Narayana Health

METAMORPHOSIS

ANNUAL REPORT 2023-24

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Website
www.narayanahealth.org

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Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forwardlooking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forwardlooking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

Chairman's Message

> About 15% of the heart surgeries done in India are done by our group. Every day we see more and more young people coming to the hospital with preventable heart attack. When we become a health insurance company, we will work very hard to prevent people from falling sick or developing a heart attack, because keeping people out of the hospital is good for a health insurance business.

Dear Shareholders,

Welcome to a young India with amazing possibilities. I have always believed that we will prove to the world that the wealth of the nation has nothing to do with the quality of healthcare, its citizens will enjoy. Contrary to what you may be thinking, it is not going to take 50 or 100 years. I believe that within the next 7 to 10 years, India will achieve universal health care through health insurance that is affordable.

For over 70 years, we have been promised that we can get free universal healthcare with taxpayers' money. Sadly, this is wishful thinking. We recently analysed developed countries that have successfully implemented free universal healthcare with taxpayers' money. There are three things these countries have in common. Firstly, all of them are very small countries with population of few lakhs to few million. No large country, including the United States of America, can afford free healthcare with taxpayers' money. Secondly, all these countries have a very high tax-to-GDP ratio between 25% to 45%, whereas our tax-to-GDP ratio is about 11.2%. Thirdly, all these countries are already spending between 10% to 18% of GDP on healthcare while our Government spends about 2.1% of GDP on healthcare. But we have an exciting alternative. We are in an enviable position to offer health insurance that is affordable to all citizens.

Status of health insurance in India

There are three important stakeholders in healthcare delivery: hospitals, health insurance companies, and patients. Unfortunately, hospitals do not trust health insurance companies, health insurance companies do not trust hospitals, patients do not trust both entities, and both entities do not trust patients. In any business, if the most important stakeholders do not trust each other, that business has no future. This has to change. Health insurance companies, hospitals and patients can learn to trust each other if we build a different system.

Why your company became a health insurance company?

Every day I see between 60 to 100 heart patients in my OPD. Most of them come from working-class and poor families. When I tell the mother of a child with a hole in the heart that the surgery costs 2 or 3 lakh rupees, which she does not have, she breaks down crying. It is the most humiliating experience for any parent to learn the price of their child's life, and I see this many times a day. After this, she touches my feet and begs me to save her child's life, saying that she can somehow arrange 1 lakh rupees to save her child. This young mother inspired me to come up with a health insurance in which that 1 lakh rupees can instead pay for many years of premium that can cover the cost of surgeries, including liver, kidney and heart transplants, for her entire family.

About 15% of the heart surgeries done in India are done by our group. Every day we see more and more young people coming to the hospital with preventable heart attack. When we become a health insurance company, we will work very hard to prevent people from falling sick or developing a heart attack, because keeping people out of the hospital is good for a health insurance business. That is exactly what our customers want. Today, when I tell a patient that they require heart surgery, the first thing that comes to their mind is whether it is really required. But when we become a health insurance company and tell the patient to get the heart surgery done, there is no conflict since we are going to pay for the surgery. When the customers and the company's interests are aligned, magic will happen. This is why we became a health insurance company. Our aim is to offer affordable health insurance for everyone and work very hard to keep our customers fit and healthy and out of the hospital.

Why your Company built a hospital operating system?

According to the Lancet Commission on Global Surgery, India needs to perform about 70 million surgeries a year. Unfortunately, India only does about 30 million surgeries a year. Most of them are non-complex procedures, such as emergency C-section, surgery for a burst appendix, and surgery for an open fracture. About 30% of all diseases require surgical treatment. We believe that affordable insurance will usher in large-scale infrastructure for surgeries, which in turn will take care of the medical treatment for common illnesses at an extremely low cost. To reach the target of 70 million surgeries a year, existing hospitals must double or triple their throughput. A massive increase in throughput cannot happen without a hospital operating system like Athma and Medha AI that we have developed in-house. Our hospital operating system allows us to function fully paperless, gives the doctors full information about their patients, allows nurses to order medicines on their phone, and helps our patients access all the medical history.

Acute shortage of nurses

Thanks to our Government's active intervention in the last 7 years, undergraduate and postgraduate medical seats have virtually doubled. Today, India boasts nearly 110,000 undergraduate seats at 706 medical colleges. Thanks to the National Board of Examination, postgraduate seats have also doubled to train more medical specialists. However, there is still a shortage of trained nurses who are the actual caregivers at the bedside. Patient care is planned by doctors but executed by nurses, which makes them the most important care givers. While the US has 4 to 5 nurses for each doctor, India has just 1.8 nurses for each doctor. This is the root cause of all the quality problems in healthcare. The shortage of nurses in India is due to the shortage of nursing colleges. While there are nearly 110,000 undergraduate seats in medical colleges, there are only 263,000 seats available to train nurses. India requires at least 10 lakh seats to train nurses for our country and the rest of the world.

Not Brain Drain, but Brain Gain

According to World Health Organization, there is a worldwide shortage of over 80 million healthcare workers and no developed country has plans to enhance the number of training seats. When they face a shortfall, all the rich countries will poach nurses from India. Instead of complaining about brain drain, we should see it as an opportunity to train huge numbers of doctors, nurses, paramedics and give millions of Indians the opportunity to run hospitals around the world. We produce over 24 million babies a year. Irrespective of our policies, there is no way we can create 24 million new jobs next year. All of us want poor people to become rich and have stable jobs. For you to understand how poor families can become rich in just four years, I will give you an example. There are over 100 nurses, most of whom are trained by us, working in our hospital in the Cayman Islands, which is very close to the USA. Each one of them is remitting home at least ₹1 lakh a month, and these nurses are only 23 or 25 years old! Our Government must allow any busy hospital with over 100 beds to start a nursing college. A hospital-owned nursing college will offer hands-on training and these nurses will be extremely skilled even before their graduation. The shortage of nurses is going to be the biggest challenge Indian healthcare will face unless we wake up quickly and take remedial measures. And I am very optimistic that our Government will recognize this opportunity to create millions of well-paying jobs for our youth.

Dear Shareholders, we have always been contrarians in our industry. We believe that the current model of delivering healthcare must change and we want to be the change agents. Everything that we have achieved so far would not have been possible without your support and blessings.

Have a healthy, happy, and prosperous year ahead.

With warm regards,

Dr. Devi Prasad Shetty
Chairman

CEO's Insight

> Looking ahead to Fiscal Year 2025, our cardiac program anticipates substantial growth in both procedural volume and revenue, reflecting increasing demand for specialized cardiac services.

Dear Shareholders,

Business Consolidation & Expansion

The fiscal year 2024 exhibited robust financial performance across our units. We are pleased to report the highest ever revenue and profitability margins for the Group on a yearly basis. The consolidated revenue of INR 50,182 Million reflected a growth of 10.9% year-on-year, and the EBITDA profitability of INR 12,275 Million translated into a margin of 24.5% and PAT of INR 7,896 Million reflecting a margin of 15.7%. This was achieved by improvements in realizations, payor mix, and increased patients' footfalls during the year across our flagship units and newer hospitals.

As a part of growth strategy, we have invested up to INR 20,000 Mn over the last three years including INR 9,000 Mn in FY 2024, between India and Cayman towards capacity expansion, addition of new capabilities, facility upgradation, and enablement of digital transformation throughout our processes, which has resulted in significant increase in patient footfalls across our units. We recently acquired land parcels in our flagship cities Bangalore & Kolkata for greenfield expansion, and with additional projects in the pipeline, we plan to construct upwards of 1 Mn sq.ft area over the next 3-4 years towards providing healthcare services.

Our Cayman business demonstrated robust performance in the fiscal year generating revenue of USD 124 million reflecting a year-on-year growth of 12.9%. The radiation oncology block of the proposed new greenfield hospital at Camana Bay got commissioned during the year and has seen good traction throughout the year, contributing meaningfully to our growth in Cayman. The rest of the hospital is at the final stages of construction and is likely to get commissioned by August this year. The new hospital and the clinics will complement the existing hospital in providing the entire gamut of primary, secondary, tertiary, and quaternary care along with state-of-the-art emergency services, Women's, Maternal and Child care, and advanced day care and imaging facilities. This expansion should help us to further strengthen our foothold in the Caribbean market. We are confident that our Caribbean business will continue to grow in the future through a mix of strategic initiatives and investments.

Narayana Health Integrated Care (NHIC), our new venture, has performed as per the expectations. Revenue for the fiscal year has crossed Rs 219 Mn, with more than 160,000 patient transactions during the year spread across 7 clinics. We will continue to grow this business and serve our customers with a clear focus on improving their health outcomes.

