Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To The Members of Apollo Health and Lifestyle Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Apollo Health and Lifestyle Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of 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.

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 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, 2023, and their consolidated loss, their consolidated total comprehensive loss, 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 (SAs) specified under section 143(10) of the Act. 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 sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Director'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 we do not 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, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance 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 loss, 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 respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Management of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are 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 has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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.

Other Matters

We did not audit the financial statements nine subsidiaries, whose financial statements reflect total assets of ₹ 25,295 lakhs as at March 31, 2023, total revenues of ₹ 21,468 lakhs and net cash inflows amounting to ₹ 633 lakhs for the year ended on that date, 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 as 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.

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 financial statements certified by the Management.

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 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 as on March 31, 2023 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, 2023 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 with reference to consolidated financial statements 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 and subsidiary companies incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements 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 incorporated in India, the remuneration paid by the Parent 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 31 to the consolidated financial statements;

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent 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 48 (vi) 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 or any of such subsidiaries 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.

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(b) The respective Managements of the Parent 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 48 (vii) to the consolidated financial statements, no funds have been received by the Parent 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 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that 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 Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 01, 2023 to the Parent and its subsidiaries which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Name of the Company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Apollo Specialty Hospitals Private Limited	U85100TG2009PTC099414	Wholly owned Subsidiary	ix (d)

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN: 23060408BGYGQD3265)

Place: Chennai
Date: May 29, 2023

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 with reference to consolidated financial statements 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 financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of **Apollo Health and Lifestyle Limited** (hereinafter referred to as "Parent") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, 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 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 with reference to consolidated financial statements of the Parent, 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to consolidated financial statements of the Parent, its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

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, its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements 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 Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to Nine subsidiary companies 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 LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN: 23060408BGYGQD3265)

Place: Chennai
Date: May 29, 2023

Apollo Health and Lifestyle Limited
Consolidated Balance Sheet as at March 31, 2023
All amounts are in ₹ lakhs except share data or as otherwise stated

	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	3(a)	29,386	26,122
	(b) Right-of-use of asset	33	48,258	35,423
	(c) Capital work-in-progress	3(b)	386	1,012
	(d) Goodwill	4	3,863	2,700
	(e) Other intangible assets	5	206	193
	(f) Financial assets			
	(i) Investments	6	18	18
	(ii) Other financial assets	7	5,112	4,048
	(g) Income tax assets	9A	3,168	4,102
	(h) Other non-current assets	10	3,382	1,289
	Total non-current assets		**93,779**	**74,907**
	Current assets			
	(a) Inventories	11	3,267	4,641
	(b) Financial assets			
	(i) Trade receivables	12	12,356	14,289
	(ii) Cash and cash equivalents	13	4,582	5,589
	(iii) Bank balances other than cash and cash equivalents	14	6,192	10,267
	(iv) Other financial assets	7	695	708
	(c) Contract assets		2,551	3,202
	(d) Other current assets	10	3,380	2,171
	Total current assets		**33,023**	**40,867**
	TOTAL ASSETS		**1,26,802**	**1,15,774**
B	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	15	13,113	12,850
	(b) Other equity	16	(8,778)	(6,104)
	Equity attributable to owners of the Company		**4,335**	**6,746**
	Non-controlling interests	17	1,098	818
	Total equity		**5,433**	**7,564**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	19,033	20,818
	(ii) Lease liabilities	33	57,594	44,841
	(iii) Other financial liabilities	19	399	354
	(b) Provisions	20	1,152	885
	(c) Deferred tax liabilities (net)	8	29	32
	Total non-current liabilities		**78,207**	**66,930**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	6,503	4,388
	(ii) Lease liabilities	33	4,030	3,795
	(iii) Trade payables	21		
	Total outstanding dues of micro enterprises and small enterprises		84	400
	Total outstanding dues of creditors other than micro enterprises and small enterprises		23,648	25,902
	(iv) Other financial liabilities	19	2,306	1,534
	(b) Provisions	20	590	442
	(c) Income tax liabilities	9B	242	4
	(d) Other current liabilities	22	5,759	4,815
	Total current liabilities		**43,162**	**41,280**
	Total liabilities		**1,21,369**	**1,08,210**
	TOTAL EQUITY AND LIABILITIES		**1,26,802**	**1,15,774**
	Corporate information and Significant accounting policies	1 & 2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W-100018)

Vikas Bagaria
Partner
Membership No. 060408
Place: Chennai
Date: May 29, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Apollo Health and Lifestyle Limited

Sangita Reddy
Managing Director
(DIN: 00006285)
Place: Hyderabad
Date : May 25, 2023

Krishnan Akhileswaran
Director
(DIN: 5299539)
Place: Chennai
Date : May 25, 2023

Apollo Health and Lifestyle Limited

Chandra Sekhar Chivukula
Chief Executive Officer
Place: Hyderabad
Date : May 25, 2023

Ashish Maheshwari
Chief Financial Officer
Place: Hyderabad
Date : May 25, 2023

Kamal Saboo
Company Secretary
Place: Hyderabad
Date : May 25, 2023

Apollo Health and Lifestyle Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023
All amounts are in ₹ lakhs except share data or as otherwise stated

	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Revenue from operations	23	1,23,114	1,31,251
II	Other Income	24	1,148	965
III	**Total Income (I+II)**		**1,24,262**	**1,32,216**
IV	**Expenses**			
	Cost of materials consumed	25	24,611	34,837
	Cost of services	26	41,543	38,924
	Employee benefits expenses	27	23,013	20,092
	Finance costs	28	6,945	6,931
	Depreciation and amortisation expenses	29	9,819	9,430
	Other expenses	30	22,132	17,736
	Total expenses (IV)		**1,28,063**	**1,27,950**
V	**Profit /(Loss) before tax (III-IV)**		**(3,801)**	**4,266**
VI	**Tax expense**			
	(i) Current tax (including prior year tax expense)		246	1
	(ii) Deferred tax		(2)	(23)
	Total tax expenses		244	(22)
VII	**Profit / (Loss) for the year (V-VI)**		**(4,045)**	**4,288**
VIII	**Other comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the net defined benefit plans		(111)	(204)
	(b) income tax relating to items that will not be reclassified to profit or loss		-	-
	Total other comprehensive loss for the year		**(111)**	**(204)**
IX	**Total comprehensive Income / (loss) for the period (VII+VIII)**		**(4,156)**	**4,084**
	Profit / (Loss) for the year attributable to:			
	Owners of the Company		(4,328)	4,192
	Non controlling interests		283	96
			(4,045)	4,288
	Other comprehensive income for the year attributable to:			
	Owners of the Company		(108)	(202)
	Non controlling interests		(3)	(2)
			(111)	(204)
	Total comprehensive income /(loss) for the year attributable to:			
	Owners of the Company		(4,436)	3,990
	Non controlling interests		280	94
			(4,156)	4,084
	Earnings per equity share of ₹ 10 each, fully paid:			
	Basic and diluted (in ₹)	32	(3.32)	3.26

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W-100018)

Vikas Bagaria
Partner
Membership No. 060408
Place: Chennai
Date: May 29, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Apollo Health and Lifestyle Limited

Sangita Reddy
Managing Director
(DIN: 00006285)
Place: Hyderabad
Date : May 25, 2023

Krishnan Akhileswaran
Director
(DIN: 5299539)
Place: Chennai
Date : May 25, 2023

Apollo Health and Lifestyle Limited

Chandra Sekhar Chiyukula
Chief Executive Officer
Place: Hyderabad
Date : May 25, 2023

Ashish Maheshwari
Chief Financial Officer
Place: Hyderabad
Date : May 25, 2023

Kamal Saboo
Company Secretary
Place: Hyderabad
Date : May 25, 2023

Apollo Health and Lifestyle Limited

Consolidated Statement of cash flow for the year ended March 31, 2023

All amounts are in ₹ lakhs except share data or as otherwise stated

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flows from operating activities		
Profit /(Loss) before tax	(3,801)	4,266
Adjustments for:		
Depreciation and amortisation expense	9,819	9,430
Loss/(profit) on sale of property, plant and equipment (net) / written off	94	96
Finance costs	6,369	6,294
Interest income	(758)	(689)
Liabilities no longer required written back	-	(16)
Loss/(gain) on forex fluctuation	(4)	(3)
Gain on termination of leases	(208)	(105)
Rent waiver and concessions	-	(24)
Impairment loss recognised under expected credit loss model for trade receivable	1,770	909
Share based payment to employees	2	256
	13,283	20,414
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	288	(5,910)
- Inventories	1,386	(2,529)
- Other assets	(1,194)	(3,051)
- Balances held as margin money deposits	-	-
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	(2,805)	7,834
- Other liabilities	1,588	2,781
- Provisions	306	205
	(431)	(670)
Cash generated from operating activities	12,852	19,744
Income taxes paid	930	(2,119)
Net cash flows operating activities [A]	**13,782**	**17,625**
B. Cash used in investing activities		
Purchase of property, plant and equipment (Including capital work-in-progress, capital advances, capital payable, goodwill and other intangible assets)	(8,751)	(6,799)
Payment for acquisition of business	(3,500)	-
Proceeds from disposal of property, plant and equipment	79	40
Movement in other bank balances	2,890	91
Interest received	718	600
Net cash used in investing activities (B)	**(8,564)**	**(6,068)**
C. Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	3,501	-
Proceeds from issue of preference shares by subsidiary company	-	150
Repayment of long term borrowings	(3,563)	(3,189)
Proceeds from long term borrowings	2,500	2,041
Proceeds from short - term borrowings (net)	1,349	367
Interest paid	(2,169)	(2,110)
Payment of lease liabilities	(7,843)	(7,437)
Net cash (used in) / generated from financing activities (C)	**(6,225)**	**(10,178)**
Net increase in cash and cash equivalents (A+B+C)	**(1,007)**	**1,379**
Cash and cash equivalents at the beginning of the year	5,589	4,210
Cash balance acquired on the acquisition of subsidiary	-	-
Cash and cash equivalents at the end of the year	**4,582**	**5,589**

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Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Notes:

(i) Cash and cash equivalents comprises of

(a) Balances with banks		
- in current accounts	2,124	3,118
(b) Cash on hand	143	247
(c) in deposit accounts		
- Original maturity less than 3 months	2,315	2,224
Cash and cash equivalents as per consolidated statement of cash flows	**4,582**	**5,589**

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W-100018)

Vikas Bagaria
Partner
Membership No. 060408
Place: Chennai
Date: May 29, 2023

For and on behalf of the Board of Directors
Apollo Health and Lifestyle Limited

Sangita Reddy
Managing Director
(DIN: 00006285)
Place: Hyderabad
Date : May 25, 2023

Krishnan Akhileswaran
Director
(DIN: 5299539)
Place: Chennai
Date : May 25, 2023

Chandra Sekhar Chivukula
Chief Executive Officer
Place: Hyderabad
Date : May 25, 2023

Ashish Maheshwari

Ashish Maheshwari
Chief Financial Officer
Place: Hyderabad
Date : May 25, 2023

Kamal Saboo
Company Secretary
Place: Hyderabad
Date : May 25, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Statement of changes in equity
a. Equity share capital

	No. of shares	Amount
Balance as at April 1, 2021	12,84,00,522	12,840
Issue of shares	1,00,000	10
Balance as at March 31, 2022	12,85,00,522	12,850
Issue of shares	26,32,609	263
Balance as at March 31, 2023	13,11,33,131	13,113

b. Other equity

	Reserve and surplus					Items of other comprehensive income	Non-controlling interests	Total
	Securities premium	Share options outstanding account	Capital reserve on common control transaction	Capital reserve	Retained earnings	Equity investments through other comprehensive income		
Balance as at April 1, 2021	91,693	725	(7,543)	(22)	(95,237)	(84)	631	(9,837)
Profit for the year	-	-	-	-	4,192	-	96	4,288
Other comprehensive income /(loss) for the year, net of taxes	-	-	-	-	(202)	-	(2)	(204)
Total Comprehensive income for the year	-	-	-	-	3,990	-	94	4,084
Premium on shares issued during the year	123	-	-	-	-	-	-	123
Capital reserve on additional investment in subsidiary	-	-	-	-	-	-	-	-
Equity component of preference shares	-	-	-	(3)	-	-	89	86
Other Adjustments	-	-	-	(2)	-	-	4	2
Expenses arising from share based payment transactions	-	256	-	-	-	-	-	256
Balance as at March 31, 2022	91,816	981	(7,543)	(27)	(91,247)	(84)	818	(5,286)
Profit / (loss) for the period	-	-	-	-	(4,328)	-	283	(4,045)
Other comprehensive income for the period, net of taxes	-	-	-	-	(108)	-	(3)	(111)
Total Comprehensive income for the period	-	-	-	-	(4,436)	-	280	(4,156)
Premium on shares issued during the period	3,238	-	-	-	-	-	-	3,238
Capital reserve on common control transaction	-	-	(1,478)	-	-	-	-	(1,478)
Other Adjustments	-	-	-	-	-	-	-	-
Recognition of share-based payments	-	2	-	-	-	-	-	2
Balance as at March 31, 2023	95,054	983	(9,021)	(27)	(95,683)	(84)	1,098	(7,680)

