-current)	33,500
(ix)	Other bank balances (non-current)	79
(x)	Non-current tax assets (net)	14,414
(xi)	Deferred tax assets	6,624
(xii)	Other non-current assets	11,685
(xiii)	Inventories	4,425
(xiv)	Trade receivables (current)	35,021
(xv)	Cash and cash equivalents	27,939
(xvi)	Other bank balances	346
(xvii)	Loans (current)	890
(xviii)	Other financial assets (current)	720
(xix)	Current tax assets	191
(xx)	Other current assets	1,451
	Total assets acquired (a)	5,23,509
	Liabilities	
(i)	Long term borrowings	78,918
(ii)	Lease liabilities (non-current)	17,523
(iii)	Other financial liabilities (non-current)	90
(iv)	Long term provisions	2,364
(v)	Deferred tax liabilities (net)	60,426
(vi)	Other non-current liabilities	23,187
(vii)	Short term borrowings	47,498

Notes

forming part of Consolidated financial statements

		(INR in Lakhs)
No.	Particulars	Amount
(viii)	Trade payables	30,307
(ix)	Lease liabilities (current)	1,033
(x)	Other financial liabilities (current)	63,567
(xi)	Other current liabilities	1,730
(xii)	Short term provisions	1,893
	Total liabilities acquired (b)	3,28,536
	Net Assets of MHIL and its subsidiaries recognised pursuant to the Scheme (a-b)	1,94,973
C.	Goodwill (A-B)	2,03,708

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. Goodwill recognised above is not deductible for tax purposes. Also refer note 7 for detailed disclosure. The acquisition date fair value of accounting acquiree's identifiable assets and liabilities under the reverse acquisition were based on independent valuations obtained by the Group.

In view of the foregoing, the financial results of the accounting acquiree have been included from the effective date of the Scheme i.e. June 01, 2020. Financial results for the year ended March 31, 2021 represents the result for ten months operation of Max Healthcare Institute Limited and twelve months of Radiant Life Care.

(b) Revenue and profit contribution

The acquired business contributed revenue from operations of INR 1,69,739 lakhs and profit of INR 11,866 lakhs to the Group for the year ended March 31, 2021.

If the acquisitions had occurred on April 1, 2020, consolidated pro-forma revenue from operations and Loss for the year ended March 31, 2021 would have been INR 2,68,240 lakhs and INR 15,552 lakhs respectively.

(c) Acquisition of assets and liabilities of residual Max India

The assets and liabilities of residual Max India transferred to the Company upon the merger is treated as the acquisition of individual assets and liabilities as these net assets acquired does not meet the definition of business as per Ind AS 103. The investment previously held by residual Max India amounting to INR 70,569 lakhs has been eliminated on merger as envisaged under the scheme with the corresponding adjustment to equity of the Company.

35.16 Segment reporting

The Group has only one reportable business segment as it deals mainly in provision of healthcare services through primary care clinics, multi speciality hospitals / medical centres and super-speciality Hospitals facilities in terms of Ind AS 108 "Operating Segment". Further, the Group operates mainly in one geographical segment i.e. India. The Chief operating decision maker monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment.

35.17 Impairment assessment of recoverable amounts from healthcare service providers

The Group has amount receivable amounting to INR 63,960 lakhs (March 31, 2021 : INR 66,074 lakhs) from other healthcare service providers, i.e., Devki Devi Foundation, Balaji Medical and Diagnostic Research Centre, Gujarmal Modi Hospital & Research Centre for Medical Sciences, Vikrant Children Foundation and Research Centre and Nirogi Charitable and Medical Research Trust with whom the Group have long term medical services and pathology service agreement ('Service Agreements'). Amounts recoverable include the following:

- Trade receivable aggregating to INR 10,773 lakhs (March 31, 2021 : INR 11,945 lakhs) [Refer note 10(ii)] and INR 8,746 lakhs (March 31, 2021 : INR 12,367 lakhs) [Refer note 14(i)] as current trade receivable for amounts due against Service agreements after offsetting INR 158 Lakhs (March 31, 2021 : INR 242 lakhs) of Sundry creditors.