Our overall balance sheet and liquidity profile at the group level remains strong, with group cash and liquid investments of over INR 12.58 billion against gross borrowings of INR 14.41 billion, resulting in a net debt position of INR 1.84 billion as of 31st March 2024. Our net debt to equity ratio stands at 0.06, allowing us sufficient head room to fund our expansion through a mix of borrowing and internal accruals.

Our return ratios reflect strong financial performance of the Group with RoE above 30% at the group level

Operational Triumphs in Clinical Excellence

In Fiscal Year 2024, our hospital achieved significant operational milestones across various clinical areas. Our Cardiac Program solidified its position as one of the world's largest and most comprehensive, particularly noted for hosting India's largest Pediatric Cardiac Program. Exceeding 500,000 consultations and welcoming over 150,000 new outpatient visits, our program's remarkable numbers confirm not only its expansive reach but also our commitment to addressing the diverse cardiac healthcare needs across our nation. Looking ahead to Fiscal Year 2025, our cardiac program anticipates substantial growth in both procedural volume and revenue, reflecting increasing demand for specialized cardiac services. Notably, standout areas include Coronary interventions, Electrophysiology services and diagnostic services for coronary artery disease.

In Fiscal Year 2024, significant strides were also made in our Bone & Joint and Neurosciences programs. Operationalizing the Ortho & Trauma Centre at our Health City campus marked a pivotal achievement. With a focus on subspecialties including General Orthopedics and Joint Replacements, our aim is to provide state-of-the-art care across diverse orthopedic needs. Looking ahead to FY25, we anticipate a projected increase of 17% in volume and 22% in revenue for Bone & Joint.

In the realm of Neurosciences, our hospital has established itself as a pioneer with four state-of-the-art Interventional Neurology Programs. Annually, we performed over 5,000 neurosurgical procedures, and looking ahead to Fiscal Year 2025, our focus segments include Functional and Epilepsy Surgery, Cranial Surgery and Spine Surgery, and Neuro Oncology. These areas represent our commitment to ensure that our patients receive the most advanced comprehensive care available.

Our Renal Sciences de partment continues to lead in comprehensive care. We operate over 500 haemodialysis machines and rendering over 300,000 maintenance haemodialysis annually. To top it all, we perform more than 600 transplants per year, and have carried out over 7,000 renal transplants to date, which positions us at the forefront of renal transplants. Additionally, we have also implemented robotic techniques for renal transplants, aimed at enhancing surgical precision and patient outcomes.

In Oncology, our roadmap for the future is shaped by a commitment to building robust subspecialty programs and enhancing our capabilities to deliver superior care. Medical Oncology witnessed the administration of over 83,000 chemotherapies in FY24, with a targeted growth of 12% for FY25. Our Haemato-Oncology program stands as one of the largest in India, having performed

over 2,700 Bone Marrow Transplants (BMT) since its inception. With a focused program on CAR-T therapy, we aim to double our program's impact within two years. Surgical Oncology, having conducted over 7,000 surgeries in FY24, is poised for further advancement. We prioritize the adoption of robotic surgeries and Hyperthermic Intraperitoneal Chemotherapy (HIPEC) procedures, with plans to add three Da Vinci Robotic Systems. With a targeted goal of surpassing 10,000 surgeries in the next two years, we are committed to advancing surgical techniques and improving patient outcomes in the fight against cancer. In our endeavour to significantly expand our reach in Radiation Oncology, we plan to add three new centers in FY25 - Kolkata, Shimoga & Ahmedabad.

In Robotics, we are in the process of deploying eight Da Vinci Robotic System across our seven centers. Additionally, with two Cuvis Ortho Robotic Systems in operation, we are enhancing orthopedic procedures with advanced robotics. Looking ahead, plans are in place to add another Spine Robot, which will further expand our robotic-assisted surgical capabilities. We have performed over 3000 procedures to date and are poised for further growth in Fiscal 2025.

In Image Guided Therapy, across 14 hospitals, we have conducted over 5000 procedures in Fiscal Year 2024, contributing to a cumulative total of over 25,000 procedures performed to date. Pioneering the integration of artificial intelligence (AI) in stroke imaging through RAPID Systems and Cryoablation, we continue to push the boundaries of technology to enhance patient outcomes and treatment precision.

In Gastro-sciences, our focus remains on providing comprehensive care through our six centers with Liver Transplant and Hepato-Pancreato-Biliary (HPB) programs. With over 350 Liver Transplants performed to date, we are dedicated to expanding access to life-saving procedures. Looking ahead, our target is to surpass the 100+ Liver Transplant mark in Fiscal Year 2025, further solidifying our position as leaders in Gastro-sciences and Transplant Medicine.

In Emergency and Critical Care, our focus on enhancing services and expanding accessibility is driving impactful changes in healthcare delivery. With 2000 ICU beds and over 50,000 ICU admissions annually, we position ourselves as the premier destination for emergency and trauma care, extending our reach. Strengthening our presence in both adult and pediatric critical care segments, we aim to cater comprehensively to patients of all ages. Additionally, as an ICU Retrieval Center, we ensure seamless transfer and continuity of care for critically ill patients from a wide geographical area.

Revolutionizing Patient Care: NH's Digital Advancements

Digital technology has emerged as a driving force in revolutionizing healthcare delivery, offering unprecedented opportunities to enhance patient outcomes, optimize operational efficiency, and improve overall healthcare experiences. At NH we are continuously developing our digital ecosystem that currently comprises a suite of innovative applications. At the forefront is ATHMA, our Healthcare Operating System, which is compliant with the highest digital health maturity standards and is a beacon of technological advancement in healthcare. With seamless integration with Clinical Decision Support Systems (CDSS), ATHMA empowers clinicians with timely and informed clinical decisions, thereby enhancing patient care outcomes. In parallel, our Advanced Analytics & AI platform, Medha, leverages predictive analytics and risk scoring algorithms to enable proactive interventions and personalized care pathways. On the caregiver side, NAMAH for Nurses and AADI for Doctors cater to the needs of frontline healthcare professionals. NAMAH streamlines nursing tasks, facilitates vitals monitoring, and enhances ICU management, thereby providing comprehensive support to nursing professionals and improving patient care outcomes. AADI, on the other hand, enables doctors to deliver quality care round the clock by fostering dynamic care team collaboration and facilitating seamless communication with patients' families. Complementing these clinical-focused solutions is NH Care for Patients, our patient-centric app designed to enhance convenience and safety. By offering features such as online appointments, lab scheduling, and digital health records, NH Care empowers patients to manage their healthcare journey with ease and efficiency.

Together, these digital offerings represent our commitment to delivering excellence in healthcare through innovation and technology. By harnessing the power of digital solutions, we aim to redefine healthcare delivery, enhance patient experiences, and ultimately improve health outcomes for all.

Journey of Excellence: Awards and Accreditations

In a testament to our unwavering commitment to excellence, Narayana Health achieved a significant milestone by attaining the prestigious JCI Enterprise Accreditation, alongside individual JCI Accreditation for eight of our network hospitals. Our dedication to quality healthcare delivery is exemplified by our flawless performance, with zero observations recorded across 148 measurable elements in the 1st Edition Enterprise assessment. Not only were we the first healthcare delivery chain in India to achieve this distinction, but we also stood as the 6th globally to receive the accreditation.

Building upon our success, in the 7th Edition, we expanded our scope with 1200 measurable elements, demonstrating our readiness to meet and exceed international standards. This edition saw the addition of six new accreditations for Mazumdar Shaw Medical Center (Bangalore), Rabindranath Tagore International Institute of Cardiac Sciences (Kolkata), Narayana Hospital Howrah, Narayana Hospital Gurugram, SRCC Children's Hospital (Mumbai), and Narayana Hospital Jaipur, further solidifying our commitment to excellence across diverse healthcare settings. Additionally, our dedication to continuous improvement was recognized with re-accreditations for Narayana Institute of Cardiac Sciences (Bangalore) and Health City Cayman Islands hospitals.

Narayana Health made history on September 21, 2023, by conducting a record-breaking 3,797 electrocardiograms (ECGs) in a single day at Health City, Bangalore. This remarkable achievement has secured Narayana Health a prestigious place in the Guinness World Records, affirming its dedication to advancing healthcare excellence. The primary objective of this endeavour was to raise awareness about health screening and the importance of regular check-ups in preventing heart diseases. By setting this unprecedented record, Narayana Health has established a new standard in cardiac care, showcasing both its technical expertise and commitment to accessible healthcare. ECGs are indispensable tools in diagnosing cardiac conditions, and this feat underscores the hospital's commitment to early detection and intervention, ultimately contributing to saving lives.

InsidER: Initiative in Healthcare Awareness

We have launched "InsidER," a groundbreaking medical docu-series highlighting the indispensable role of emergency response (ER) in preserving lives. This innovative platform not only emphasizes the pivotal contribution bystanders can make during emergencies but also aims to foster a more informed community. By equipping individuals with the knowledge and understanding needed to effectively support and engage in emergency situations, "InsidER" exemplifies Narayana Health's unwavering commitment to raising healthcare awareness."