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W-100018)

Vikas Bagaria
Partner
Membership No. 060408
Place: Chennai
Date: May 29, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Apollo Health and Lifestyle Limited

Sangita Reddy
Managing Director
(DIN: 00006285)
Place: Hyderabad
Date: May 25, 2023

Krishnan Akhileswaran
Director
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Place: Chennai
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Chief Executive Officer
Place: Hyderabad
Date : May 25, 2023

Ashish Maheshwari
Chief Financial Officer
Place: Hyderabad
Date : May 25, 2023

Apollo Health and Lifestyle Limited

Kamal Saboo
Company Secretary
Place: Hyderabad
Date : May 25, 2023

1. Corporate Information

Apollo Health and Lifestyle Limited ('the Company') is a Public Company incorporated in India. The main business of the Company and its subsidiaries (together "the Group") is to provide comprehensive, high-quality healthcare services by establishing owned and franchisee clinics & hospitals across India. The principal activities of the Group include operation of Specialty hospitals, Maternity hospitals, Clinics, Diagnostic centers, Sugar clinics, Dental clinics and Dialysis centers. The parent Company is Apollo Hospitals Enterprise Limited.

2. Significant accounting policies

A. Statement of compliance

The financial statements which comprise the Balance sheet, the Statement of Profit and Loss, the Cash flow statement and the Statement of changes in Equity ("Financial Statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company has consistently applied accounting policies to all periods.

B. Basis of preparation and presentation

The Consolidated financial statements include accounts of Apollo Health and Lifestyle Limited ("the Company") and its subsidiaries Apollo Specialty Hospitals Private Limited, Apollo Bangalore Cradle Limited, Kshema Healthcare Private Limited, Apollo Sugar Clinics Limited, Alliance Dental Care Limited, Apollo Dialysis Private Limited, AHLL Risk Management Private Limited, AHLL Diagnostics Limited, Surya Fertility Centre Limited; all together referred to as "the Group".

The consolidated financial statements have been prepared on accrual basis and on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian Rupees and all values are rounded off to the nearest lakh except otherwise stated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

C. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. The Consolidated financial statements comprise the financial statements of the group as of March 31, 2021 and March 31, 2020. Control is achieved when the Company:

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• has power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affect its returns.

The Company reassesses 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 listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• potential voting rights held by the Company, other vote holders or other parties;
• rights arising from other contractual arrangements; and
• 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.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company 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 intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries
Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. 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. When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

D. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions about the carrying amount of assets and liabilities, disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented. Actual results may differ from these estimates.

The Management believes that the estimates used in preparation of Financial Statements are prudent and reasonable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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The following are the critical judgements and estimates that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

a) Useful lives of Property, plant and equipment and intangible assets
Property, plant and equipment represent a significant proportion of the asset base of the Group. 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 Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

b) Fair value measurement of financial instruments
Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Group also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

c) Income taxes
The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

d) Deferred tax
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

e) Share based payments
Share-based payments Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 39.

f) Impairment of investments
The Company reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections covering generally a period of five years (which are based on key assumptions such as margins, expected growth rates based on past experience and Management's expectations/ extrapolation of normal increase/ steady terminal growth rate) and appropriate discount rates that reflects current market assessments of time value of money and risks specific to these investments. The cash flow projections included estimates for five years developed using internal forecasts and terminal growth rate thereafter. The management believes that any reasonable possible change 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 the investments.

g) Defined benefit obligations
The Group uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine such employee benefit obligations.

h) Claims, provisions and contingent liabilities
The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years

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to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

i) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

j) Lease commitments - the Company as lessee

The Group has entered into leases for centers and office premises. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the office premises / centers and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and the office premises and accounts for the contracts as operating leases. Further, refer note 34, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.

E. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes.

Goodwill is measured as the excess of the sum of the consideration transferred, 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) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

F. Goodwill

Goodwill arising on acquisition is recognised based on the difference between the purchase consideration and assets acquired during acquisition. The same is carried at cost as established at the date of acquisition less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's 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 the statement of Profit and 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.

G. Revenue recognition

The Company earns revenue primarily by providing healthcare services operates through various multispecialty hospitals and clinics across India.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is reduced for rebates and loyalty points granted upon purchase and are stated net of discounts wherever applicable.

The Company assessed its revenue arrangements against specific criteria to determine it is acting as principal or agent. The service revenues are presented net of related doctor fee in cases where the Group is not the primary obligor and does not have the pricing latitude.

Rendering of services:

(a) Healthcare Services
Revenue primarily comprises fees charged for outpatient healthcare services. Services include charges for consultation for medical professional services and diagnostic services.

(b) Other Services
(i) Project Consultancy income is recognised based on the contractual terms as and when the services are rendered.
(ii) One-time franchise license fees is recognised based on achievement of the milestones as per the terms of the contract and where ever there is no bifurcation of total fee then over the period of the agreement.
(iii) Franchisee license fee is recognised on accrual basis as per the terms of the contracts.
(iv) Other services fee is recognized on basis of the services rendered and as per the terms of the agreement.

Loyalty Points
Sales of goods that result in award credits for customers, under the Group's loyalty points schemes are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value - the amount for which the award credits could be sold separately. Such consideration is not recognised as revenue at the time of the initial sale transaction - but is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled.

Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income
Rental Income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the stand alone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group receive payments from customers based upon contractual billing schedules and upon submission of requisite documentation; accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets includes amounts related to our contractual right to consideration for completed performance obligations not yet invoiced. Contract liabilities include payments received in advance of satisfying a performance obligation as per the terms of the contract. Revenue in this case shall be recognised based on the aforementioned accounting policy as applicable to that customer.

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Apollo Health and Lifestyle Limited

Use of significant judgements in revenue recognition
- The Group's contracts with customers could include promises to render multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also applied in the assessment of principal versus agent considerations with respect to contracts with customers and doctors which is determined based on the substance of the arrangement.

- Judgement is also applied to determine the transaction price of the contract. The transaction price shall include a fixed amount of customer consideration and components of variable consideration which constitutes amounts payable to customer, discounts, commissions, disallowances and redemption patterns of loyalty customers. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

Use of Practical expedients
Transaction price allocated to the remaining performance obligations

The Group has applied practical expedient with respect to non disclosure of information with respect of remaining performance obligations considering the fact that the company's performance obligations, i.e. the treatment in case of healthcare segment and the lab investigation segment has an original expected duration of one year or less.

Significant financing component
The Group has applied the practical expedient with respect of non-adjustment of transaction price for the effects of significant financing components, since the company expects at the inception of the contract that the period between the receipt of consideration from the customer and the satisfaction of performance obligations will be one year or less.

Recognition of asset with respect to cost of obtaining a contract and cost to fulfil the contract.

The Group has applied practical expedient of recognizing the incremental costs of obtaining a contract as an expense when incurred since the company expects that the amortisation period of the asset that the entity otherwise would have recognised is one year or less.
The impact of applying Ind AS 115 Revenue from contracts with customers instead of applying erstwhile Ind AS 18 Revenue is insignificant.

H. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and Right-of-Use of asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer note 34, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.

<u>Group as a lessor</u>

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 on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

I. Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of Profit and Loss in the period in which they are incurred.

J. Employee benefits

<u>Defined contribution plan</u>
Employee benefits in the form of provident fund, employees' state insurance fund and labour welfare fund are considered as defined contribution plan. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

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Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972 as amended, the Group provides for gratuity, a defined benefit retirement plan ('the Gratuity plan') covering eligible employees. The Gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitations or termination of employment, of an amount based on the respective employee's salaries and tenure of employment with the Group. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and not reclassified to profit or loss.

Short-term and other long-term employee benefits

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group fully contributes all ascertained liabilities to the fund maintained with the Insurer. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur.

K. Share-based payment transactions of the Group

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in notes to accounts.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

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.

L. Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

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Current tax
Current tax is determined as the amount of tax payable in respect of the taxable income for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961. Taxable profit differs from "Profit before tax" as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred tax
Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such, deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

Current and Deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

M. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

An item of Property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain/loss arising on the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Depreciation
Depreciation on Property, plant and equipment is recognised on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013
Estimated useful life is as follows:

Asset	Useful lives in years
Plant and equipment	5- 15 years
Medical equipment	13 years
Furniture and fixtures	10 years
Vehicles	8 years
Electrical installation	10 years
Office equipment	5 years
Computers	3 years

The estimated useful lives, residual values and depreciation method are periodically reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

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Leasehold improvements are amortised over the lower of estimated useful life and lease term.

Capital work in progress are items of Property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

N. Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use. Intangible assets are amortised on the straight line method over their estimated useful life.

Amortisation
Amortisation on Intangible assets is recognised on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

Estimated useful life is as follows:

Asset	Useful lives in years
Computer software	3 years
Non-compete fees	Over the agreement period
Trademarks	Over the agreement period

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).
Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

O. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, 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).

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 of future cash flows have not been adjusted.

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 profit or loss.

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P. Inventories

The inventories comprise of medical consumables and others which are utilised in providing healthcare services dealt with by the Group are valued at lower of cost or net realisable value. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for applicable taxes wherever applicable, applying the First - In First - Out method.

Q. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

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

R. 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. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of the Profit and Loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories:

Non-derivative financial assets comprising amortised cost, investments in subsidiaries, equity instruments at fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) and non-derivative financial liabilities at amortised cost. Management determines the classification of its financial instruments at initial recognition.

The classification of financial instruments depends on the objective of the Group's business model for which it is held and on the substance of the contractual terms / arrangements.

<u>Non - derivative financial assets</u>

- Financial assets at amortised cost

  A financial asset shall be measured at amortised cost if both of the following conditions are met:

  - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

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- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents and eligible current and non-current assets.

Cash comprises cash on hand, cash at bank, cheques on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- Investments in subsidiaries

  On initial recognition, these instruments are recognised at fair value plus any directly attributable transaction costs. Subsequently they are measured at cost.

- Investments in Equity instruments at FVTOCI

  On initial recognition, the Group can make an irrevocable election (on an instrument-by- instrument basis) to present the subsequent changes in fair value in other comprehensive income (OCI) pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the "equity instruments through other comprehensive income". The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedge instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the Group's right to receive the dividends is established and the amount of dividend can be measured reliably.

- Financial assets at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for financial assets. A financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

  In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

  Financial assets included within the FVTPL category are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

<u>De-recognition of financial assets</u>

The Group de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset (except as mentioned above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received and receivable is recognised in the Statement of Profit and Loss.

<u>Impairment of financial assets</u>

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The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Non-derivative financial liabilities

- Financial liabilities at fair value through profit or loss (FVTPL)
  Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

- Financial liability subsequently measured at amortised cost
  Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently measured at amortised cost using the effective interest method.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liability
The Group de-recognises financial liabilities, when and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

S. Cash flow statements

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

T. Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares.

Basic earnings per share is computed by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit / (loss) attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects 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.

U. Segment reporting

The Group uses the management approach for reporting information about segments in annual financial statements. The management approach is based on the way the Chief Operating Decision maker organises segment within a Group for making an operating decisions and assessing performance. Reportable segments are based on

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services, legal structure, management structure and any other manner in which management disaggregates a company. Based on the management approach model the Group has determined that its business model is comprised of Clinics, Diagnostics, Cradle, Spectra, Dialysis, Dental and Risk Management.

V. Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below. Ind AS 16, Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized 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 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

W. New standards and interpretations not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework
The amendments 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 Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract
The amendments specify that the "cost of fulfilling" a contract comprises the "costs that relate directly to the contract". Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the "10 percent" test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

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All amounts are in ₹ lakhs except share data or as otherwise stated

Note 3(a): Property, plant and equipment

Description of Assets	Leasehold improvements	Medical equipment	Electrical installations	Office equipment	Computer	Furniture and fixtures	Plant and equipment	Vehicles	Total
I. Gross carrying value									
Balance as at April 1, 2021	**18,717**	**17,569**	**1,138**	**2,822**	**1,279**	**2,909**	**4,116**	**50**	**48,600**
Additions	1,700	3,005	231	331	363	170	86	-	5,886
Disposals	-	(207)	(6)	(13)	(2)	(20)	(81)	-	(329)
Balance as at March 31, 2022	**20,417**	**20,367**	**1,363**	**3,140**	**1,640**	**3,059**	**4,121**	**50**	**54,157**
Additions	1,729	3,096	82	583	419	266	29	-	6,204
Addition on acquisition of business (refer note 49(b))	1,397	819	432	62	41	131	374	43	3,299
Disposals	(224)	(437)	(104)	(28)	(10)	(17)	(49)	(2)	(871)
Balance as at March 31, 2023	**23,319**	**23,845**	**1,773**	**3,757**	**2,090**	**3,439**	**4,475**	**91**	**62,789**
II. Accumulated depreciation									
Balance as at April 1, 2021	**9,353**	**8,084**	**740**	**2,133**	**987**	**1,859**	**741**	**46**	**23,943**
Charge for the year	1,691	1,695	117	240	174	198	170	-	4,285
Disposals	-	(111)	(3)	(12)	(2)	(11)	(54)	-	(193)
Balance as at March 31, 2022	**11,044**	**9,668**	**854**	**2,361**	**1,159**	**2,046**	**857**	**46**	**28,035**
Charge for the year	1,735	1,794	123	279	284	172	269	3	4,659
Addition on acquisition of business (refer note 49(b))	435	348	293	27	28	83	160	33	1,407
Disposals	(199)	(319)	(97)	(26)	(10)	(15)	(30)	(2)	(698)
Balance as at March 31, 2023	**13,015**	**11,491**	**1,173**	**2,641**	**1,461**	**2,286**	**1,256**	**80**	**33,403**
III. Net carrying value									
As at March 31, 2022	9,373	10,699	509	779	481	1,013	3,264	4	26,122
As at March 31, 2023	10,304	12,354	600	1,116	629	1,153	3,219	11	29,386

i) The Group has not revalued it's property, plant and equipment during the year
ii) Property, plant and equipment are subject to pari pasu first charge on the Group's term loans (refer note 18).

Note 3 (b): Capital work-in-progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work -in -Progress	386	1,012

Capital work-in-progress ageing schedule for the year ended March 31, 2023:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in Progress	332	47	7	-	386

Capital work-in-progress ageing schedule for the year ended March 31, 2022:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
Projects in Progress	719	278	15	-	1,012

i) There is no CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.
ii) There are no projects which are suspended as at March 31, 2023 and March 31, 2022.

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Note 4: Goodwill	**As at March 31, 2023**	**As at March 31, 2022**
Carrying amount of Goodwill	3,863	2,700

	Goodwill
I. Gross carrying value	
Balance as at April 1, 2021	2,717
Recognised on business combination during the year	-
Balance as at March 31, 2022	**2,717**
Recognised on business combination during the year (refer note 49 (a))	1,163
Balance as at March 31, 2023	**3,880**
II. Accumulated Impairment losses	
Balance as at April 1, 2021	17
Charge for the year	-
Balance as at March 31, 2022	**17**
Charge for the year	-
Balance as at March 31, 2023	**17**
III. Net carrying value	
As at March 31, 2022	2,700
As at March 31, 2023	**3,863**

Allocation of goodwill to cash generating units

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Sugars	1,845	1,845
Dental	368	368
Spectra	250	250
Dialysis	2	2
Cradle	235	235
Diagnostics (refer note 49(a))	1,163	-
	3,863	**2,700**

Goodwill of Rs. 3,863 Lakhs (March 31, 2022 : Rs.2,700 Lakhs) has been allocated to the Sugars, Dental, Spectra, Dialysis and Cradle CGUs. The estimated value in use of this cash generating unit is based on future cash flows using a 5% annual growth rate for the periods subsequent to the forecast period of 5 years as the management believes this to be the most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows and terminal growth rate of 5% for subsequent periods. Discount rate of 11% is considered. Based on management assessment of discounted future cash flows no impairment triggers or indicators were identified. Consequently, no impairment provision is made.

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All amounts are in ₹ lakhs except share data or as otherwise stated

Note 5 Other Intangible Assets

	As at March 31, 2023	As at March 31, 2022
Carrying amounts of		
Computer software	206	193
	206	**193**

	Computer software
I. Gross carrying value	
Balance as at April 1, 2021	**1,179**
Additions	132
Balance as at March 31, 2022	**1,311**
Additions	158
Addition on acquisition of business (refer note 49 (b))	8
Disposals	(1)
Balance as at March 31, 2023	**1,476**
II. Accumulated Amortisation	
Balance as at April 1, 2021	**951**
Amortisation expense	167
Balance as at March 31, 2022	**1,118**
Amortisation expense	147
Addition on acquisition of business (refer note 49 (b))	6
Disposals	(1)
Balance as at March 31, 2023	**1,270**
III. Net Carrying Value	
As at March 31, 2022	193
As at March 31, 2023	**206**

i) The Group has not revalued any of it's intangible assets during the year.

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Note 6 Investments

	As at March 31, 2023	As at March 31, 2022
Investments in unquoted equity instruments	18	18
Total	**18**	**18**

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amounts	No of shares	Amounts
Non-current				
Investments in unquoted equity instruments				
Investments in equity instruments at FVTOCI (refer note 45)				
Searchlight Health Private Limited	2,01,000	18	2,01,000	18
Sunrise Medicare Private Limited	78	- *	78	- *
Total non-current investments (A)		**18**		**18**
Aggregate carrying value of unquoted investments		18		18

* denotes amounts rounded off being less than rupees one lakh

Note: The Group has complied with number of layers prescribed under clause 87 of sec 2 of the Companies act 2013, read with the Companies (Restriction on number of layers) Rules, 2017.

Note 7 Other financial assets

	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
(Unsecured, considered good unless otherwise stated)				
Security deposits	3,591	455	3,763	396
Interest accrued:				
- from bank deposits	-	29	-	71
Tender deposits	-	36	-	26
Bank deposits with the residual maturity of more than 12 months*	1,311	-	125	-
Other receivable	210	175	160	215
Total	**5,112**	**695**	**4,048**	**708**

*Deposits with a carrying amount of ₹ 37 lakhs (March 31, 2022: ₹ 124 lakhs) are towards margin money given for bank guarantees.

Note 8 Deferred tax balances

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	-	-
Deferred tax liabilities	29	32
Total	**29**	**32**

2022-23	**Opening balance**	**Recognised in profit or loss**	**Recognised on acquisition of subsidiary**	**Recognised in other comprehensive income**	**Closing balance**
Deferred tax (liabilities)/assets in relation to:					
Property, plant and equipment	(46)	2	-	-	(44)
Financial assets measured at FVTOCI	(1)	-	-	-	(1)
Provision for employee benefits	15	1	-	-	16
	(32)	**3**	**-**	**-**	**(29)**

2021-22	**Opening balance**	**Recognised in profit or loss**	**Recognised on acquisition of subsidiary**	**Recognised in other comprehensive income**	**Closing balance**
Deferred tax (liabilities)/assets in relation to:					
Property, plant and equipment	(72)	26	-	-	(46)
Financial assets measured at FVTOCI	(1)	-	-	-	(1)
Provision for employee benefits	18	(3)	-	-	15
	(55)	**23**	**-**	**-**	**(32)**

Note 9A Income tax assets

	As at March 31, 2023	As at March 31, 2022
Advance tax/ TDS receivable	3,168	4,102
Total	**3,168**	**4,102**

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All amounts are in ₹ lakhs except share data or as otherwise stated

Note 9B Income tax Liabilities

	As at March 31, 2023	As at March 31, 2022
Provision for income tax	242	4
Total	**242**	**4**

Note 10 Other assets
(unsecured considered good unless otherwise stated)

	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Capital advances*	2,694	-	687	-
Balances with statutory / government authorities	81	5	81	7
Less: Impairment allowance	(20)	-	(20)	-
	61	5	61	7
Prepaid expenses	74	205	24	179
Advance contribution for gratuity (refer note 37)	-	13	-	9
Advance to employees	-	199	-	194
Advances to suppliers*				
- Considered good	-	2,958	-	1,782
- Considered credit impaired	-	29	-	29
	-	2,987	-	1,811
Less: Impairment allowance	-	(29)	-	(29)
	-	2,958	-	1,782
Other deposits [telephone, electricity deposits, for other utility, etc.)	553	-	517	-
Total	**3,382**	**3,380**	**1,289**	**2,171**

*Capital Advances and Advances paid to suppliers include amounts paid to related parties (refer note: 38)

Note 11 Inventories
(valued at lower of cost and net realisable value.)

	As at March 31, 2023	As at March 31, 2022
Medical consumables and others	3,267	4,641
Total	**3,267**	**4,641**

Note 12 Trade receivables

	As at March 31, 2023	As at March 31, 2022
(Unsecured)		
- Considered good	12,356	14,289
- Credit impaired	4,799	3,052
	17,155	17,341
Allowance for credit impaired	(4,799)	(3,052)
Total	**12,356**	**14,289**

Notes:

i. The average credit period on sale of services generally ranges between 30-60 days from the date of invoice.

ii. In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

iii. Trade receivables are unsecured and are derived from revenue earned from providing healthcare services. No interest is charged on the outstanding balance, regardless of the age of the balance. There are no customers who represent more than 10% of the total balance of trade receivables.

iv. The Company has used a practical expedient by computing the expected credit loss allowance for receivables based on a provision matrix . The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the aging of the days the receivables are due and the rates as given in the provision matrix

v. Includes amount receivable from related parties (Refer Note 38)

vi. Movement in the expected credit loss allowance.

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of the year	3,052	2,342
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	1,747	909
Provision released	-	(199)
Balance at end of the year	**4,799**	**3,052**

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vii. Trade receivables ageing schedule as on 31 March 2023

Particulars	Outstanding for the following periods from the date of transaction					Total
	Less than 6 months	6 months to 1 year	1 - 2 years	2 -3 years	More than 3 years	
Undisputed – considered good	8,148	2,576	767	448	417	12,356
Undisputed – credit impaired	302	554	1,126	851	1,195	4,028
Disputed– considered good	-	-	-	-	-	-
Disputed– credit impaired	-	-	-	-	771	771
Total	**8,450**	**3,130**	**1,893**	**1,298**	**2,384**	**17,155**
Less: Allowance for credit loss	303	554	1,125	851	1,966	4,798
Net Trade receivables	**8,148**	**2,576**	**768**	**448**	**417**	**12,356**

Trade receivables ageing schedule as on 31 March 2022

Particulars	Outstanding for the following periods from the date of transaction					Total
	Less than 6 months	6 months to 1 year	1 - 2 years	2 -3 years	More than 3 years	
Undisputed – considered good	9,735	2,510	1,290	261	493	14,289
Undisputed – credit impaired	350	392	518	472	1,096	2,828
Disputed – considered good	-	-	-	-	-	-
Disputed – credit impaired	-	-	-	7	217	224
Total	**10,085**	**2,902**	**1,808**	**740**	**1,806**	**17,341**
Less: Allowance for credit loss	350	392	518	479	1,313	3,052
Net Trade receivables	**9,735**	**2,510**	**1,290**	**261**	**493**	**14,289**

viii. Trade receivables are subject to pari pasu first charge on the Group's term loans (refer note 18).

Note 13 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
(a) Balances with banks		
- in current accounts	2,124	3,118
(b) Cash on hand	143	247
(c) in deposit accounts		
- Original maturity less than 3 months	2,315	2,224
Total	**4,582**	**5,589**

Note 14 Bank balances other than Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
(a) in deposit accounts		
- Original maturity more than 3 months *	6,192	10,267
Total	**6,192**	**10,267**

*Deposits with a carrying amount of ₹ 78 lakhs (March 31, 2022: ₹ 16 lakhs) are towards margin money given for bank guarantees.