- an amount of INR 17,854 lakhs (March 31, 2021 : INR 17,853 lakhs) as security and performance deposit as per the terms of Service Agreement. In addition, an amount of INR 17,604 lakhs (March 31, 2021 : INR 16,738 lakhs) has been advanced as loan.

- INR 8,983 lakhs (March 31, 2021 : INR 7,171 lakhs) as prepaid expenses, difference between present value and security and performance deposit given.

The recovery of these balances depends on the future cash flows and earning capacity of these healthcare service providers.

Notes

forming part of Consolidated financial statements

Management has carried out an assessment and have concluded that the amounts are fully recoverable and no impairment in the value of the amount is necessitated.

35.18 Exceptional items include :

		(INR in Lakhs)	
S. No.	Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a)	VRS Scheme expenses (Refer foot note (i))	(903)	-
(b)	Loss on remeasurement of previously held equity interest by Radiant Life Care (Refer note 35.15)	-	(19,592)
(c)	Stamp duty payable with respect to the Scheme (Refer note 35.15)	-	(3,778)
Total		(903)	(23,370)

(i) During the year ended March 31, 2022, one of the Managed Healthcare Facilities of the Group i.e. Dr. Balabhai Nanavati Hospital, announced a Voluntary Retirement Scheme ("VRS Scheme") for its eligible employees. The expenditure related to VRS Scheme amounting to INR 903 Lakhs was recorded for the year ended March 31, 2022 as an exceptional items.

35.19 Details of entities and their respective share in consolidated financials:

Particulars	Country of incorporation	Proportion of ownership as at March 31, 2022	Net Assets, i.e., total assets minus total liabilities		Share in total comprehensive income/(loss) (refer note 2.1)	
			As at March 31, 2022		For the year ended March 31, 2022	
			As % of consolidated net assets	Amount (in INR lakhs)	As % of consolidated profit or loss	Amount (in INR lakhs)
Parent						
Max Healthcare Institute Limited	India		100%	6,30,902	55%	33,200
Subsidiaries and Silos						
Max Hospitals And Allied Services Limited (Formerly known as Radiant Life Care Mumbai Private Limited)	India	100%	3%	16,866	-1%	(405)
Hometrail Buildtech Private Limited	India	100%	3%	15,969	11%	6,753
ALPS Hospital Limited	India	100%	2%	11,149	4%	2,648
Crosslay Remedies Limited	India	100% [refer footnote 24 (iv) (d)]	4%	25,660	18%	10,681
Saket City Hospitals Limited	India	100%	0%	(1,337)	1%	898

Notes

forming part of Consolidated financial statements

Particulars	Country of incorporation	Proportion of ownership as at March 31, 2022	Net Assets, i.e., total assets minus total liabilities		Share in total comprehensive income/(loss) (refer note 2.1)	
			As at March 31, 2022		For the year ended March 31, 2022	
			As % of consolidated net assets	Amount (in INR lakhs)	As % of consolidated profit or loss	Amount (in INR lakhs)
Dr. B.L. Kapur Memorial Hospital	India	[refer footnote (b)]	1%	4,662	15%	9,093
Dr. Balabhai Nanavati Hospital	India	[refer footnote (b)]	-3%	(20,384)	2%	1,077
Max Lab Limited	India	100% [refer footnote (c)]	0%	(1,134)	-3%	(1,645)
Max Healthcare FZ-LLC	United Arab Emirates	100% [refer footnote (d)]	0%	218	0%	(70)
MHC Global Healthcare (Nigeria) Limited	Nigeria	100%	0%	161	0%	(15)
ET Planners Private Limited	India	100% [refer footnote (e)]	0%	(48)	0%	(48)
Eqova Healthcare Private Limited	India	100% [refer footnote (f) and 21(iii)]	0%	(22)	0%	(31)
Total			109%	6,82,662	103%	62,136
Inter company elimination			-9%	(55,836)	0%	228
Purchase price allocation			0%	1,421	-3%	(1,594)
Gross total			100%	6,28,247	100%	60,770