Integrating Social Impact with Research Initiatives

Clinical research is at the forefront of our priorities here at Narayana Health. Our efforts span across various medical specialties, encompassing nearly 80 ongoing sponsored studies and over 400 academic studies. This commitment reflects our dedication to advancing scientific knowledge and improving patient care, supported by grants from esteemed bodies like the Indian Council of Medical Research (ICMR) and the National Institutes of Health (NIH). Our collaborations with national and international universities further enrich our research endeavours, highlighting our commitment to rigorous scientific inquiry.

In the past year, our contributions to scientific literature have been substantial, with 188 research papers published in esteemed journals, bringing our cumulative total close to 2,000 publications. Bolstered by robust structures for promoting research and academic activities, including providing free access to leading journals for our doctors, Narayana Health is well-positioned to continue leading the way in healthcare research and innovation.

Beyond medical advancement, our research initiatives at Narayana Health are aligned with addressing global challenges outlined in the Sustainable Development Goals (SDGs). From tackling issues like malnutrition to understanding disease burdens and enhancing healthcare delivery, our research is deeply rooted in broader societal objectives. By fostering diverse research efforts and nurturing innovative collaborations, we remain committed to making meaningful contributions to both medical science and societal well-being, ensuring a healthier and more sustainable future for all.

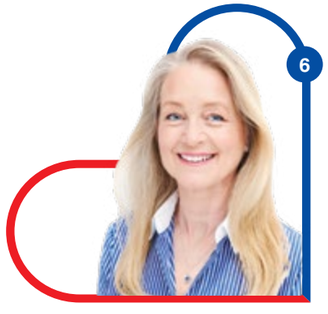
With warm regards,

Dr. Emmanuel Rupert
Managing Director and Group CEO

Directors Profile

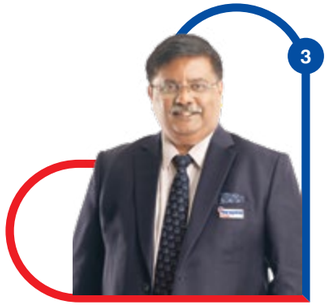
Dr. Devi Prasad Shetty
Chairman & Whole-Time Director

Mr. Viren Prasad Shetty
Executive Vice-Chairman & Whole-Time Director

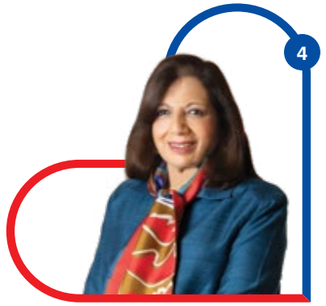


Ms. Terri Smith Bresenham
Independent Director

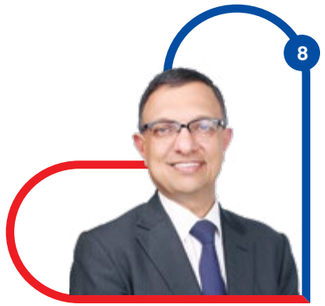
Mr. Shankar Arunachalam
Independent Director



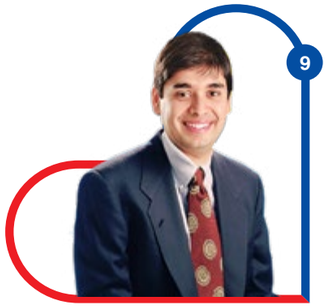
Dr. Emmanuel Rupert
Managing Director and Group CEO



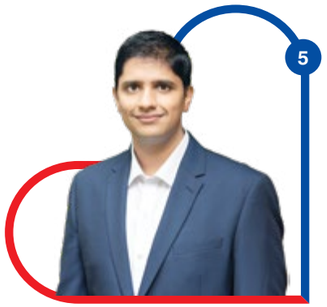
Dr. Kiran Mazumdar Shaw
Non-Executive Director



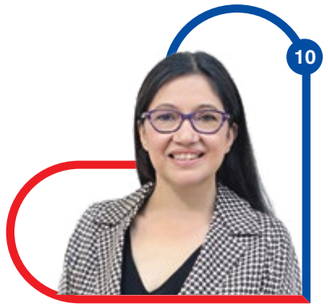
Dr. Nachiket Mor
Independent Director



Mr. Naveen Tewari
Independent Director



Dr. Anesh Shetty
Additional Director (Non-Executive Director)



Ms. Nivruti Rai
Additional Director (Independent Director)

1

Dr. Devi Prasad Shetty

Dr. Devi Prasad Shetty is the Chairman of our Company and also a Whole-time Director. He is a cardiac surgeon with over 40 years of experience. After completing his MBBS from University of Mysore in 1978 and Master's Degree in 1982, he was granted a fellowship from the Royal College of Surgeons of England in 2009. He established Narayana Hrudayalaya Limited. in the year 2000. Dr. Shetty is also a recipient of honorary Doctorates from University of Minnesota in 2011, from Rajiv Gandhi University of Health Sciences in 2014, from IIT Madras also in 2014 and from IIT Kanpur in 2023.

Dr. Shetty initiated the concept of "Micro Health Insurance Scheme" in Karnataka, which eventually led to the Karnataka Government implementing the Yeshasvini Scheme, a Micro Health Insurance Scheme for Rural Farmers.

Dr. Shetty is the current Chairman of Board of Governors of Indian Institute of Management, Bengaluru. He was a member of Supreme Court nominated Committee to recommend preparedness and management of COVID and similar pandemic situations. He is a member of High- Level expert Group on Healthcare constituted by the Fifteenth Finance Commission. He is nominated by the Comptroller and Auditor General to the 11th Audit Advisory Committee. Dr. Shetty was the Chairman of Healthcare Sector Skills Council (HSSC). He continues to be the Chairman of Academic Committee of HSSC leading the efforts to upskill healthcare workers at all levels. He is one of the members of Health Insurance Consultative Committee constituted by IRDAI. He also served as a member of Rajasthan Chief Minister's Economic Transformation Advisory Committee. Dr. Shetty is a Professor at Rajiv Gandhi University of Health Sciences, Bengaluru, India and University of Minnesota Medical School, USA.

Dr. Shetty is a recipient of several awards and honours, most noteworthy being "Padma Shri" and "Padma Bhushan" Awards in 2003 and 2012 respectively, conferred by the Government of India and the Rajyotsava Award in 2002 conferred by the Government of Karnataka. In 2013, he was the recipient of Financial Times Arcelor Mittal Boldness in Business Award. He received the '19th Nikkei Asia Prize for Economic and Business Innovation' by Nikkei Inc. in 2014. He is an active member of the European Association for Cardio-Thoracic Surgery since 1996 and a life member of the Indian Medical Association. He was one of the Board of Governors of the Medical Council of India between 2010 and 2011.

A strong advocate of technology for efficient healthcare delivery, Dr. Shetty takes deep interest in creating and developing software products and applications to achieve time and cost efficiency while minimizing clinical errors in healthcare delivery.

Dr. Shetty also has a US Patent No.10,109,377 dated October 23, 2018 registered as inventor – "System and Method for Facilitating Delivery of Patient Care" – 'A computer-implemented method for facilitating delivery of patient-care in adherence with a standard of care clinical protocol is described'.

Dr. Shetty is routinely invited for his advice and opinion on healthcare policies by Government of India and different state governments in India.

2

Mr. Viren Prasad Shetty

Mr. Viren Prasad Shetty has been associated with Narayana Hrudayalaya Limited since 2004. He is a post-graduate in Business Administration, from Stanford Graduate School of Business. He is also an undergraduate in civil engineering from RV College of Engineering, Bengaluru.

Mr. Viren Prasad Shetty has been instrumental in designing and building some of the key hospitals for Narayana Hrudayalaya Limited, including the Mazumdar Shaw Medical Center as well as the Multi-speciality hospitals in Jaipur and Ahmedabad. He has also worked in operations, supply chain management, business development, strategy, and investor relations at Narayana Hrudayalaya Limited.

He has been the Executive Director and Senior Vice President – Strategy since 2012 and was responsible for identifying and developing new growth opportunities for NH.

He was given additional responsibility as Chief Operating Officer in 2019, and designated as Whole-time Director & Group COO, with the additional responsibility of overseeing the business operations, digital transformation, service excellence, new business initiatives, international growth, and the ATHMA healthcare management system.

The Board of Directors elected Mr. Viren Prasad Shetty as the Vice Chairman of the Board w.e.f. April 1, 2022 and designated him as Executive Vice-Chairman & Whole-Time Director. As Executive Vice Chairman, Mr. Viren Prasad Shetty provides leadership and strategic guidance to Narayana Hrudayalaya while overseeing the development of a new generation of leaders to fulfil company's mission of making healthcare accessible to everyone.