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All amounts are in ₹ lakhs except share data or as otherwise stated

Note 15 Equity Share Capital

	As at March 31, 2023	As at March 31, 2022
Authorised Share capital :		
150,000,000 Equity Shares (as at March 31, 2022: 150,000,000) of ₹ 10 each	15,000	15,000
Issued and subscribed capital comprises :		
131,133,131 fully paid (as at March 31, 2022: 128,500,522) of ₹ 10 each	13,113	12,850
	13,113	**12,850**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	Number of shares	Share capital
Balance as at April 1, 2021	12,84,00,522	12,840
Issued during the year	1,00,000	10
Balance at March 31, 2022	**12,85,00,522**	**12,850**
Issued during the period	26,32,609	263
Balance at March 31, 2023	**13,11,33,131**	**13,113**

(ii) Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10/- each. Each holder of equity share is eligible for one vote per share held. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders. The dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the ensuing General Meeting.

As per the terms of "Shareholders agreement and Subscription agreement" dated October 26, 2016 entered into amongst International Finance Corporation (IFC), the Company and Apollo Hospitals Enterprise Limited (AHEL), holding company. IFC has the right to exercise put option on shares from the end of 8th year till the end of 12th year of subscription either on the Company or on the parent entity i.e., Apollo Hospitals Enterprise Limited at

- principal amount (initial investment by investors) plus 2% IRR per annum on AHEL or
- fair market value on exercise date on AHLL

(refer note 46)

During the year ended March 31, 2023, the Company has alloted 26,32,609 equity shares of Rs. 133 each (including premium of Rs. 123 each) to Apollo Hospitals Enterprise Limited and Dr. Anupam Sibal on July 03, 2022.

(iii) Details of shares held by the holding company:

	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	Amount	Number of shares held	Amount
Apollo Hospitals Enterprise Limited	9,02,68,522	9,027	8,76,36,943	8,764

(iv) Details of shares held by each shareholder holding more than 5% of the equity shares:

	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Apollo Hospitals Enterprise Limited	9,02,68,522	68.84%	8,76,36,943	68.20%
International Finance Corporation	2,00,45,405	15.29%	2,00,45,405	15.60%
IFC EAF Apollo Investment Company	2,00,45,405	15.29%	2,00,45,405	15.60%

(v) Details of shares held by promoters as at March 31, 2023

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
M/s.Apollo Hospitals Enterprise Limited	9,02,68,522	68.84%	0.64%	8,76,36,943	68.20%	-0.05%
Dr.Prathap C Reddy	10	0.00%	0.00%	10	0.00%	0.00%
Ms.Preetha Reddy	10	0.00%	0.00%	10	0.00%	0.00%
Ms.Suneeta Reddy	10	0.00%	0.00%	10	0.00%	0.00%
Ms.Sangita Reddy	10	0.00%	0.00%	10	0.00%	0.00%

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Note 16 Other equity excluding non-controlling interests

	As at March 31, 2023	As at March 31, 2022
(i) Securities premium reserve	95,054	91,816
(ii) Reserve for equity instruments through other comprehensive income	(84)	(84)
(iii) Share options outstanding account	983	981
(iv) Capital reserve on common control transactions	(9,021)	(7,543)
(v) Capital reserve	(27)	(27)
(vi) Retained earnings	(95,683)	(91,247)
	(8,778)	**(6,104)**

(i) Securities premium reserve	For the period ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of year	91,816	91,693
Issue of shares during the year	3,238	123
Balance at end of the year	**95,054**	**91,816**

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Reserves for equity instruments through other comprehensive income	For the period ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of year	(84)	(84)
Net fair value changes on investments in equity instruments at FVTOCI	-	-
Balance at end of the year	**(84)**	**(84)**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

(iii) Share options outstanding account	For the period ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of year	981	725
Share option vested during the year	2	256
Shares allotted during the year	-	-
Reversed during the year	-	-
Balance at end of the year	**983**	**981**

Share options outstanding account relates to share options granted by the Company to its employees under its employee share option plan. These will be transferred to retained earnings after the exercise of the underlying options.

(iv) Capital reserve on common control transactions	For the period ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of year	(7,543)	(7,543)
Contribution during the year	(1,478)	-
Balance at end of the year	**(9,021)**	**(7,543)**

The balance at the beginning of the year represents loss on common control transaction arising on purchase of investments in Alliance Dental Care Limited and Apollo Dialysis Private Limited from Apollo Hospitals Enterprise Limited, parent company. Contribution during the year represents loss on common control transaction arising on purchase of Karapakkam unit from Apollo Hospitals Enterprise Limited by Apollo Specialty Hospitals Private Limited.

(v) Capital Reserve	For the period ended March 31, 2023	For the year ended March 31, 2022
Balance at beginning of year	(27)	(22)
Contribution during the year	-	-
Equity component of compound financial instruments	-	(3)
Others	-	(2)
Balance at end of the year	**(27)**	**(27)**

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(vi) Retained earnings	**For the period ended March 31, 2023**	**For the year ended March 31, 2022**
Balance at beginning of year	(91,247)	(95,237)
Profit /(Loss) attributable to owners of the Company	(4,328)	4,192
Other comprehensive income arising out of remeasurement of defined benefit obligation (Net of taxes)	(108)	(202)
Balance at end of the year	**(95,683)**	**(91,247)**

Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.

Note 17 Non-controlling interests

	For the period ended March 31, 2023	**For the year ended March 31, 2022**
Balance at beginning of year	818	631
Share of profit for the year	283	96
Equity component of compound financial instruments	-	89
Capital reserve	-	4
Other comprehensive income	(3)	(2)
Balance at end of the year	**1,098**	**818**

Note 17.1 Details of non-wholly owned subsidiaries of the Group that have material non controlling interests:

The table shows details of non-wholly owned subsidiaries of the Group that have material non controlling interests:

Name of the Subsidiaries	**Proportion of ownership interests and voting rights held by non-controlling interests**		**Profit/(Loss) allocated to non controlling interests**		**Accumulated non-controlling interests**	
	31-Mar-23	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**
Apollo Dialysis Private Limited	30.94%	30.94%	137	61	643	509
Alliance Dental Care Limited	30.91%	30.91%	37	(11)	(338)	(376)
Apollo Sugar Clinics Limited	20.00%	20.00%	109	46	793	685
			283	96	1,098	818

Note 18 Borrowings

	As at March 31, 2023		**As at March 31, 2022**	
	Non Current	**Current**	**Non Current**	**Current**
Secured - at amortised cost				
Long term loans from banks	18,653	4,322	20,478	3,560
Less: Unamortised borrowing costs	6	5	12	8
	18,647	4,317	20,466	3,552
Loan repayable on demand from banks	-	2,186	-	836
(ii) 0.1% Non convertible, non cumulative redeemable preference shares	386	-	352	-
Total	**19,033**	**6,503**	**20,818**	**4,388**

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Apollo Health and Lifestyle Limited

(i) During the FY 2021-22, the company has issued 186,267 0.01% Non-cumulative Non-convertiable Redeemable Preference Shares (NCRPS) of Rs. 10 per NCRPS at a premium of Rs. 258 per NCRPS, totalling to Rs.500 lakhs. The company has determined the liability component amounting to Rs. 204 lakhs which is disclosed as a financial liability under "Borrowings" and balance of Rs.296 lakhs is classified as capital contribution under "Other equity".
During the FY 2020-21, the company has issued 2,981,133 0.01% Non-cumulative Non-convertiable Redeemable Preference Shares (NCRPS) of Rs. 10 per NCRPS at a premium of Rs. 43 per NCRPS, totalling to Rs.1580 lakhs and 275,139 0.01% Non-cumulative Non-convertiable Redeemable Preference Shares (NCRPS) of Rs. 10 per NCRPS at a premium of Rs.156.14 per NCRPS, totalling to Rs.457 lakhs. The company has determined the liability component to Rs.831 lakhs which is disclosed as a financial liability under "Borrowings" and balance of Rs.1206 lakhs is classified as capital contribution under "Other equity".

(ii) Summary of borrowings from banks

Particulars	Principal O/S as on March 31, 2023	Principal O/S as on March 31, 2022	Details of repayment terms and Maturity	Nature of Security	Rate of Interest March 31, 2023	Rate of Interest March 31, 2022
ICICI Refinace	1,486	1,632	The loan is repayable in 25 structured quarterly instalments	Note(a)	9.10%	8.60%
HDFC Bank	3,769	4,367	The loan is repayable in 28 structured quarterly instalments	Note(b)	9.92%	6.84%
ICICI Bank	427	481	The loan is repayable in 26 quarterly instalments	Note(c)	9.10%	8.10%
HDFC Bank	4,697	5,946	The loan is repayable in 22 quarterly instalments	Note(d)	9.47%	6.80%
ICICI Refinance in CY	2,498	2,655	The loan is repayable in 14 quarterly instalments	Note(e)	8.80%	8.20%
ICICI Bank	3,000	976	The loan is repayable in 20 quarterly instalments	Note(f)	8.90%	7.95%
HDFC Bank	2,601	2,901	The loan is repayable in 28 quarterly instalments	Note(g)	9.47%	6.80%
HDFC Bank	2,014	2,087	The loan is repayable in 28 structured quarterly instalments	Note(h)	9.47%	7.50%
ICICI Bank	1,425	-	Renewal -annualy	Note(i)	9.15%	
ICICI Bank	1,453	1,656	The loan is repayable in 28 structured quarterly instalments,	Note(j)	8.80%	7.65%
ICICI Bank	319	486	The loan is repayable in 36 equal monthly instalments	Note(k)	7.70%	7.70%
ICICI Bank	761	836	Renewal -annualy	Note(l)	9.20%	7.70%
HDFC Bank	2	13	The loan is repayable in 60 Equal monthly instalments	Note(m)	10.25%	10.25%
HDFC Bank	217	276	The loan is repayable in 20 structured quarterly instalments	Note(n)	9.45%	8.55%
HDFC Bank	492	563	The loan is repayable in 16 structured quarterly instalments	Note(o)	9.65%	8.48%

Notes:

(a) Aggregate value (as per most recent audited accounts) of gross fixed assets and capital work in progess are reduced by the accumulated depreciation and all indebtness (as per most recent audited accounts) having equivalent or superior charge over such fixed assets/WIP.

(b) The HDFC term loan secured by first pari passu charge on movable fixed assets, rental and lease deposits and letter of comfort from Apollo Hospitals Enterprise Limited.

(c) Aggregate value (as per most recent audited accounts) of gross fixed assets and capital work in progess are reduced by the accumulated depreciation and all indebtness (as per most recent audited accounts) having equivalent or superior charge over such fixed assets/WIP

(d) Secured by First Pari-passu charge on movable fixed assets, current assets and letter of comfort for 20% of the loan value from Apollo Hospitals Enterprises Limited and Letter of Guarantee for 80% of loan value from Apollo Health and Lifestyle Limited.

(e) Aggregate value (as per most recent audited accounts) of gross fixed assets and capital work in progess are reduced by the accumulated depreciation and all indebtness (as per most recent audited accounts) having equivalent or superior charge over such fixed assets/WIP

(f) Aggregate value (as per most recent audited accounts) of gross fixed assets and capital work in progess are reduced by the accumulated depreciation and all indebtness (as per most recent audited accounts) having equivalent or superior charge over such fixed assets/WIP

(g) Secured by charge on movable fixed assets, current assets - receivables and letter of comfort from Apollo Hospitals enterprises Limited.

(h) Secured by charge on movable fixed assets, current assets - receivables and letter of comfort from Apollo Hospitals Enterprises Limited.

(i) 1st charge on entire current assets including receiable of the borrwer , both future and present.

(j) Secured by charge on movable fixed assets, current assets and letter of comfort from Apollo Hospitals Enterprise Limited.

(k) Secured by extension of second ranking charge over all the existing securities (including mortgage) created in favour of ICICI Bank for the existing facility

(l) 1st charge on entire fixed asest of borrwer both presenst and future 1st charge on entire current assets including receiable of the borrwer , both future and present.