Particulars	Country of incorporation	Proportion of ownership as at March 31, 2021	Net Assets, i.e., total assets minus total liabilities		Share in total comprehensive income/(loss) (refer note 2.1)	
			As at March 31, 2021		For the year ended March 31, 2021	
			As % of consolidated net assets	Amount (in INR lakhs)	As % of consolidated profit or loss	Amount (in INR lakhs)
Parent						
Max Healthcare Institute Limited	India		105%	5,93,943	120%	(16,479)
Subsidiaries and Silos						
Max Hospitals And Allied Services Limited (Formerly known as Radiant Life Care Mumbai Private Limited)	India	100%	3%	17,232	5%	(713)
Hometrail Buildtech Private Limited	India	100%	2%	9,664	-29%	3,917
ALPS Hospital Limited	India	100%	1%	3,474	-3%	469
Crosslay Remedies Limited	India	100% [refer note 22 (iv) b]	3%	14,832	-34%	4,658
Saket City Hospitals Limited	India	100%	0%	(2,333)	3%	(360)
Dr. B.L. Kapur Memorial Hospital	India	[refer footnote (b)]	-1%	(4,429)	1%	(158)
Dr. Balabhai Nanavati Hospital	India	[refer footnote (b)]	-4%	(21,460)	-5%	692
Total			108%	6,10,923	58%	(7,974)
Inter company elimination			-9%	(50,230)	15%	(2,071)
Equity accounting and Purchase price allocation			1%	3,175	27%	(3,659)
Gross total			100%	5,63,868	100%	(13,704)

Notes:

- (a) The above amounts / percentage of net assets and net profit or (loss) in respect of the Parent Company, its subsidiaries and silos are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.
- (b) Deemed separate entity i.e. 'Silos' (refer note 3.1)

Notes

forming part of Consolidated financial statements

- (c) On June 02, 2021, Max Lab Limited has been incorporated in India as a wholly owned subsidiary of the Company to inter alia pursue healthcare services or diagnostic testing, third party Hospital Lab Management in India or elsewhere, for providing range of diagnostic services including pathology lab services, prognostic monitoring services, testing to retail customers and other organisations etc.
- (d) On July 12, 2021, Max Healthcare FZ-LLC, has been incorporated in Dubai Healthcare City, United Arab Emirates as a wholly owned subsidiary of the Company for the purpose of business development and support services to potential international medical value travellers from Middle East and Africa region.
- (e) Step Down Subsidiary (ALPS Hospital Limited) w.e.f August 27, 2021. Refer note 35.28
- (f) Subsidiary w.e.f. February 15, 2022. Refer note 35.29

35.20 Note on Code of wages

The Code on Social Security,2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the code when it comes into effect and will record any related impact in the period the Code becomes effective.

35.21 Note on Covid -19

The Group has assessed the possible effects arising from COVID-19 pandemic in the preparation of these financial results. Based on the current assessment, the Group expects to recover the carrying value of its current and non-current assets including goodwill, intangible assets, property, plant and equipment, trade receivable and other receivable balances and other financial exposure. The Group will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial results as and when any material changes arise.

35.22 Consequent to the Composite Scheme (Refer note 35.15) coming into effect from June 1, 2020 and due to the impact of outbreak of COVID-19 (Refer note 35.21), figures for the current year ended March 31, 2022 are not comparable with figures for the year ended March 31, 2021. The figures for the previous year have been regrouped/ reclassified, wherever necessary, to correspond with the year's classification/ disclosure.

35.23 The Board of directors of the Company at their meeting held on March 26, 2021, approved the Scheme of Amalgamation (Merger By Absorption) of ALPS Hospital Limited (a fellow subsidiary of the Company) with Saket City Hospitals Limited and their respective Shareholders under Sections 230 to 232 and other applicable provisions and Rules under the Companies Act, 2013 ("the Act"). In this regard, on April 9, 2021 the Company has filed an application with Hon'ble National Company Law Tribunal, Mumbai branch for necessary approvals. During Current year, due to change in business plan of ALPS Hospital Limited, the board of Directors of ALPS Hospital Limited and Saket City Hospital Limited at their meetings held on November 29, 2021 have decided to the withdraw the Scheme and the same was duly intimated to Hon'ble NCLT.