3

Dr. Emmanuel Rupert

Dr. Emmanuel Rupert serves as the Company's Managing Director and Group Chief Executive Officer from 2019. His contributions to making affordable, high-quality healthcare accessible to millions of Indians are widely recognized. Dr. Rupert guided the organisation through the COVID-19 pandemic and led the Company's swift turnaround and healthy business growth over the past four years by significantly enhancing clinical capability, continuing strong cost management programmes and establishing a solid foundation of clinical operations excellence.

Dr. Rupert collaborates closely with the organization's 4000+ clinicians to implement innovative protocols that continuously enhance clinical outcomes. A clinician at heart, he has facilitated multiple initiatives to achieve the highest levels of patient satisfaction through quality improvement. Under his leadership, Narayana Health is the first large organization in the Asia-Pacific region to undergo JCI Enterprise-level accreditation to ensure the highest quality of care across the entire network of healthcare facilities. His emphasis on academics and research was instrumental in making Narayana Health one of the most sought after employers for physicians, nurses, paramedics and scientists. With over 900 postgraduate medical students and more than 250 research papers annually, Narayana Health runs one of the largest academic programs in the private sector.

Dr. Rupert has overseen many greenfield and brownfield expansions during the course of his extensive career. He has guided the projects towards growth and profitability through his close involvement, perseverance, and determination. He is a staunch believer in the endless possibilities of leveraging technology holistically, is focused on establishing benchmarks in futuristic health care initiatives enabling Data Analytics, AI, and IOT. He is overseeing efforts to transform Narayana Health into an end-to-end digitally enabled organization, with the objective of ensuring the Company's future preparedness.

Dr. Rupert, an alumnus of the esteemed Banaras Hindu University, joined Narayana Health in 2000 as Chief Consultant - Anaesthesia and Director of Academic Services. Over the next 19 years, in various roles as a medical administrator, including Group Medical Director, he was instrumental in establishing and enhancing the clinical operations across the Group's various divisions.

4

Dr. Kiran Mazumdar Shaw

Dr. Kiran Mazumdar Shaw is a Non-Executive Director of our Company. She is the Executive Chairperson of Biocon Limited, an innovation-led global biopharmaceutical Company, which is India's largest publicly listed biotech enterprise.

A first-generation entrepreneur with over 45 years of experience in the field of biotechnology, she holds a Bachelor's degree in Science (Zoology Honours) from Bengaluru University and a Masters' degree in Malting and Brewing from Ballarat College, Melbourne University, Australia. She has also been awarded several honorary degrees from Universities of repute globally, including Ballarat University, Australia; University of Abertay, Dundee, Scotland; Trinity College, Dublin, Ireland; University of Glasgow, Scotland; and Deakin University, Victoria, Australia.

She has several national and international recognitions to her credit, the most noteworthy being the Padma Shri and the Padma Bhushan in 1989 and 2005, respectively, conferred by the Government of India. She has also been conferred with Order of Australia, Australia's Highest Civilian Honour in 2020, highest French distinction – Chevalier de l'ordre National de la Légion d'Honneur (Knight of the Legion of Honour) in 2016 and Othmer Gold Award in 2014. She has been conferred with the EY World Entrepreneur of the Year™ 2020 Award, which is a testimony to her entrepreneurial journey of over four decades.

She has been honoured with the Business Excellence Award - Entrepreneur of the Year 2023-24 by the BRICS - Chamber of Commerce & Industry. She has also been felicitated with the "Outstanding Business Leader of the Year" by CNBC-TV18's India Business Leader Awards (2023) and Recipient of The 7th Annual Ban Ki-moon Award for Women's Empowerment (2023), presented by Ban Ki-moon, the 8th United Nations Secretary General. She is also the recipient of G20 Healthcare Commitment Awards (2023) at the 21st Asian Business and Social Forum 2023 & The Healthier India Conclave 2023.

Dr. Kiran Mazumdar Shaw holds key positions in various industry, educational, government and professional bodies globally. She has been appointed as the Vice Chair of the Global Board of Directors of U.S.- India Business Council (USIBC) and serves as Honorary Member of Indo-American Chamber of Commerce. She serves on the Board of Pure-Tech Health, USA, and Memorial Sloan Kettering Cancer Centre, USA and serves as an Independent Director on the Board of Trent Limited, (A Tata Enterprises). She also serves as a full-term member of the Board of Trustees of The MIT Corporation, USA and is a Member of the Court of Regents at the Royal College of Surgeons of Edinburgh. She has been elected as the Fellow of the Royal Society of Edinburgh (RSE).

5

Dr. Anesh Shetty

Dr. Anesh Shetty completed his MBBS from M. S. Ramaiah Medical College, Bangalore in 2014 and MBA from the Sloan School at the Massachusetts Institute of Technology in 2021. He began working at NH as the Executive Assistant to the CEO and later in the Group CEO's Office supporting several organizational wide key initiatives.

He continued his career at General Catalyst (GC) - a venture capital firm with a focus on the health technology sector, and at other GC backed enterprise healthcare startups such as Tendo Systems and Commure. After his MBA, he worked as the Vice President – Business Development at Commure.

Dr. Anesh Shetty currently works as the Managing Director of Health City Cayman Islands, the Company's overseas subsidiary. In this role, he oversees all of the Company's activities in the region.

6

Ms. Terri Smith Bresenham

Ms. Terri is passionate about developing new systems of healthcare that yield more precision, affordability and accessibility for patients. She is a proven innovator and global healthcare domain expert, with a track record of technical, commercial and operational excellence that creates sustainable, profitable growth across many different situations and geographies. She is co-founder of Forte Health Advisors, LLC and serves on boards of healthcare companies in the USA and internationally that focus on novel innovations, digital platforms, tech-enabled services, and new care delivery models that can scale and benefit patients, providers and investors.

Ms. Terri's career spans roles in hospital, R&D, commercialization and operational environments. As a GE Corporate Officer, Terri spent nearly 30 years with GE's Healthcare business, including serving as Chief Innovation Officer, where she led innovation and the identification and incubation of disruptive business models for the Company. Additionally she was CEO for GE's billion-dollar digital health business and advancing clinical data, AI platforms and partnerships.

Prior to this, she was President and CEO of GE's Sustainable Healthcare Solutions business, based out of Bengaluru, India, focused on improving access to quality care in regions of Africa, India and Southeast Asia. She and her team developed new systems of R&D, launched a health tech incubator (five. eight) to partner with regional innovation, created a medical skills creation platform and built specialized project development solutions for governments, aid organizations and development banks. Earlier, Ms. Terri served as President and CEO of GE Healthcare India, where she spearheaded development of a portfolio of affordable innovations and created GenWorks, a first-in-market distribution and services Company to exclusively bring innovative medical technologies to the semi-urban and rural markets of India. Previously she was CEO of various global product businesses of Ultrasound, Molecular Imaging, Women's Health and Bone Health businesses and in the early part of her GE career was a design engineer in MR, CT and PET. She earned her Master's in Biomedical Engineering from the University of Texas, and her Bachelor's in Medical Technology from the University of Tennessee.

Ms. Terri is active in community-based health projects and is a champion for Women's leadership in technology and global health.

7

Mr. Shankar Arunachalam

Mr. Shankar Arunachalam is a Designated Senior Advocate. He is academically a Chartered Accountant and a Law graduate. He completed his Chartered Accountancy in 1985 and Degree in Law in 1986. He practiced as a Chartered Accountant till 2002 and since 2002 he is practicing as an advocate and has been advising various reputed domestic and multi-national companies on taxation, finance and other matters. He was designated as a Senior Advocate in 2018. He has rich experience in accounting, auditing, taxation and legal field.

He has been a speaker in various National Conferences, Seminars and Workshops on more than 50 occasions.

8

Dr. Nachiket Mor

Dr. Nachiket Mor is an Independent Director of our Company. He has a Bachelor's degree in Physics from Mumbai University and a Post Graduate Diploma in Management from IIM Ahmedabad. He obtained his PhD in Economics from the University of Pennsylvania. He has been associated with the financial sector from 1987 onwards. He has held different positions, including that of Deputy Managing Director of ICICI Bank until 2007 and Board Member of CRISIL (2008-2018), RBI (2013-2018), and NABARD (2014-2017).

Since 2011 the focus of his work has been on the healthcare sector. He was a member of the Planning Commission's High-Level Expert Group on Universal Health Care; the Primary Care Task Force of the Ministry of Health and Family Welfare, which developed the guidelines for the Health & Wellness Centres; the Health Commission for the State of Himachal Pradesh; and the Task Force on Global Health at the Academy of Medicine in Washington DC. He also serves as the Commissioner on the Lancet Commission on Reimagining India's Health System. He is a visiting Scientist at the Banyan Academy of Leadership in Mental Health and a Senior Research Fellow at the Centre for Information Technology and Public Policy (CITAPP) at IIIT Bangalore.