(m) Secured by credit receivables, movable fixed assets and current assets

(n) Secured by exclusive charge on current assets and movable fixed assets (present and future) of the company. Corporate guarantee of Apollo Health and Lifestyle Limited to the extent of Rs.21Mn and Personal guarantee of Dr. GSK Velu to the extent of Rs.9Mn.

(o) Secured by exclusive charge on current assets and movable fixed assets (present and future) of the company. Corporate guarantee of Apollo Health and Lifestyle Limited to the extent of Rs.42Mn and Personal guarantee of Dr. GSK Velu to the extent of Rs.18Mn.

(iii) The Company has used the borrowings for the purposes for which it was taken.

(iv) The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Group with such banks are in agreement with the books of accounts of the Group

v) The Group has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act are not applicable

Note 19 Other financial liabilities

	As at March 31, 2023		As at March 31, 2022	
	Non Current	**Current**	**Non Current**	**Current**
Financial liabilities measured at amortised cost;				
Interest accrued but not due on borrowings#	-	109	-	93
Other liabilities				
- Payables on purchase of property, plant and equipment	-	1,477	-	1,314
- Retention money payable	-	23	-	30
- Security deposit	399	24	354	24
- Others*	-	673	-	73
Total	**399**	**2,306**	**354**	**1,534**

* contains an amount of Rs. 615 lakhs payable as purchase consideration towards acquisition of Andheri diagnostics during the FY 2022-23.
# interest accrued but not due is normally settled monthly /quarterly throughout the financial year

Note 20 Provisions

	As at March 31, 2023		As at March 31, 2022	
	Non Current	**Current**	**Non Current**	**Current**
Employee benefits (refer note 37)				
- Compensated absences	350	251	256	177
- Gratuity	802	339	629	265
Total	**1,152**	**590**	**885**	**442**

Note 21 Trade Payables

	As at March 31, 2023	As at March 31, 2022
Trade Payables		
-Total outstanding dues of micro enterprises and small enterprises	84	400
-Total outstanding dues of creditors other than micro enterprises and small enterprises	23,648	25,902
Total	**23,732**	**26,302**

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Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

i) Trade payables ageing schedule as on 31 March 2023

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
MSME	84	-	-	-	84
Others	14,999	5,651	787	2,211	23,648
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	**15,083**	**5,651**	**787**	**2,211**	**23,732**

Trade payables ageing schedule as on 31 March 2022

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
MSME	400	-	-	-	400
Others	20,730	1,872	1,636	1,664	25,902
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	**21,130**	**1,872**	**1,636**	**1,664**	**26,302**

ii) Amounts payable to related parties is disclosed in note 38.
iii) The Group's exposure to currency and liquidity risks related to trade payable is disclosed in note 41.

Note 22 Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Deferred revenue	103	88
Advances from customer	3,237	2,338
Statutory Liabilities	1,956	2,048
Customer loyalty programme	463	341
Total	**5,759**	**4,815**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Note 23 Revenue from operations (refer note 40)

	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of services	1,15,131	1,21,620
(b) Other operating revenues		
- Commission on pharmacy revenue	453	353
- Franchisee fee	4,442	3,202
- Others	3,088	6,076
Total	**1,23,114**	**1,31,251**

Note 24 Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
Interest on		
- bank deposits	471	548
- income tax refund	205	68
- other financial assets carried at amortised cost	82	73
	758	**689**
b) Others		
- Liabilities no longer required written back	-	16
- Rent waiver and concessions (refer note 33)	-	24
- Others (one time settlement from franchisee and etc.,)	178	128
	178	**168**
c) Other gains and losses		
- Gain on forex fluctuations (net)	4	3
- Gain on termination of leases (net)	208	105
	212	**108**
Total [a+b+c]	**1,148**	**965**

Note 25 Cost of materials consumed

	For the year ended March 31, 2023	For the year ended March 31, 2022
Medical consumables	24,611	34,837
Total	**24,611**	**34,837**

Breakup of cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Inventory	4,641	2,112
Add: Purchases	23,237	37,366
Less: Closing inventory	3,267	4,641
Total	**24,611**	**34,837**

Note 26 Cost of services

	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional fee to doctors	25,073	23,055
Laboratory tests and ambulance charges	2,742	2,603
Franchisee service charges	9,718	10,701
Sample transportation charges	1,238	1,273
Others (Patient diet expenses, Bio medical wastage, platform charges etc.,)	2,772	1,292
Total	**41,543**	**38,924**

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Note 27 Employee benefits expense	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, allowances and wages	20,728	17,755
Contribution to provident fund and other funds	1,040	879
Gratuity expenses (refer note 37)	288	244
Share based payments (refer note 39)	2	256
Staff welfare expenses	955	958
Total	**23,013**	**20,092**

Note 28 Finance costs	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on		
- bank overdrafts and loans	2,177	2,001
- liability component of preference shares	33	27
- Lease Liability (refer note 33)	4,147	4,220
- Others	-	46
Bank and other finance charges	588	637
Total	**6,945**	**6,931**

Note 29 Depreciation and amortisation expense	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (Refer Note 3)	4,659	4,285
Amortisation of intangible assets (Refer Note 5)	147	167
Depreciation on right-of-use of assets (refer note 33)	5,013	4,978
Total depreciation and amortisation expenses	**9,819**	**9,430**

Note 30 Other expenses		For the year ended March 31, 2023		For the year ended March 31, 2022
Power and fuel		2,484		2,119
House keeping expenses		2,646		2,093
Rent		1,626		1,327
Repairs and maintenance				
- Building		351		340
- Machinery		618		623
- Others		2,384		1,553
Communication expenses		755		603
Office maintenance expenses		884		652
Insurance		109		99
Rates and taxes		206		228
Printing and stationery		220		55
Recruitment charges		54		50
Advertisement and sales promotion		2,988		3,461
Travelling and conveyance		1,589		957
Legal and professional charges		2,992		2,269
Payment to auditors (refer note below)		99		99
CSR expenditure		10		5
Seminar expenses		16		5
Credit impaired Trade receivables and advances written off	158		68	
Less: Provision reversed	(158)	-	(67)	1
Impairment loss recognized under expected credit loss model for trade receivables		1,770		909
Loss on sale of property, plant and equipment (net)/ written off		94		96
Miscellaneous expenses		237		192
Total		**22,132**		**17,736**

Note: Payment to auditors (including GST)		
Statutory audit fee (including limited review fee)	99	99
	99	**99**

Note 31: Contingent liabilities and commitments

	As at March 31, 2023	As at March 31, 2022
A Contingent liabilities		
(i) Claims against the Company not acknowledged as debt		
- Income tax*	903	903
- Service tax**	35	35
- Other (in respect of compensation demanded by the patients / their relatives). The cases are pending with various Consumer Disputes Redressal Commission.#	1,917	1,780

Based on expert opinion obtained, the management believes that the Company has good chance of success in these cases.

* During the FY 2018-19, the Parent Company has received an order from income tax department for the Assessment year 2016-17. The Parent Company has filed an appeal against the said order and contending that no additional provision for tax expenses is necessary in the financial statements.

** During the FY 2020-21, the Group has received a showcause notice from Service tax department against the audit carried on by the department for the period Oct-2014 to June 2017 aggregating to Rs. 35 Lakhs excluding interest and penalties. The Group has deposited a sum of Rs. 35 Lakhs under protest against this demand and based on the legal opinion the demand has been considered as contingent.

	As at March 31, 2023	As at March 31, 2022
B Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,240	369

Note 32 Earnings per share

		For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Profit / (Loss) for the year attributable to the owners of the Group	A	(4,328)	4,192
Basic			
(ii) Weighted average number of equity shares of ₹ 10/- each outstanding during the year	B	13,04,62,357	12,84,81,618
Dilution			
(iii) Effect of potential equity shares on employees stock option outstanding		17,80,679	-
(iv) Weighted average number of equity shares of ₹ 10/- each outstanding during the year	C	13,22,43,036	12,84,81,618
Earnings per equity share of ₹ 10/- each			
(v) Basic (in ₹) - [A/B]		(3.32)	3.26
(vi) Diluted (in ₹) -[A/C] *		(3.32)	3.26

*The effect of dilution on account of convertible instruments being anti-dilutive, diluted EPS is restricted to basic EPS, as per para 43 of the Ind AS - 33 Earning per share.

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Note 33 Leases

Following are the changes in the carrying value of right of use assets for the year ended

Particulars	March 31, 2023	March 31, 2022
Opening Balance	35,423	36,746
Additions	18,792	4,026
Deletions	(944)	(371)
Depreciation	(5,013)	(4,978)
Closing Balance	**48,258**	**35,423**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss

The following is the movement in lease liabilities during the year ended

Particulars	March 31, 2023	March 31, 2022
Opening Balance	48,636	48,351
Additions	17,848	3,978
Deletions	(1,154)	(476)
Finance cost accrued during the year	4,147	4,220
Rent waivers and concessions	-	(24)
Payment of lease liabilities	(7,853)	(7,413)
Closing Balance	**61,624**	**48,636**

The following is the break-up of current and non-current lease liabilities as at

Particulars	March 31, 2023	March 31, 2022
Non-current lease liabilities	57,594	44,841
Current lease liabilities	4,030	3,795
Total	**61,624**	**48,636**

The table below provides details regarding the contractual maturities of lease liabilities on discounted basis

Particulars	March 31, 2023	March 31, 2022
Within one year	4,030	3,795
After one year but not more than five years	13,393	13,393
More than five years	44,201	31,448
	61,624	**48,636**

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Note 34 Segment information

(i) Products and services from which reportable segments derive their revenues

The Directors of the company identified Chief Executive Officer(CEO) of the company as Chief Operating Decision Maker (CODM).
Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the model of healthcare services delivered. The directors of the Company have chosen to organise the company around differences in products and services. Accordingly, Clinics, Diagnostics, Cradles, Spectra, Dental, Sugars, Dialysis and risk management have been identified as the operating segments. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The segments include a number of speciality hospitals/ clinics/diagnostic/surgery care centre formats in various cities within India, each of which is separately reviewed by the CODM. For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment taking into account the following factors:
The group operates mainly in India. Accordingly, there are no additional disclosures to be provided under Ind AS 108, other than those already provided in the financial statements.

- these operating segments have similar long-term gross profit margins;
- the nature of the products and production processes are similar; and
- the methods used to distribute the products to the customers are the same.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in consolidated financial statements with the following additional policies for Segment Reporting:

a. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "unallocable expenses".

b. Inter segment revenue and expenses are eliminated.

(ii) Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Segment Revenue		Segment Profit	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Clinics	19,317	34,373	514	4,416
Diagnostics	38,266	39,874	1,661	6,460
Spectra	25,974	28,210	1,036	1,764
Cradle	30,871	25,123	2,112	175
Sugar	3,101	2,355	492	196
Dialysis	7,944	5,618	681	377
Dental	4,146	2,815	428	302
Risk management	-	1	(33)	(32)
Total	**1,29,619**	**1,38,369**	**6,891**	**13,658**
Less: Inter Segment Revenue	(6,505)	(7,118)	15	15
Total	**1,23,114**	**1,31,251**	**6,906**	**13,673**
Other income			1,148	965
Unallocated expenses			(4,910)	(3,441)
Finance costs			(6,945)	(6,931)
Loss before tax			**(3,801)**	**4,266**

(iii) Segment assets and liabilities

	As at March 31, 2023	As at March 31, 2022
Segment Assets		
Clinics	11,935	11,234
Diagnostics	17,283	21,991
Spectra	21,136	16,423
Cradle	55,724	44,863
Sugar	5,039	4,835
Dialysis	7,332	6,239
Dental	3,355	3,594
Risk management	65	65
Total Segment Assets	**1,21,869**	**1,09,244**
Unallocated assets	86,563	85,293
Elimination	(81,631)	(78,763)
Consolidated total assets	**1,26,801**	**1,15,774**

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Segment liabilities		
Clinics	15,507	12,852
Diagnostics	7,989	14,512
Spectra	17,362	9,829
Cradle	49,426	43,206
Sugar	1,074	1,412
Dialysis	5,253	4,593
Dental	4,450	4,809
Risk management	146	113
Total Segment liabilities	**1,01,207**	**91,326**
Unallocated liabilities	24,706	22,062
Elimination	(4,544)	(5,178)
Consolidated total liabilities	**1,21,369**	**1,08,210**

(iv) Other segment information

	Depreciation and Amortisation		Addition to Non Current Assets	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Clinics	1,670	1,614	970	466
Diagnostics	1,210	1,069	1,135	1,923
Spectra	2,726	2,318	764	632
Cradle	3,155	3,422	2,262	2,284
Sugar	147	150	19	2
Dialysis	637	559	1,145	1,148
Dental	274	298	33	9
Total	**9,819**	**9,430**	**6,328**	**6,464**

Note 35 Disclosures required under sec 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	70	400
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	14	28
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (iv)	14	28

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.