35.24 The Board of Directors at their meeting held on May 16, 2022, approved the Scheme of Amalgamation of ALPS Hospital Limited (wholly owned subsidiary of the Company) with Max Hospitals and Allied Services Limited (formerly known as Radiant Life Care Mumbai Private Limited) (wholly owned subsidiary of the Company) under Sections 230 to 232 and other applicable provisions and Rules under the Companies Act, 2013 ("the Act"). In this regard, the Company is in process of complying with the necessary regulatory approvals.

35.25 The Board of the Company at their meeting held on December 18, 2021 took note of approval accorded by the Board of Saket City Hospitals Limited ('SCHL'), a wholly owned subsidiary of the Company for voluntary liquidation of SCHL. The Board has accorded in-principle approval for expeditious consolidation of SCHL's business with the Company on a going concern basis. Upon voluntary liquidation, existing business of SCHL will be distributed to the Company (only shareholder of SCHL) as going concern. As on date, the said transaction is subject to necessary approvals and yet to be completed.

35.26 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its Subsidiary Companies.

Notes

forming part of Consolidated financial statements

35.27 Disclosure under Rule 11(e) of the Company (Audit & Auditors) Rule, 2014

S. No.	Name of the Investor	Date	Amount	Nature of Fund	Name of Intermediary Company	Relationship
1.	Max Healthcare Institute Limited	August 27, 2021	5,000	Investment	ALPS Hospital Limited	Wholly-owned subsidiary

S. No.	Name of intermediary Company	Date	Amount	Nature of Fund	Name of Intermediary Company	Relationship
1.	ALPS Hospital Limited	August 27, 2021	5,000	Investment	ET Planners Private Limited	Wholly-owned subsidiary of ALPS and Step down subsidiary of MHIL

Notes:

- (i) Other than as disclosed above, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) No funds (which are material either individually or in the aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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.

35.28 Acquisition of ET Planners Private Limited ('ETPPL')

On August 27, 2021, the Group acquired 100% equity shares in ET Planners Private Limited (ETPPL) through its wholly owned subsidiary i.e. ALPS Hospital Limited for a cash consideration of Rs. 6,012 Lakhs, paid to ertshile shareholders of the ETPPL.

ETPPL has an exclusive and long term rights to provide medical services and aid development of 500 bedded hospital to be built on 3.5 acres of land situated between two of Max network facilities at Saket, South Delhi.

Details in respect of acquisition of ETPPL is provided below:

No.	Particulars	(INR in Lakhs)
A.	Consideration transferred	
(i)	Consideration paid by the Group	6,012
	Total consideration (A)	6,012
B.	Fair value of identifiable assets and liabilities recognised	
	Assets	
(i)	Intangible assets	8,034
(ii)	Other financial assets	500
(iii)	Cash and cash equivalents	1
	Total assets acquired (a)	8,535
	Liabilities	
(i)	Long term borrowings	500
(ii)	Deferred tax liabilities (net)	2,022
(iii)	Trade payables	1
	Total liabilities acquired (b)	2,523
	Net assets acquired (Assets - Liabilities) (B) (a-b)	6,012
C.	Goodwill (A-B)	-

Notes

forming part of Consolidated financial statements

35.29 Acquisition of Eqova Healthcare Private Limited ('Eqova')

On February 10, 2022, the Company entered into Shareholders Agreement for purchase of 100% equity of Eqova Healthcare Private Limited ('Eqova') in tranches. Accordingly, the Company acquired 26% stake in Eqova on February 15, 2022 and also placed a deposit of INR 6,840 Lakhs in escrow account towards purchase of a further stake of 34%, subject to agreed conditions precedent. Further, the Company shall acquire the remaining stake of 40%, upon exercise of put/ call options as per shareholders option agreement.

The management basis its assessment of non-controlling interest under Ind AS 110, considering the terms of Shareholders Agreement and Option Agreement, believes that the Group has 100% ownership interest in Eqova and has thus, recorded financial liability towards amount payable under Options Agreement at its present fair value ("Put Option Liability"). Further any subsequent change in the Put Option Liability is accounted for through corresponding charge directly to the shareholders' equity in the consolidated financial results.

Eqova has an exclusive and long term rights to provide medical services and aid development of 400 bedded hospital to be built on 2.1 acre land situated at East Delhi.