9

Mr. Naveen Tewari

Mr. Naveen Tewari serves as an Independent Director of our Company and is renowned as the founder of InMobi, a pioneering mobile advertising technology Company. He holds a Bachelor's degree from the Indian Institute of Technology, Kanpur (IIT), and a Master's degree in Business Administration from Harvard Business School, where he received the prestigious Dean's Award for his outstanding leadership and contribution. In 2013, his alma mater, the Indian Institute of Technology, Kanpur, recognized his excellence in entrepreneurship with the esteemed 'Distinguished Alumnus Award'.

Mr. Tewari is the CEO and founder of InMobi Group, overseeing its global businesses spanning consumer technology and enterprise platforms—InMobi, Glance, and Roposo. InMobi, India's first Unicorn, has evolved into one of the world's foremost advertising platforms. A staunch advocate of Indian entrepreneurship, Mr. Tewari has personally invested in over 60 young technology companies.

Additionally, he co-founded iSPIRT, a non-profit organization dedicated to shaping Government policy, fostering market catalysts, and nurturing product entrepreneurs to position India as a hub for new-generation software products. He also established and chairs the India School Fund, a U.S.-based non-profit committed to funding and establishing schools in rural India, reflecting his profound commitment to education.

Mr. Tewari has contributed his expertise as a Board member at PayTM, a leading fintech platform in India, and currently serves on the Board of Narayana Hrudayalaya, one of India's largest hospital chains.

His numerous accolades include the 'Future Leaders Award' presented by the Indian Prime Minister in 2015, Fortune's '40 under 40' list of the most powerful, influential, and important people in business in 2015, the 'Pathbreaker of the Year' Award in 2014, Forbes India Leadership Award for 'Outstanding Start Up' in 2014, being named among the '100 Most Creative People' in 2014 worldwide, and more.More recently, in 2024, he was honored with the UP government's Highest State Civilian Honor - the UP Gaurav Samman.

10

Ms. Nivruti Rai

Ms. Nivruti Rai is a Global leader with 30 years of technical and business leadership experience in U.S. and India. She is part of an enterprising worldwide network of leaders in business and government with vast global business leadership experience and invaluable technology expertise across multiple industrial sectors including semiconductors, electronics, automotive, telecommunications, healthcare, and manufacturing to Invest India.

She has been part of the leadership team in various industrial bodies and Government committees and brings a wealth of experience in working closely with industry associations, business leaders and Government leaders.

Ms. Nivruti Rai is the Managing Director and CEO of Invest India, an investment promotion agency of India. As the head of India's National Investment Promotion Agency, Ms. Rai is responsible for defining the investment outreach strategy, aligning it with her vision of "Maximize India with Maximum World, Maximize World with Maximum India!" This strategy aims to maximize India's potential and attract global investment while also maximizing the world's potential by leveraging India's strengths.

Before joining Invest India in July 2023, she led Intel India as Country Head for the past seven years, managing a workforce of 20,000 employees and driving growth and investment of Intel in India. During her 29 years tenure at Intel she worked on Microprocessors, Hard and Soft Intellectual Properties, Platform HW/SW, AI and Sensor Hub engines. Most recently, she also led the worldwide Automotive Foundry business as Vice President of Intel Foundry Services, where she was building Autonomous Driving, Advanced Driver Assist Systems, Infotainment, Power deliver solution and Microcontroller Units on Intel Foundry process nodes for global Automotive customers.

Ms. Rai's achievements include several international patents, global conference papers, and TED talks. She is also the recipient of the prestigious Nari Shakti Parashar, one of the highest civilian awards for women from the Honorable President of India, bestowed upon her for her remarkable contributions in the field of technologies like AI and Semiconductor design.

Clinical & Operational Highlights - FY24

Landmark Achievement in Healthcare Excellence

- Narayana Health became the first healthcare delivery chain in India to achieve the **JCI Enterprise Accreditation**
- We are also the 6th healthcare group globally to be accredited with this prestigious accreditation.
- Narayana Health entered the **Guinness Book of World Records** for conducting 3,797 electrocardiograms (ECGs) in a single day at a single location, affirming commitment to healthcare excellence and early detection.

Leading the Way

- Narayana Hospital-RN Tagore Hospital, Kolkata successfully performed Trans-axillary Perceval Plus Suture-less Aortic Valve Replacement using central cannulation technique making it one of the rarely performed procedures.
- Mazumdar Shaw Medical Center, Narayana Health City, Bangalore performed:
  - India's first Robotic Ampullectomy Surgery
  - First live case of Derivo 2 Heal Device in India
  - The first ever reported case of Trans-Hepatic Cholangioscopy in India
- MMI Narayana Hospital Raipur performed Chattisgarh's First Hybrid TEVAR Procedure
- Narayana Hospital Jaipur performed Rajasthan's first Prostate Artery Embolization using a 3D Cath Lab
- Narayana Hospital Ahmedabad performed Gujarat's first PDA Device Closure using 4/2 Amplatzer (Piccolo) Occluder Device on a 30-day-old weighing 900gms

Enabling Excellence & Combating Complexities

- **Mazumdar Shaw Medical Center, Narayana Health City successfully performed:**
  - 10+ hand/finger replantation surgeries in a single quarter; other niche work in the Bone & Joint care segment includes Scapulothoracic Fusion for genetic shoulder disorders, Elbow Interposition Arthroplasty, and Pollicization for congenitally absent thumb.
  - Robotic Trans Anal Minimal Invasive Surgery (R – TAMIS) - rare & specialized surgery done for resection of selected rectal tumors
- **Narayana Hospital - RN Tagore Hospital successfully performed:**
  - RATS (Robot Assisted Thoracic Surgery) Decortication for Stage III empyema and RATS excision of mass for posterior mediastinal mass compressing the lung
  - Branch First Aortic Arch Replacement
  - Repair of Infected Esophageal Duplication Cyst which made a fistulous tract with an opening in the body of the stomach
  - Redo VATS Resection Surgery on a 3-year-old for Pleuro-Pulmonary Blastoma Type-III
  - Robotic Renal Transplant on an obese patient with a BMI of 36.2; patient discharged within 9 days of surgery
- **Narayana Health - SRCC Children's Hospital, Mumbai successfully treated/performed:**
  - An 11-year-old presented with Super Refractory Status Epilepticus with Novel High dose Phenobarb therapy
  - A 2-year-old presented with Wilms Tumour with IVC thrombus
  - 5 cases of Adenovirus related Chronic lung disease: Viral Induced Bronchiolitis Obliterans with organising pneumonia (VIBOOP)
  - Stereo EEG Epilepsy Surgeries
  - A case of invasive mediastinal mucormycosis with cardiac extension in a child with ALL with a mortality risk of 90%
  - Its first sitting position craniotomy for a skull base tumour
- **Narayana Hospital Howrah successfully performed**:
  - Left sided Hepatectomy + CBD exploration + Roux-en-Y-Hepaticojejunostomy on a patient with recurrent pyogenic cholangitis with left sided hepatolithiasis
  - Kimura's Pyloroduodenostomy on a 2-month-old presented with complaint of intractable vomiting, diagnosed Pyloroduodenal web (a very rare condition with an incidence of 1 in a lac births)
- **Narayana Hospital Ahmedabad successfully performed:**
  - Intra Cardiac Repair for Tetralogy of Fallot (TOF) on a child with single kidney weighing 6kgs
  - CR + FLAP surgery on a 4-year-old presented with a very rare diagnosis of Desmoid Neoplasm
- **Narayana Hospital HSR** successfully performed Coeliac Artery Stenting on a patient with Descending Aortic SMA, RRA, CIA stenosis with 99% coeliac artery block
- **Narayana Hospital - Bafna Guwahati** successfully managed a surgical case of CA Gall-bladder with non-functional left lung owing to TB & mediastinal shift with Segmental Spinal Anesthesia

Breaking Barriers & Meeting Milestones

- As a Group, the annual procedural volumes for our Robotic Program crossed the 1000 mark in FY24
- MMI Narayana Hospital Raipur performed its first successful Bone Marrow Transplant in Q4FY24
- Narayana Hospital Howrah performed its 7th successful Heart Transplant in Q2FY24
- Mazumdar Shaw Medical Center, Narayana Health City successfully managed 100+ complex trauma cases in one single quarter (Q3FY24)
- Narayana Institute of Cardiac Sciences, Narayana Health City achieved the highest ever quarterly surgical volumes of 2263 cardiac surgeries in Q1FY24
- Narayana Institute of Cardiac Sciences, Narayana Health City achieved a new milestone of conducting the highest ever Cath Lab procedures (1900) and Cardiac Surgeries (870) in a single month

Expansion & Infrastructural Advancements

- Narayana Hospital Jaipur expanded its service spectrum by starting Radiation Oncology Services in the unit
- Narayana Institute of Cardiac Sciences, Narayana Health City commissioned two new Cath Labs in Q1 FY24
- Mazumdar Shaw Medical Center, Narayana Health City, Department of Orthopaedics & Trauma, started Hand Upper Limb Services & Elbow Arthroscopy in Q3FY24
- MMI Narayana Hospital Raipur replaced the old Cath Lab with the state-of the-art "Azurion 7 M20"
- Dharamshila Narayana Hospital Delhi upgraded to Elekta Synergy Versa HD- a radiotherapy platform that uses a linear accelerator to treat tumors with sub-millimeter accuracy
- Shri Mata Vaishno Devi Narayana Superspecialty Hospital Katra started Day Care Services in Jammu OPD that included 10 beds for chemotherapy and 8 for dialysis.