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Note 36: List of subsidiaries considered for consolidation

Name of the company	Relationship	Country of incorporation	Percentage of voting power as at March 31, 2023	Share of Net assets		Share in profit/(Loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income	
				March 31, 2023		March 31, 2023		March 31, 2023		March 31, 2023	
				% of consolidated net assets	Amount	% of consolidated profit	Amount	% of consolidated other comprehensive income	Amount	% of consolidated total comprehensive income	Amount
Apollo Health and Lifestyle Limited	Parent	India		1449%	78,726	89%	(3,611)	41%	(46)	87.99%	(3,657)
Apollo Specialty Hospitals Private Limited	Subsidiary	India	100%	-63%	(3,396)	54%	(2,189)	45%	(50)	53.87%	(2,239)
Apollo Bangalore Cradle Limited	Step down Subsidiary	India	100%	32%	1,731	-17%	697	3%	(3)	-16.70%	694
Surya Fertility Centre Private Limited	Step down Subsidiary	India	100%	2%	131	0%	(20)	0%	-	0.48%	(20)
Kshema Healthcare Private Limited	Step down Subsidiary	India	100%	8%	455	0%	- *	0%	-	0.00%	-
AHLL Diagnostics Limited	Subsidiary	India	100%	0%	1	0%	(1)	0%	-	0.02%	(1)
AHLL Risk Management Private Limited	Subsidiary	India	100%	-1%	(81)	1%	(33)	0%	-	0.79%	(33)
Apollo Dialysis Private Limited	Subsidiary	India	69%	26%	1,436	-8%	306	5%	(6)	-7.22%	300
Alliance Dental Care Limited	Subsidiary	India	69%	-14%	(757)	-2%	83	0%	-	-2.00%	83
Apollo Sugar Clinics Limited	Subsidiary	India	80%	58%	3,172	-11%	434	3%	(3)	-10.37%	431
Apollo Cradle and Children Hospital Private Limited	Step down Subsidiary	India	100%	0%	8	0%	6	0%	-	-0.14%	6
Eliminations				-1419%	(77,090)		-		-	0.00%	-
Minority Interest in all subsidiaries											
Indian											
Apollo Dialysis Private Limited			31%	12%	643	-3%	137	2%	(2)	-3.25%	135
Alliance Dental Care Limited			31%	-6%	(339)	-1%	37	0%	-	-0.89%	37
Apollo Sugar Clinics Limited			20%	15%	793	-3%	109	1%	(1)	-2.60%	108
				100%	5,433	100%	(4,045)	100%	(111)		(4,156)

Name of the company	Relationship	Country of incorporation	Percentage of voting power as at March 31, 2022	Share of Net assets		Share in profit/(Loss)		Share in other comprehensive income		Share in total comprehensive income	
				March 31, 2022		March 31, 2022		March 31, 2022		March 31, 2022	
				% of consolidated net assets	Amount	% of consolidated profit	Amount	% of consolidated other comprehensive income	Amount	% of consolidated total comprehensive income	Amount
Apollo Health and Lifestyle Limited	Parent	India		1039%	78,572	145%	6,231	65%	(133)	149.31%	6,098
Apollo Specialty Hospitals Private Limited	Subsidiary	India	100.00%	-38%	(2,868)	-69%	(2,962)	32%	(66)	-74.14%	(3,028)
Apollo Bangalore Cradle Limited	Step down Subsidiary	India	100.00%	14%	1,035	15%	650	0%	- *	15.92%	650
Surya Fertility Centre Private Limited	Step down Subsidiary	India	100.00%	2%	149	0%	9	0%	-	0.22%	9
Kshema Healthcare Private Limited	Step down Subsidiary	India	100.00%	6%	455	0%	-	0%	-	0.00%	-
AHLL Diagnostics Limited	Subsidiary	India	100.00%	0%	2	0%	(1) *	0%	- *	-0.02%	(1)
AHLL Risk Management Private Limited	Subsidiary	India	100.00%	-1%	(48)	-1%	(32)	0%	-	-0.78%	(32)
Apollo Dialysis Private Limited	Subsidiary	India	69.06%	15%	1,137	3%	137	2%	(5)	3.23%	132
Alliance Dental Care Limited	Subsidiary	India	69.09%	-11%	(840)	-1%	(25)	0%	1	-0.59%	(24)
Apollo Sugar Clinics Limited	Subsidiary	India	80.00%	36%	2,739	4%	185	0%	1	4.55%	186
Eliminations				-973%	(73,587)		-			0.00%	
Minority Interest in all subsidiaries											
Indian											
Apollo Dialysis Private Limited			30.94%	7%	509	1%	61	1%	(2) *	1.44%	59
Alliance Dental Care Limited			30.91%	-5%	(376)	0%	(11)	0%	-	-0.27%	(11)
Apollo Sugar Clinics Limited			20.00%	9%	685	1%	46	0%	-	1.13%	46
				100%	7,564	100%	4,288	100%	(204)	100%	4,084

* denotes amounts rounded off being less than rupees one lakh.

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Note 37: Employee benefits

a. Defined contribution plans

The Group makes Provident Fund contributions which are defined contribution plans, for qualiying employees. The Group recognised ₹ 1040 Lakhs (Year ended March 31, 2022: ₹ 879 Lakhs) for provident fund contributions in the Statement of Profit and loss.

b. Defined benefit plans

The Group provides to the eligible employees defined benefit plans in the form of gratuity governed by Payment of Gratuity act, 1972. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

The following tables summarise net benefit expenses recognised in the statement of Profit and Loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

(i) Balance Sheet

The liabilities position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation	1,262	1,009
Fair Value of plan assets	(134)	(124)
(Asset)/Liability recognised in the Balance Sheet	**1,128**	**885**
Advance contribution for gratuity (refer note 10)	13	9
Provision for gratuity (refer note 20)	1,141	894

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

Particulars	Plan Assets	Plan Obligation	Total
As at April 1, 2021	**116**	**696**	**(580)**
Current service cost	-	209	(209)
Past Service cost		-	-
Interest cost	-	43	(43)
Interest Income	8	-	8
Actuarial gain/(loss) arising from changes in financial assumptions	-	(12)	12
Actuarial gain/(loss) arising from experience adjustments	-	216	(216)
Remeasurement - Return on Assets (Excluding Interest Income)	-	-	-
Benefit Paid	-	(143)	143
As at March 31, 2022	**124**	**1,009**	**(885)**
Current service cost	-	232	(232)
Interest cost	-	66	(66)
Interest Income	10	-	10
Actuarial gain/(loss) arising from changes in financial assumptions	-	-	-
Actuarial gain/(loss) arising from experience adjustments	-	111	(111)
Benefit Paid	-	(156)	156
As at March 31, 2023	**134**	**1,262**	**(1,128)**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee Benefit Expenses		
Current service cost	(232)	(209)
Past service cost	-	-
Interest cost	(66)	(43)
Interest Income	10	8
Other Adjustments	-	-
Net impact on profit before tax	**(288)**	**(244)**

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Remeasurement gain / (loss) recognised in other comprehensive income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurement of the net defined benefit plans:		
Actuarial gain/(loss) arising from changes in financial assumptions	-	12
Actuarial gain/(loss) arising from experience adjustments	(111)	(216)
Return on Plan Assets(Excluding Interest Income)	-	-
Remeasurement gain / (loss) recognised in other comprehensive income	**(111)**	**(204)**

(v) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.5% -7.53%	7.33% -7.4%
Attrition rate	3.00%- 35.00%	3.00%- 35.00%
Salary escalation rate	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(v) Sensitivity analysis
The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2023		As at March 31, 2022	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	1,229	1,295	978	1,031
Attrition rate (1% movement)	1,259	1,264	1,037	972
Salary escalation rate (1% movement)	1,302	1,222	1,002	1,006

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(v) Maturity analysis
Maturity profile of defined benefit obligation:

	As at March 31, 2023	As at March 31, 2022
Within 1 year	345	271
1-2 year	283	226
2-3 year	239	187
3-4 year	196	153
4-5 year	223	119
5-10 year	307	245

c. Compensated absences

The Group pay compensated absences to employees as an when claimed subject to the policies of the Group. The significant actuarial assumptions used for the purpose of the actuarial valuation were as follows:

	As at March 31, 2022	As at March 31, 2021
Discount rate	7.5% -7.53%	7.33% -7.4%
Attrition rate	3.00%- 35.00%	3.00%- 35.00%
Salary escalation rate	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2012-14) Ultimate table

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Note 38: Related party transactions

a) Names of related parties and description of relationship:

Name of the party	**Nature of relationship**
Apollo Hospitals Enterprise Limited	Holding Company
Apollo Pharmacies Limited	Entities in Which KMP/Directors or their relatives are interested
Air India Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Health Resources Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Munich Health Insurance Company Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Sindoori Hotels Limited	Entities in Which KMP/Directors or their relatives are interested
Blue Star Limited	Entities in Which KMP/Directors or their relatives are interested
Crisil Risk And Infrastructure Solutions Limited	Entities in Which KMP/Directors or their relatives are interested
Faber Sindoori Management Services Private Limited	Entities in Which KMP/Directors or their relatives are interested
Family Health Plan Insurance TPA Limited	Entities in Which KMP/Directors or their relatives are interested
Franklin Templeton Asset Management (India) Private Limited	Entities in Which KMP/Directors or their relatives are interested
Healthnet Global Limited	Entities in Which KMP/Directors or their relatives are interested
Hero Motorcorp Limited	Entities in Which KMP/Directors or their relatives are interested
Indian Hospitex Private Limited	Entities in Which KMP/Directors or their relatives are interested
Lifetime Wellness Rx International Limited	Entities in Which KMP/Directors or their relatives are interested
Medihauxe Healthcare Private Limited	Entities in Which KMP/Directors or their relatives are interested
Medsmart Logistics Private Limited	Entities in Which KMP/Directors or their relatives are interested
Medvarsity Online Limited	Entities in Which KMP/Directors or their relatives are interested
Meher Distributors Private Limited	Entities in Which KMP/Directors or their relatives are interested
Piramal Enterprises Limited	Entities in Which KMP/Directors or their relatives are interested
Indo National Limited	Entities in Which KMP/Directors or their relatives are interested
P Obul Reddy and Sons	Entities in Which KMP/Directors or their relatives are interested
Searchlight Health Private Limited	Entities in Which KMP/Directors or their relatives are interested
Stemcyte India Therapeutics Private Limited	Entities in Which KMP/Directors or their relatives are interested
Trivitron Healthcare Private Limited	Entities in Which KMP/Directors or their relatives are interested
Wipro GE Healthcare Private Limited	Entities in Which KMP/Directors or their relatives are interested
ACC Limited	Entities in Which KMP/Directors or their relatives are interested
Wipro Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Gleneagles Hospitals Limited	Entities in Which KMP/Directors or their relatives are interested
Imperial Hospitals and Research Centre Limited	Entities in Which KMP/Directors or their relatives are interested
Indraprastha Medical Corporation Limited	Entities in Which KMP/Directors or their relatives are interested
Maxivision Laser Centre Private Limited	Entities in Which KMP/Directors or their relatives are interested
Sanofi Synethelabo (India) Private Limited	Entities in Which KMP/Directors or their relatives are interested
Together against Diabetic Foundation Trust	Entities in Which KMP/Directors or their relatives are interested
Apollo Telehealth Services Private Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Shine Foundation	Entities in Which KMP/Directors or their relatives are interested
Apollo Rajshree Hospitals Private Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Hospitals International Limited	Entities in Which KMP/Directors or their relatives are interested
Hdfc Ergo General Insurance Company Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo 24X7	Entities in Which KMP/Directors or their relatives are interested
AHLL - One Apollo	Entities in Which KMP/Directors or their relatives are interested
Apollo Hospitals Educational And Research Foundation	Entities in Which KMP/Directors or their relatives are interested
Apollo Institute Of Medical Scineces And Research	Entities in Which KMP/Directors or their relatives are interested
Apollo International Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Wellness Rx Limited	Entities in Which KMP/Directors or their relatives are interested
Bluestar Limited	Entities in Which KMP/Directors or their relatives are interested
Mrs Sangita Reddy	KMP (Managing Director)
Mr.Krishnan Akhileswaran	Director
Mr. Chandra Sekhar Chivukula	KMP (Chief Executive Officer)
Mr. Prashant Jhaveri	KMP (Chief Financial Officer) up to November 2021
Mr.Ashish Maheshwari	KMP (Chief Financial Officer) From Novmeber 2021
Kamal Saboo	KMP (Company secretary)
Anindith Reddy Konda	Director
Mukesh Sabharwal	Director
Mr.Narotham Reddy	Director
Dr.Chandramohan Raju	Director
Dr.Shafath Ahmed	Director
Dr.Sanketh Kethi Reddy	Director
Dr.Sabitha MR	Director
Dr. Arun Chittaranjan	Director
Dr.K V Arun	Director
Mr.Anupam Sibal	Director
Dr. G.S.K. Velu	Director