Details in respect of acquisition of Eqova is provided below:

No.	Particulars	(INR in Lakhs)
A.	Consideration transferred	
(i)	Consideration paid by the Group	4,718
(ii)	Consideration payable by the Group on the date of acquisition	13,677
	Total consideration (A)	18,395
B.	Fair value of identifiable assets and liabilities recognised	
	Assets	
(i)	Intangible assets	24,570
(ii)	Cash and cash equivalents	13
	Total assets acquired (a)	24,583
	Liabilities	
(i)	Other current liabilities	2
(ii)	Deferred tax liabilities (net)	6,186
	Total liabilities acquired (b)	6,188
	Net assets acquired (Assets-Liabilities)(B)(a-b)	18,395
C.	Goodwill (A-B)	-

35.30 The Group has neither proposed, declared nor paid any dividend during the year.

35.31 The Group does not have any transaction with struck off companies U/s 248 and 560 of the Companies Act, 2013.

35.32 The Group was not required to transfer any amount to Investor Education and Protection Fund during the year.

35.33 The figures have been rounded off to the nearest lakhs of rupees up to two decimal places. The figure "0" wherever stated represents value less than INR 50,000/-.

35.34 Note no. 1 to 35 forms integral part of the consolidated financial statements.

For and on behalf of the Board of Directors of
MAX HEALTHCARE INSTITUTE LIMITED

ABHAY SOI
(Chairman & Managing Director)
DIN:00203597
Place : Mumbai

YOGESH KUMAR SAREEN
(Chief Financial Officer)
ICAI Membership Number: 087383
Place : New Delhi

RUCHI MAHAJAN
(Company Secretary)
Membership Number: F5671
Place : New Delhi

Date : May 25, 2022

Place : New Delhi
Date : May 25, 2022

Notes

[illegible]

Notes

[illegible]

Notes

Corporate Information

**BOARD OF DIRECTORS
AS ON AUGUST 31 2022**

MR. ABHAY SOI
Chairman & Managing Director

MR. ANIL BHATNAGAR
Non-Executive Non Independent Director

MS. HARMEEN MEHTA
Non-Executive Independent Director

MR. K NARASIMHA MURTHY
Non-Executive Independent Director

MR. MAHENDRA GUMANMALJI LODHA
Non-Executive Independent Director

MR. MICHAEL THOMAS NEEB
Non-Executive Independent Director

MR. PRANAV AMIN
Non-Executive Independent Director

MR. PRASHANT KUMAR
Non-Executive Non Independent Director

CHIEF FINANCIAL OFFICER
MR. YOGESH KUMAR SAREEN
Senior Director & Chief Financial Officer

COMPANY SECRETARY
MS. RUCHI MAHAJAN
Senior Vice President - Company Secretary &
Compliance Officer

REGISTERED OFFICE

401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle
(West), Mumbai, Maharashtra-400056

CORPORATE OFFICE

2nd Floor, Capital Cyberscape, Sector-59, Gurugram,
Haryana-122011

STATUTORY AUDITORS

M/S DELOITTE HASKINS & SELLS
Chartered Accountants

SECRETARIAL AUDITORS

M/S SANJAY GROVER & ASSOCIATES
Company Secretaries

COST AUDITORS

M/S CHANDRA WADHWA & CO.
Cost Accountants

REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block,
Near Savitri Market, Janakpuri, New Delhi-110058

BANKS

AXIS BANK LIMITED
INDUSIND BANK LIMITED
HDFC BANK LIMITED
IDFC FIRST BANK LIMITED
ICICI BANK LIMITED
YES BANK LIMITED
STANDARD CHARTERED BANK KENYA LIMITED



 /MaxHospitalsIndia

 /@MaxHealthcare

 /company/max-healthcare

MAX HEALTHCARE INSTITUTE LIMITED

(Corporate Identification Number: L72200MH2001PLC322854)

Registered Office: 401, 4th Floor, Man Excellenza, S. V. Road, Vile Parle (West),
Mumbai City, Maharashtra - 400056

Corporate Office: 2nd Floor, Capital Cyberscape, Sector-59, Gurugram - 122011, Haryana

Email id: investors@maxhealthcare.com; secretarial@maxhealthcare.com

Phone: 022-26101035

www.maxhealthcare.in