Awards & Recognition

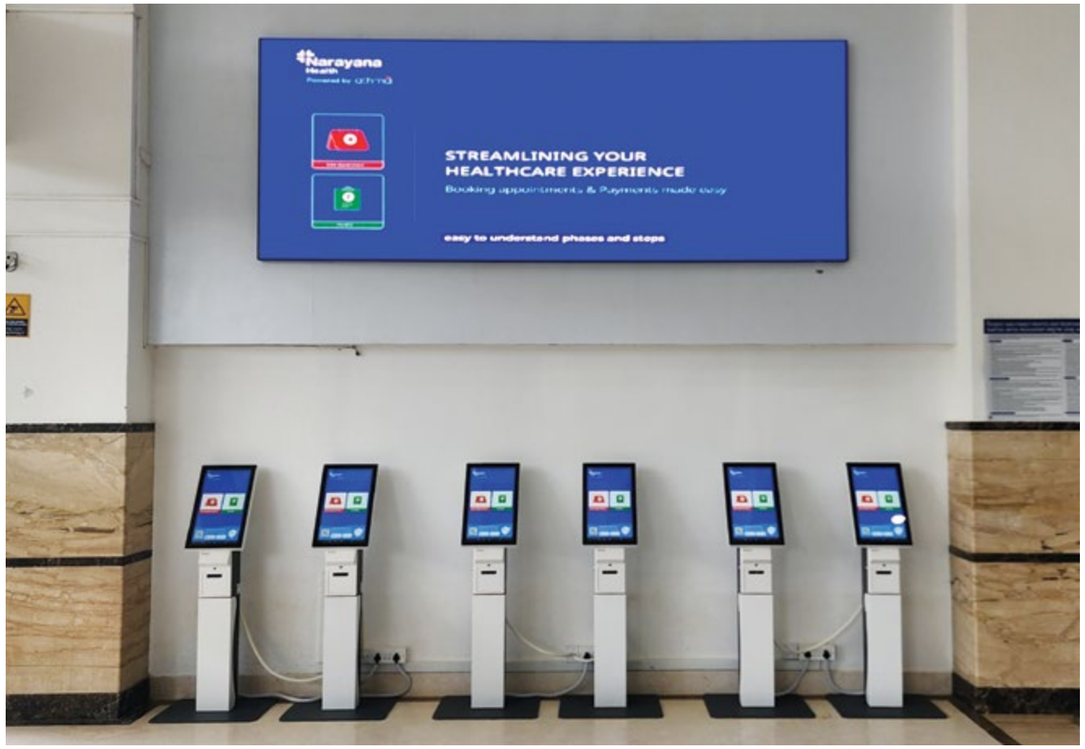
- **Dharamshila Narayana Hospital Delhi:**
  - Recognized as **"Best Multi-Speciality Hospital of the year 2023"** by the jury of Dr. APJ Kalam and Dr. Shyama Prasad Mukherjee Awards at Vigyan Bhawan 23rd June 2023
  - Recognized amongst the **"Best Multi-Speciality Hospitals in Delhi"** of the year 2023 by Outlook Health Best Hospital Ranking 2023
  - Awarded **"Excellence in Cancer Care Award"** by 11th Elets Healthcare Innovation Summit & Awards, New Delhi
  - Received the prestigious **"Excellence in Operations"** award by **AHPI (Association of Healthcare Providers India)**
- **Narayana Hospital Jaipur** was adjudged the best Multi-Speciality hospital in Jaipur by Outlook Health 2023
  - **Shri Mata Vaishno Devi Narayana Superspecialty Hospital Katra** received the **NABH-ER Excellence** and **CAHO Environmental Sustainability** awards in 2023
- **Narayana Hospital - Bafna Guwahati** felicitated for Special contribution to Assam & North-East Healthcare 2023 and Excellence in Patient Safety 2023 in the Northeast Healthcare Excellence Summit 2023
- **Brahmananda Narayana Hospital Jamshedpur was awarded:**
  - 9th IHW awards 2024 for **Excellence in Patient Safety & Centricity**
  - **Nursing Excellence accreditation** from NABH
  - Received **Best Hospital in the city awards** by The Avenue Mail
- MMI Narayana Hospital Raipur received its Nursing Excellence Accreditation in the fiscal year 2024

Business Transformation at Narayana Health

At Narayana Health, we recognize the critical need to revolutionize healthcare delivery for our patients. The patient experience within our facilities plays a pivotal role in their choice of healthcare service providers. To enhance customer experience and ensure consistent service levels across our network, we are implementing advanced technology solutions.

Our initiatives aim to simplify, expedite, and increase the efficiency of all processes, empowering customers to manage many tasks independently. Specifically, we are focusing on non-clinical functions such as billing, service queuing, cost estimation, admission, discharge, inpatient services, and outpatient services. Our goal is to establish a transparent system that minimizes the need for intervention in most cases.

While numerous initiatives are in progress, some key projects that are transforming the way our consumers experience healthcare are:



Self Help Kiosks

We have undertaken a mammoth project to provide self-help kiosks across our network to perform all invoicing for patient registration, consultation invoicing and service invoicing. We are happy to share that we have received very positive response for the implementation with more than 70% of all our transactions moving to digital platform once we implemented this on a test basis in some of our hospitals. In the next one year we intend to roll this out across the country.

Queue Management System

We are in the phase of implementing a Queue Management System for all our services in the hospital. Currently, we have a system restricted to doctor's consultation, however we are planning to implement this for all the service areas. With this implementation we would get visibility to improve operational efficiency, and patients / attendants would get service guarantee and visibility into expected wait time for our services. In future, we wish to build on this and provide service predictability to our customers.

Admission / Discharge Automation

The inpatient experiences are often defined by the time taken by customers in admitting the patient or getting the patient discharged and leaves an overall impression of our services. We are happy to share with you that we have implemented a transparent system which allows our end customers to know every step of their Discharge and can make final payment online and move out from the bed without visiting the counter, with all reports and access available in the system. On similar lines we are working on making the entire admission process simpler by allowing customers to complete admission process i.e. admission form filling, signing consent, making initial payment wherever applicable and then walking directly into their room for getting treatment. We are in the process of implementing this across the network.

In Patient Companion

We want our nursing team to be focused on clinical care and empower our customers / attendants to have a direct communication with the non-clinical team for any concerns / feedback they want to share. We have developed an internal chatbot which is based on Large Language Model. This chatbot identifies the patient issue, e.g. related to services, allocates this to the right department, tracks the closure of the reported issue and updates our end customer on issue resolution.

Simplifying Feedback

At Narayana Health we value customer feedback to constantly improve our services. To get more feedback and relevant input we have simplified our feedback process to make feedback more objective, identifying areas of improvement for our hospitals. We are happy to share that with our new system implemented, we see a 60% improvement in the feedback collected with more incisive inputs to improve our services.

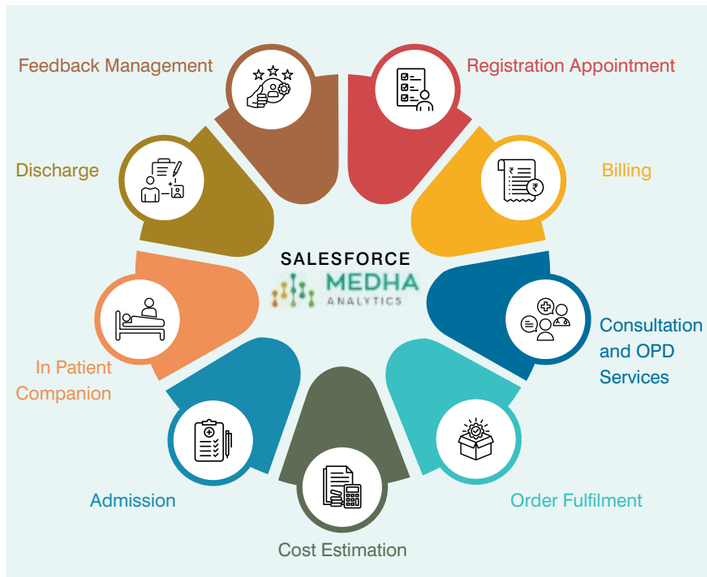
Consent Management

Patient stay in the hospital requires them to sign multiple consents to understand the medical implications of the procedure / surgery they are undergoing. All these forms are retained manually, and if needed the process of retrieving them is slow and difficult. We intend to move our entire consent process to a Digital platform which would allow us to access the consents, review them and make it available on a need to basis immediately.