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

b) Transactions during the year:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services		
Stemcyte India Therapeutics Private Limited	51	52
Apollo Gleneagles Hospitals Limited	119	93
Imperial Hospitals and Research Centre Limited	405	252
Indraprastha Medical Corporation Limited	-	10
Maxivision Laser Centre Private Limited	19	8
Apollo Hospitals Enterprise Limited	10,973	9,843
Assam Hospital Limited	50	6
Apollo Pharmacies Limited	2	12
Medversity Online Limited	6	1
Lifetime Wellness Rx International Limited	168	86
Sanofi Synethelabo (India) Limited	-	3
Apollo Home Healthcare Limited	1	-
Apollo Telehealth Services Private Limited	2	59
Bluestar Limited	1	1
Air India Limited	5	9
Franklin Templeton Asset Management (India) Private Limited	1	1
Indo National Limited	0	0
Apollo Healthco Limited(24/7)	7,026	-
Hdfc Ergo General Insurance Company Limited	697	1,026
Apollo Health Resources Limited	2	8
Family Health Plan Insurance (TPA) Limited	1,315	1,423
Apollo Medical Centre Kurnool	8	-
AHLL - One Apollo	8	-
Commission on pharmacy revenue		
Apollo Pharmacies Limited	393	278
Other operating income - consultancy		
Apollo Hospitals Enterprise Limited	-	4
Other operating income - others		
Stemcyte India Therapeutics Private Limited	181	182
Purchase of medical consumables		
Apollo Pharmacies Limited	2,847	3,323
Apollo Hospitals Enterprises Ltd	492	7,020
Medsmart Logistics Private Limited	2,101	2,058
Medihauxe Healthcare Private Limited	0	2
Trivitron Healthcare Private Limited	2	7
Imperial Hospital And Research Centre Limited	-	27
Laboratory test		
Apollo Hospitals Enterprise Limited	1,967	1,588
Assam Hospital Limited	28	4
Imperial Hospitals and Research Centre Limited	30	18
Apollo Gleneagles Hospital Limited	3	-
Indraprasta Medical Corpotation Ltd	32	101
Apollo Hospitals International Ltd	47	37
Rent		
Apollo Hospitals Enterprise Limited	161	157
Imperial Hospitals and Research Centre Limited	6	6
Purchase of asset		
Blue Star Limited	131	54
Wipro GE Healthcare Private Limited	306	253
Searchlight Health Private Limited	19	-
Medsmart Logistics Private Limited	-	1
Revenue sharing expenses		
Lifetime Wellness Rx International Limited	-	13

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Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2021
IT Charges		
Apollo Hospitals Enterprise Limited	14	15
Professional charges		
Crisil Risk And Infrastructure Solutions Limited	4	4
Apollo Hospitals Enterprise Limited	6	15
Healthnet Global Limited	29	
Prference share capital		
Dr. G.S.K. Velu	-	150
Professional fee to doctors and others		
Apollo Hospitals Enterprise Limited	27	17
Dr.Shafath Ahmed	10	11
Dr.Sanketh Kethi Reddy	24	21
Dr.K V Arun	9	10
Consultancy charges		
Mr.Krishnan Akhileswaran	10	9
Mr.Narotham Reddy	10	9
Mr.Anupam Sibal	-	1
Corporate Purchases		
Apollo Hospitals Enterprise Ltd	-	1,841
Indraprasta Medical Corpotation Ltd	-	23
Apollo Hospitals International Ltd	-	166
Apollo Rajshree Hospitals Private Limited	-	96
Cost of services - others		
Healthnet Global Limited	41	62
Searchlight Health Private Limited	5	1
Faber Sindoori Management Services Private Limited	2	70
Apollo Hospitals Enterprise Ltd	-	259
Apollo Healthco Limited(24/7)	1,176	
House keeping expenses		
Faber Sindoori Management Services Private Limited	63	
Repairs and maintenance - others		
Wipro GE Healthcare Private Limited	167	198
Faber Sindoori Management Services Private Limited	10	3
Searchlight Health Private Limited	11	6
Blue Star Limited	26	16
Staff welfare expenses		
Apollo Sindoori Hotels Limited	35	-
Medsmart Logistics Private Limited	-	5
Availing of services		
Searchlight Health Private Limited	4	-
Apollo Sindoori Hotels Limited	2	-
CSR Expneses		
Total Health	10	-
Managerial Remuneration		
Key Managerial Personnel	526	441
Share Based Payments		
Key Managerial Personnel	154	78

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

c) Balances receivable from/payable to related parties are as follows:

Particulars	As at March 31, 2023	As at March 31, 2021
Apollo Hospitals Enterprise Limited	2,237	3,321
Apollo pharmacies Ltd	2	1
Lifetime Wellness Rx International Limited	185	102
Stemcyte India Therapeutics Private Limited	435	381
Apollo Gleneagles Hospitals Limited	32	30
Imperial Hospitals and Research Centre Limited	45	44
Indraprashtha Medical Corporation Limited	37	37
Maxivision Laser Centre Private Limited	32	14
Medvarsity Online Limited	1	1
Together Against Diabetic Foundation Trust	19	19
ACC Limited	0	-
Air India Limited	20	16
Family Health Plan Insurance (TPA) limited	601	692
Bluestar Limited	0	0
Apollo Telehealth Services Private Limited	28	27
Piramal Enterprises Limited	0	0
Indo National Limited	0	0
Franklin Templeton Asset Management (India) Private Limited	0	0
Hero Motorcorp Limited	-	1
Apollo Munich Health Insurance Company Limited	8	8
Hdfc Ergo General Insurance Company Limited	72	2
Apollo Institute Of Medical Scineces And Research	-	24
Apollo Hospitals Educational And Research Foundation	15	15
Apollo International Limited	0	0
AHLL - One Apollo	33	29
Apollo Healthco Limited	2,059	2,102
Apollo BGS Hospital	-	12
Apollo Telehealth Services Pvt Ltd	-	1
Adavance from customers:		
Apollo Health Resources Limited	5	19
Apollo Munich Health Insurance Company Limited	2	52
Franklin Templeton Asset Management (India) Private Limited	0	0
Apollo Healthco Limited(24/7)	0	13
Unbilled Revenue		
Apollo Hospitals Enterprise Limited	136	337
Apollo Pharmacies Ltd	16	22
Lifetime Wellness Rx International Limited	5	8
Imperial Hosipital & Research Center Limited	24	75
Maxivision Laser Centre Pvt Ltd	1	1
Apollo Gleanigles Hospital Limited	20	9
Air India Limited	-	1
Family Health Plan Insurance (TPA) limited	0	1
Apollo Health Resources Limited	0	1
Apollo Telehealth Services Private Limited	3	52
Stemcyte India Therapeutics Private Limited	13	36
Apollo Hospitals Enterprise Limited	2,289	4,417
Apollo Pharmacies Ltd	3,739	2,640
Faber Sindoori Management Services Private Limited	27	35
Searchlight Health Private Limited	13	6
Apollo Hospitals International Limited	36	126
Imperial Hospital and Research Centre Limited	18	5
Lifetime Wellness Rx International Limited	45	45
Apollo Munich Health Insurance Company Limited	0	-
Apollo Sindoori Hotels Limited	7	7
Trivitron Healthcare Private Limited	14	12
Apollo Munich Insurance Company Limited	-	0
Maxivision Laser Centre Private Limited	0	0
Medsmart Logistics Private Limited	573	345
Healthnet Global Limited	22	56
Indian Hospitex Private Limited	1	1
Apollo Telehealth Services Private Limited	4	2
Apollo Health Resources Limited	-	2

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2021
Blue Star Limited	48	4
Wipro GE Healthcare Limited	206	46
Apollo Gleanigles Hospital Limited	3	-
Indraprastha Medical Corporation Limited	-	37
Apollo Wellness Rx Limited	-	30
Apollo Healthco Limited(24/7)	0	-
Blue Star Limited	-	2
Wipro GE Healthcare Limited	-	25
Apollo Pharmacies Ltd	350	350
Apollo Hospitals Enterprise Limited	186	-
Dr. G.S.K Velu	270	270
Letter of comfort taken from		
Apollo Hospitals Enterprise Limited	28,720	20,310

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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Apollo Health and Lifestyle Limited

Note 39 Share-based payments

A Employee stock appreciation rights

Board of Directors in the meeting held on August 6, 2019, approved the grant of equity settled SARs to eligible employees of the Company (AHLL and ASHPL) with the grant date of April 1, 2020. 4,314,656 SAR's issued to the eligible employees on August 6, 2019 with a grant date of April 1, 2020 having a vesting period of 3- 4 years from the date of issue of such letters. Portion of the ESARs vest based on BU's performance and the remaining based on AHLL consol performance.

Number of ESAR outstanding as at March 31, 2023 for active employees are 46,15,873

The SARs provide the employees with the right to receive shares upon liquidity event as defined in the scheme, having a market value equal to the market appreciation since the grant date of the rights. Nomination and Remuneration committee in their meeting held in May 2022, assessed Cradle and Spectra has not acheived the AOP EBITDA target for YE March 31, 2022, Clinics and Diagnostics acheived 100% of AOP EBITDA target for YE March 31, 2022.

The Group elects to adopt recognizing expense basis Fair Market Value of SARs over vesting period. Accordingly, the Group has recognised an expense of ₹ 2 lakhs for March 2023 (₹ 256 lakhs for March 31, 2022).

Summary of stock options	No. of stock options	
	For the year 2022-23	For the year 2021-22
Options outstanding on April 1	32,07,735	33,01,690
Options granted during the year	14,08,138	40,000
Options forfeited/lapsed during the year	-	1,33,955
Options exercised during the year	-	-
Options outstanding on March 31	46,15,873	32,07,735
Options vested but not exercised on March 31	46,15,873	32,07,735

B Employee share option plan of the Company

(i) Apollo Specialty Hospitals Private Limited

The Company by virtue of service and subscription agreement entered into with the doctors for continuance of services with Apollo Specialty Hospitals Private Limited (ASH) inline with the scheme implemented by the erstwhile company (i.e. Nova Speciality Hospitals Private Limited) has agreed to issue Fully Convertible Debentures (FCD) for a value calculated in accordance with performance based formulae at the time of acquisition.

These FCD are issued in respect of the future services which will be rendered by the doctors' and hence is in the nature of share based payment in terms of Ind AS 102. These FCD issued would be convertible upon the expiry of service requirement and other conditions as stipulated by the respective agreements.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2022-23	For the year 2021-22
Options outstanding on April 1	1,595	1,595
Options granted during the year	-	-
Options forfeited/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding on March 31	1,595	1,595
Options vested but not exercised on March 31	-	-

Exercise price is ₹ Nil

Management has estimated the fair values of options granted at ₹ 25,764.

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Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Note 40: Revenue from contracts with customers

The Group earns revenue primarily by providing healthcare services operates through various multispecialty clinics, diagnostics, spectra, cradle, sugar, dental and dialysis centers across India. Other sources of revenue include revenue earned through Operation and Management (O&M) contracts, brand license agreements and contracts for clinical trials.

Revenues for the year ended March 31, 2023 and March 31, 2022 are as follows:

Disaggregation of revenue

The following table provides information about disaggregated revenue by geographical market, major service line, timing of revenue recognition and category of customer.

The spread of operation of the Group are only in India and so the below table summaries the region wise revenue within India.

Healthcare services

Region	Year ended March 31, 2023	Year ended March 31, 2022
Tamilnadu	19,682	18,975
Telangana	24,965	25,739
Karnataka	27,918	31,366
Others	53,710	59,410
Inter company eliminations	(3,161)	(4,239)
Total revenue	**1,23,114**	**1,31,251**

Category of Customer	Year ended March 31, 2023	Year ended March 31, 2022
Cash	48,837	48,728
Credit	77,438	86,762
Inter company eliminations	(3,161)	(4,239)
Total revenue	**1,23,114**	**1,31,251**

Nature of treatment	Year ended March 31, 2023	Year ended March 31, 2022
In-Patient	46,228	37,951
Out-Patient	80,047	97,539
Inter company eliminations	(3,161)	(4,239)
Total revenue	**1,23,114**	**1,31,251**

Timing of revenue recognition	Year ended March 31, 2023	Year ended March 31, 2022
Services transferred at point in time	1,26,172	1,33,200
Services transferred over a period of time	103	2,290
Inter company eliminations	(3,161)	(4,239)
Total revenue	**1,23,114**	**1,31,251**

Contract liability

Changes in advance received from customers are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**2,338**	**591**
Additions(on account of advance received from the customer during the year)	22,160	19,398
Revenue recognized that was included in advance received from customers	(21,261)	(17,651)
Total revenue	**3,237**	**2,338**

The total of dissaggregated revenue of healthcare disclosed above would agree to the disclosures made in the operating segment.

Reconciliation of revenue recognised with the contract price is as follows:

Healthcare Services

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contract price (as reflected in the invoice raised on the customer as per the terms of the contract with customer)	1,37,433	1,45,232
Reduction towards variable components:	-	-
-Discounts granted to customers	5,756	5,259
-Customer loyalty points given to customers	125	96
Reduction towards monies received on behalf of :	-	-
-Fee for Service Consultants	5,277	4,387
Reduction towards Inter-company eliminations	3,161	4,239
Revenue recognised in the profit & loss account	**1,23,114**	**1,31,251**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

Note 41 Financial instruments

(i) Capital management

Equity share capital and other equity are considered for the purpose of Group's capital management.

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the company is based on management's judgement of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital to shareholders. The Group may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

Particulars	March 31, 2023	March 31, 2022
Total borrowings	25,536	25,206
Less: Cash and cash equivalents (refer note 13)	4,582	5,589
Adjusted net debt (A)	**20,954**	**19,617**
Equity share capital	13,113	12,850
Other Equity	(8,778)	(6,104)
Adjusted equity (B)	**4,335**	**6,746**
Adjusted net debt to adjusted equity ratio (A/ B)	**4.83**	**2.91**

(ii) Financial risk management

The Group's business activities are exposed to a variety of financials risks, namely Interest rate risk, credit risk and liquidity risk. The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are overseen by the Board of Directors of the Group.

A Interest risk management

The Group is exposed to interest rate risk because Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's:
Loss of the year ended March 31, 2023 would decrease / increase by ₹ 115 lakhs (Profit for the year ended March 31, 2022 would decrease/increase by ₹ 126 lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

B Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company takes due care while extending any credit as per the approval matrix approved by Board of Directors.

Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis.

Historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. The Company does not have significant credit risk exposure to any single counter party.

Other financial assets

The Company maintain exposure in cash and cash equivalent, term deposits with banks. The Company's maximum exposure of credit risk as at March 31, 2023 and March 31, 2022 is the carrying value of each class of financial assets.

C Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2023 and March 31, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing short term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

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DELOITTE HASKINS & SELLS LLP

Apollo Health and Lifestyle Limited

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The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2023 and March 31, 2022

	March 31, 2023			
Particulars	**Trade payab**	**Lease Liabilities**	**Other financial liabilities**	**Borrowings**
Less than 1 year	23,732	8,897	2,306	6,503
More than 1 year and less than 5 year	-	31,470	-	16,443
More than 5 year	-	70,742	399	2,590

	March 31, 2022			
Particulars	**Trade payab**	**Lease Liabilities**	**Other financial liabilities**	**Borrowings**
Less than 1 year	26,302	7,465	1,534	4,388
More than 1 year and less than 5 year	-	26,058	-	17,910
More than 5 year	-	54,559	354	2,908

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Note 42 Category-wise classification of Financial Instruments

The carrying and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 is as follows:

Particulars	Fair value Hierarchy	Carrying value		Fair value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets					
Measured at Amortised cost					
(i) Cash and cash equivalents	Level 2	4,582	5,589	4,582	5,589
(ii) Bank balances other than cash and cash equivalents	Level 2	6,192	10,267	6,192	10,267
(iii) Trade receivables	Level 2	12,356	14,289	12,356	14,289
(iv) Other financial assets *	Level 2	5,807	4,756	5,807	4,756
Measured at FVTOCI					
(i) Investment in equity instruments	Level 3	18	18	18	18
Total Financial assets		**28,955**	**34,919**	**28,955**	**34,919**
Financial liabilities					
Measured at Amortised cost					
(i) Borrowings	Level 2	25,536	25,206	25,536	25,206
(ii) Trade payables	Level 2	23,732	26,302	23,732	26,302
(iii) Other financial liabilities **	Level 2	2,705	1,888	2,705	1,888
(iv) Lease liabilities	Level 2	61,624	48,636	61,624	48,636
Total Financial liabilities		**1,13,597**	**1,02,032**	**1,13,597**	**1,02,032**

* Other financial assets includes Security deposits with the vendors, interest receivable from related parties and banks.

** Other financial liabilities includes interest accrued on the long term debt, security deposits received from customers and payable on purchase of fixed assets.

Note 43 Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2022.

Financial assets and liabilities measured at fair value as at balance sheet date.
The fair values of investments in unquoted equity investments has been estimated using a discounted cash flow model under income approach. The valuation requires management to make certain assumptions about model inputs, including forecast cash flows, discount rate and credit risk, the probabilities of the various estimates within range can be reasonably assessed and are used in management estimate of fair value for these unquoted investments.

Note 44 The Board of Directors of the Company in its meeting held on August 17, 2018 has given an approval to the "Scheme of arrangement" of the business. Pursuant to the restructuring plan, a new wholly owned subsidiary AHLL Diagnostics Ltd. (ADL) has been formed and the Diagnostics division of the Company will be sold by way of a slump sale to the newly incorporated Wholly owned subsidiary.

The Company is in the process of obtaining regulatory approval from National Company Law Tribunal for the restructuring plan. Based on the present status, Management is of the opinion that the procedural formalities will take more than 1 year, for the restructuring plan to be take place. Hence the transaction is not considered for disclosure under Ind AS- 105 – Non-Current Assets held for sale and Discontinued Operations.

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Apollo Health and Lifestyle Limited

All amounts are in ₹ lakhs except share data or as otherwise stated

Note 45 Fair value hierarchy

The fair value of financial instruments as referred to in Note 42 above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.
Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at the fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique and other inputs used).

Financial assets/ Financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key input	Significant unobservable input	Relationship of unobservable inputs to fair value
	March 31, 2023	March 31, 2022				
Investments in equity instrument at FVTOCI (unquoted) (Note iii)	2.59% of equity investment in M/s. Searchlight Health Private Limited engaged in providing infrastructure facilities to hospitals and others and domiciled in India ₹ 18	2.59% of equity investment in M/s. Searchlight Health Private Limited engaged in providing infrastructure facilities to hospitals and others and domiciled in India ₹ 18	Level 3	Discounted cash flow model under income approach was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee.	Long term growth rates, taking into account management's experience and knowledge of market conditions of the specific industry at 1.00%. Weighted average cost of capital (WACC) as determined ranging from 16.11% (As at March 31, 2021: 16.11%)	A slight increase in long term revenue growth rates used in isolation would result in increase in the fair value (Refer Note i below) A slight increase in the WACC used in isolation would result in decrease in the fair value (Refer Note ii below)

Notes

(i) If the Long-term growth rates used were 1% higher / lower while all other variables were held constant, the carrying amount of the shares would increase / (decrease) by ₹ 128,061 and ₹ (108,525) respectively.

(ii) A 1% increase / (decrease) in WACC or discount rate used while holding all other variables constant would (decrease) / increase the carrying amount of the unquoted equity investments by ₹ (96493) and ₹ 114,234 respectively.

(iii): These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. Upon the application of Ind AS 109, the company has chosen to designate these investments in equity instruments as at FVTOCI irrevocably as the Management believes that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

Note 46 As per the Put option agreement entered into with International Finance Corporation (IFC) dated October 26, 2016, IFC has the right to exercise the put option on shares from the beginning of 8th year till the end of 12th year of the subscription either on Apollo Hospitals Enterprise Limited (the parent company) or on Apollo Health and Lifestyle Limited.

The management based on its assessment of the potential exercise of the options and per valuation of the Company, has assessed that these options, if exercised will be on the parent company, as the parent is a listed company, and accordingly, has determined the fair value of the option to be nil and as such, the instrument has been considered as equity.

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Note 47 Details of Corporate Social Responsibility Expenditure

During the year, the amount required to be spent on corporate social responsibility activities amounted to Rs. 13 lakhs (31 March 2022 : Rs. 5 lakhs) in accordance with Section 135 of the Act. The following amounts were actually spent during the current & previous year:

Particulars

CSR activities during the year ended March 31, 2023

Particulars	In Cash	Yet to be paid in cash	Total
i. Construction/acquisition of any asset	-	-	-
ii. Purpose other than (i) above*	10	-	10

CSR activities during the year ended March 31, 2022

Particulars	In Cash	Yet to be paid in cash	Total
i. Construction/acquisition of any asset	-	-	-
ii. Purpose other than (i) above#	-	5	5

* Donated to Total Health, a non profit entity engaged in the activities of promoting rural community
# Donated to Prime Minister cares fund

Note: Since the provisions of CSR are applicable to the Group for the first time in FY 2021-22, the provision has been made for the amount required to be spent and the same was spent in the second quarter of FY 2022-23

Note 48: Other statutory information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
ii) The Group does not have any transactions with companies struck off.
iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

viii) The Group does not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note 49: a) During the year ended March 31, 2023, the Group acquired Andheri Diagnostics Center, for a consideration of ₹ 1,230 lakhs. Business combinations are accounted for using the purchase (acquisition) method as per the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed. The Company recorded a Goodwill amount of ₹ 1,163 lakhs.

Description	Purchase Price allocated
Net Assets	67
Goodwill	1,163
Purchase Consideration	1,230

b) During the year ended March 31, 2023, the Group acquired Karapakkam Cradle center, from Apollo Hospitals Enterprise Limited for a consideration of ₹ 3,500 lakhs. The value of net assets acquired is ₹ 2,022 lakhs (Assets - ₹ 2,259 lakhs and Liabilities - ₹ 237 lakhs). The excess of consideration over the net assets amounting to Rs. 1,478 lakhs have been transferred to capital reserve, the transaction being a common control transaction as per IND AS 103 "Business Combinations".

Note 50: 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.

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All amounts are in ₹ lakhs except share data or as otherwise stated

Note 51: Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current period's classification.

Note 52: The financial statements are approved for issue by the Board of Directors on May 25, 2023.

For and on behalf of the Board of Directors
Apollo Health and Lifestyle Limited

Sangita Reddy *Managing Director* (DIN: 00006285) Place: Hyderabad Date : May 25, 2023	**Krishnan Akhileswaran** *Director* (DIN: 5299539) Place: Chennai Date : May 25, 2023

Chandra Sekhar Chivukula *Chief Executive Officer* Place: Hyderabad Date : May 25, 2023	**Ashish Maheshwari** *Chief Financial Officer* Place: Hyderabad Date : May 25, 2023	**Kamal Saboo** *Company Secretary* Place: Hyderabad Date : May 25, 2023

Apollo Health and Lifestyle Limited

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