Paper Usage Optimization

Our company is dedicated to the cause of reducing paper usage in our hospitals. We are running specific initiatives to ensure that we reduce the carbon footprint for our services. As part of the same endeavor, we are ensuring all lab reports, consultation prescriptions, invoices are available online. This has been implemented with the help of our NH Care App which is one of the most widely used Healthcare App in the country.

SNAPSHOT OF DIGITALIZATION OF ALL OUR INITIATIVES



Narayana Health Cardiac Care

With 17 hospitals and 3 heart centres, our Cardiac Program stands as one of the world's largest and most comprehensive. We lead India's largest Paediatric Cardiac Program and serve as the country's highest volume centre for pulmonary thromboendarterectomy, establishing a global hub of excellence in this specialized field.

Our expertise extends to advanced coronary artery bypass grafting (CABG), valve repair and replacement utilizing conventional, minimally invasive, and robotic techniques.

We are pioneers in heart failure care, offering cutting-edge treatments including left ventricular assist devices (LVAD), extracorporeal membrane oxygenation (ECMO), and heart transplants. Moreover, we are recognized for our proficiency in aortic aneurysm and dissection repairs, encompassing complex surgeries such as arch and thoraco-abdominal aorta procedures, alongside specialized care for hypertrophic obstructive cardiomyopathy. Our unwavering commitment to excellence and innovation ensures that we remain leaders in global cardiac care.

Cardiac Sciences Volume Highlights

5 lacs +
OP Consultations

76k+
IP Admissions

38k+
Cardiac Diagnostic

23k+
Cardiac Intervention

21k+
Cardiac Surgery

13
Heart & Lung Transplant

19k+
CT Coronary Angiogram

3.8k+
Cardiac MRI

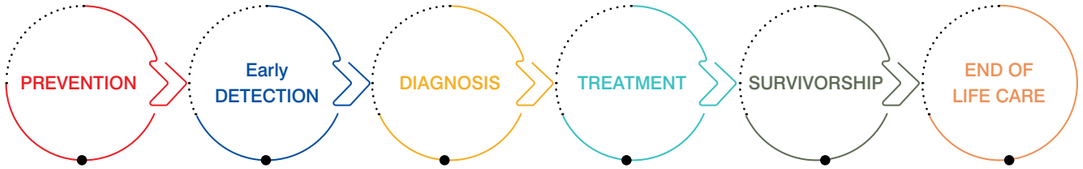
Narayana Health Cancer Care

India is a low-income country with a per capita GDP of USD $2300. The current population is 1.4 billion people, with nearly 1.3 million diagnosed with cancer every year. In 2022, approximately 930,000 people died from cancer. One in ten Indians will develop cancer in their lifetime, and this number is expected to increase as more cases are detected.

Lifestyle and other changes enhance the risk factors. At any given time, there are 2.7 million prevalent cancer cases, and the mortality rate from cancer is as high as 1.2 million. Today, most cancers can be cured if detected and treated early. However, the lack of awareness, numerous myths surrounding this dreaded disease, and the high cost of treatment significantly add to this burden. At Narayana Health, we've made a commitment to provide millions of Indians with access to reasonably priced cancer care.

At Narayana Health, patients are managed using a multimodal strategy that encompasses early detection, treatment, education, prevention, and care for afflicted individuals. Public education on good habits, including quitting smoking, exercising regularly, and eating a balanced diet, is part of our efforts to prevent cancer. In compliance with WHO guidelines, Narayana Cancer Care is making all-out efforts to address inequities in cancer care, close the care gap, and offer high-quality tertiary care, quaternary services, and enhanced screening and diagnostics. Narayana Health adopts an outcome-based, patient-centred, and technology-focused strategy. Our main goals as a value-based organization are to provide the highest calibre of patient care and precise diagnostic support. Strong operational and financial results over the course of the fiscal year have contributed to our company's increasing resilience.

NH CANCER CARE MODEL



PREVENTION	Early DETECTION	DIAGNOSIS	TREATMENT	SURVIVORSHIP	END OF LIFE CARE
Tobacoo control Diet Physical activity Sun exposure Virus exposure Alcohol use Chemoprevention	Cancer screening Awareness of cancer signs and symptoms	Oncology c/s Tumor staging Patient counseling and decision making	Chemotherapy Surgery Radiation Therapy Adjuvant Therapy Immunotherapy Bone Marrow Transplant Psychosocial Care	Long term follow up Late effects management Rehabilitation	Palliative Care Hospice Care Spiritual Support

Narayana Cancer Collegium

Narayana Health's Cancer Care Program operates under the governance of the Narayana Cancer Collegium, a unique model developed in 2018. The collegium provides comprehensive support for all aspects of cancer care within the organization.

Dr. Emmanuel Rupert
Managing Director & Group CEO

Dr. Uthappa P.M.
Group Chief Medical Director

Dr. Purna Kurkure
Ex-Chairman
Pediatric Oncologist

Dr. Sharat Damodar
Chairman
Adult Hematologist

Dr. Sunil Bhat
Vice Chairman
Pediatric Hematologist

ADVISORS

Dr. Pradeep Narayan
Chief Scientific Officer

Dr. Randeep Singh
Medical Oncologist

Dr. Nidhi Tandon
Medical Oncologist

Dr. Vivek Shetty
Head & Neck Surgeon

Dr. Saurabh Bhargava
Uro Oncologist

Dr. Vivek Agarwala
Medical Oncologist

Dr. Hema Malini
Onco Pathologist

Dr. Suman Mallik
Radiation Oncologist

Dr. Devmalya Banerjee
Onco Pathologist

Dr. Kanika Sood Sharma
Radiation Oncologist

Dr. Vineetha Binoy
Medical Oncologist

Extensive Network of Cancer Care Centers

Narayana Cancer Care offers comprehensive cancer care services at multiple centers in Bengaluru, Mysore, Delhi, Gurugram, Jaipur, Katra, Howrah, and Raipur. We are in the process of starting three more comprehensive cancer care centers in Ahmedabad, Kolkata, and Shimoga. In addition to these locations, we also provide a wide range of cancer care services in Guwahati, Jamshedpur, Mumbai, and Barasat. Over 200 oncologists at Narayana Cancer Care Centers offer services round the clock.

Revolutionizing Cancer Care: Advanced Treatments and Expert Collaboration

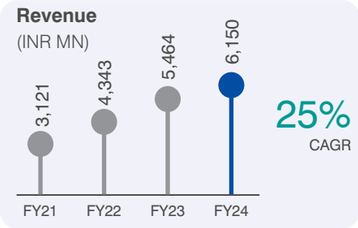
Narayana Health is actively investing in cutting-edge technologies such as molecular diagnostics, next-generation sequencing (NGS), and AI-based diagnostics. Our approach to cancer care is driven by innovation, advanced clinical techniques, and personalized treatment. We are heavily investing in precision medicine, leveraging AI, omics, and data analytics to enhance patient survival rates. Our centers offer advanced treatments like immunotherapy and CAR-T cell therapy.

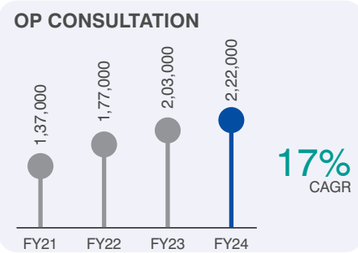
CAR-T cell therapy is revolutionary. It involves genetically modifying a patient's white blood cells (T cells) in the lab to produce chimeric antigen receptors (CARs). These chimeric antigen receptors enable T cells to recognize cancer cells' surface antigens and activate their ability to destroy those cancer cells. After modification, the CAR-T cells are infused back into the patient's body to target and eliminate specific cancers. This immunotherapy holds great promise in cancer treatment, and Narayana Health is among the few hospitals providing this breakthrough treatment.

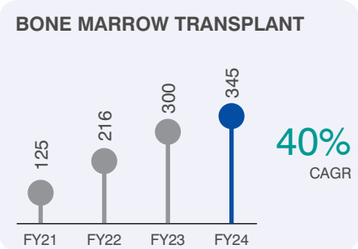
Additionally, we have expanded into other healthcare areas affecting cancer patients, including fertility and reproductive medicine, as well as precision diagnostics, to enhance the continuum of care. We are committed to bridging the care gap, aligning with the World Health Organization's theme for cancer awareness. To address this issue, we are establishing infusion centers and clinics equipped with comprehensive screening programs.

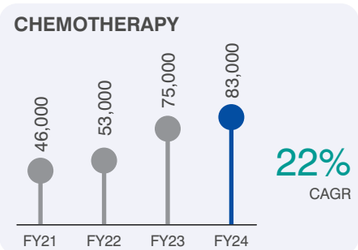
Narayana Health's Virtual Tumor Board facilitates direct communication of our clinicians with the oncologists, and top experts. This promotes knowledge sharing across our network as we strive to be a comprehensive hub for core clinical services.

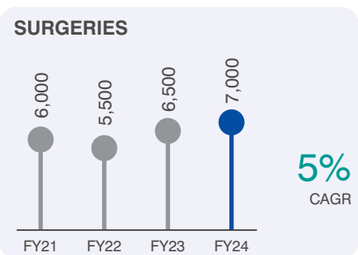
We collaborate closely with our dedicated nurses, the backbone of our cancer program, to establish a pool of specialized oncology nurses. These professionals play a crucial role in supporting oncology patients. Additionally, allied services like psycho-oncology have significantly impacted our program, and we remain committed to substantial investments in these services. Our upcoming Narayana Sarthi program is specifically designed to cater to the unique needs of cancer patients.











Narayana Cancer Care

Message from Chairman, Cancer Collegium

> Together, with the support of our patients, communities, and stakeholders, we will forge a path towards a future where cancer is not just treatable, but conquerable.

Dr. Sharat Damodar
Chairman, Adult Hematologist

At Narayana Health, we are committed to adding years to life by providing state-of-the-art medical care and supporting patients throughout their treatment journey. Our approach includes advanced diagnostic methods, therapies, and cutting-edge medical treatment.

In the era of precision medicine, cancer care has undergone significant transformation, and we now can tailor treatments based on individual characteristics, such as genomic alterations. Collaborative efforts involving oncologists, surgeons, radiologists, and other specialists ensure comprehensive and personalized treatment plans.

Way Forward

As we conclude, we reflect on the progress we have made in our fight against cancer. Our unwavering commitment to advancing cancer treatment through personalized care, cutting-edge research, and innovative technologies continues to set us apart. Looking ahead, we remain steadfast in our mission to redefine cancer care. We will continue to invest in groundbreaking research, embrace emerging technologies, and expand our knowledge to offer the most effective and compassionate treatment. Together, with the support of our patients, communities, and stakeholders, we will forge a path towards a future where cancer is not just treatable, but conquerable.

Narayana Health Quaternary Care

Robotic Program

Narayana Health has been continuously enhancing its scope and capabilities in the realm of Robotics since the inception of the Program. We have expanded the service spectrum with our foray into Robotic Cardiac Surgery and Orthopaedic Surgery. The program has demonstrated substantial growth in FY24, achieving 85% YoY growth in the number of procedures performed. Our state-of-the-art infrastructure enables us to deliver care with unparalleled precision leading to impressive clinical outcomes and much shorter recuperation duration. We have performed over 3,000 procedures to date, 1,000 procedures in FY24 alone, and are poised for further growth in Fiscal 2025.

Image Guided Therapy

The Interventional Radiology (IR) and the Interventional Neurology Programs at Narayana Health offers to our patients a wide array of minimally invasive diagnostic and therapeutic treatment options using a variety of image guided techniques, thereby substantially minimizing the treatment expense and the associated hazards of an otherwise conventional invasive surgery and improving patient outcomes. Our IR Program integrates seamlessly with other specialties such as oncology (cancer care), neurology, cardiology, and vascular surgery thus ensuring multidisciplinary, comprehensive and personalized treatment plans for patients. Among other niche treatment options, we provide cryoablation of kidney and breast tumours, treatment for prostatic enlargement, and treatment for uterine fibroids.

As the first centre to perform Mechanical Thrombectomy and Temporary endovascular bypass / stent retriever for stroke and to use AI in stroke imaging (RAPID system) in India, we have established ourselves as the pioneers in the discipline of Interventional Neurology as well. We have conducted 5,000 procedures in the Image-guided Therapy segment in FY24, taking us to a cumulative total of over 25,000 procedures performed to date.

Bone & Joint and Neurosciences

In our endeavour to become one of the sought-after care providers in the Bone & Joint segment, we have operationalized the Orthopaedics & Trauma Centre in our Health City campus in Bengaluru in FY24. We have expanded our spectrum of services significantly beyond General Orthopaedics, Joint Replacements and Arthroscopic Surgeries by bringing into our scope niche subspecialty work such as hand surgery, shoulder & elbow, foot & ankle, advanced microvascular & limb re-attachment surgery, robotic orthopaedic & spine surgery and orthopaedic rehabilitative services for chronic conditions. FY24 witnessed over 1.6 lacs. OP Consultations and 12,000+ IP volumes. As we move forward, we continue to strive towards building capabilities in terms of clinical talent, technology & infrastructure across our network hospitals and emerge as a prominent player.

Our Neurosciences program is going from strength to strength with each passing year. We had over 2 lacs OP consultations and 18,000+ IP admissions in FY24 with an annual volume of 5,000+ neurosurgeries. Our scope encompasses diagnosis and medical management of a wide array of neurological conditions such as stroke, epilepsy, movement disorders & Parkinson's, Alzheimer's & dementia, and cerebral palsy, to name a few. The neurosurgical segment includes awake brain surgery, brain & spinal tumours, skull base surgery, functional neurosurgeries, minimally invasive surgeries, neurosurgical oncology, and several other complex cranial & spine procedures. We have also put in substantial efforts in the last fiscal year towards building our Neurorehabilitation and Neuro-Imaging segments thereby ensuring we cover the entire service spectrum and emerge as a comprehensive care centre for neurosciences.

Renal Sciences and Gastro Sciences

The Nephro-Urology team at Narayana Health is among the most experienced and skilled in the country. Our approach to renal care includes diagnosis, treatment, and management of various kidney disorders, including chronic kidney disease (CKD), acute kidney injury, renal failure & kidney transplantation, and post-transplant care. We are also among the first few centres to perform ABO incompatible and cadaveric transplants. We have performed over 7,000 Renal Transplants to date with an annual volume of 600+ cases in FY24 alone. We have rendered over 300,000 maintenance haemodialysis to our patients in FY24. We have integrated multiple disciplines to ensure holistic treatment and management of a wide spectrum of renal conditions.

The Urology service spectrum encompasses diagnosis and treatment of a wide range of genitourinary conditions across benign and malignant segments. Our surgical capabilities range from laparoscopic to minimally invasive to the most advanced robotic techniques. Our focus in urology subspecialty work includes andrology, endo-urology, laser surgery, uro-gynaecology, uro-oncology, robotic renal transplant, and paediatric urology. We have clocked an OP consultation volume of over 2.2 lacs and IP Admission volume of 24,000+ in Renal Sciences in the last fiscal year.

Our services in Gastro Sciences span across medical gastroenterology, surgical gastroenterology,gastrointestinal oncology, hepato-biliary diseases and liver transplant. FY24 has witnessed an OP footfall of over 2 lacs and an IP volume of 25,000+ in the segment. In FY24, our GI diagnostic endoscopy procedure volumes stood at 65,000+. We have also performed over 350 successful Liver Transplants to date. Our state-of-the-art capabilities and unrivalled clinical talent are our enablers in the medical, interventional, and surgical management of a diverse range of GI conditions. Our scope of subspecialty work encompasses advanced endoscopy (diagnostic & therapeutic), chronic liver disease management, IBD management, bariatric medicine & surgery, colorectal surgeries, laser proctology, hepatology & HPB surgery, liver transplant (live and cadaveric), and minimal access & robotic GI surgery (for both benign and malignant conditions).

Other Clinical Volume Highlights

24 lacs+ OP Consultations	45k+ Video Consultations	1.5 lacs+ Preventive Health Check-ups
2.4 lacs+ IP Admissions	10 lacs Patient Bed Days	3 lacs+ Haemodialysis
65k+ GI Diagnostic Endoscopy	140k+ CT Scan	90k+ MRI
6.9 lacs+ Echo	9.6 lacs+ X-Ray	250 lacs+ Laboratory Test

Clinical Governance & Quality

Narayana Academy for Safety, Quality and Risk Programme - NASQAR Program

NASQAR is Narayana Health's program to ensure standardized care across all hospitals in the Group. It establishes a robust Quality Management and Risk Reduction program aimed at reducing patient harm. NASQAR encompasses clinical governance, safety, quality, and risk management, along with initiatives for Clinical Excellence, Environment of Care Safety, Internal Audit, and Learning.

1. NH – Governance Framework – (NGF) for Clinical, Diagnostic and Facility safety.

Governance framework is established for Clinical, Diagnostic and Facility safety, It communicates the enterprise mission, vision, and goals to health care organization staff.

NGF ensures data monitoring which helps leadership make decisions about allocating resources, including financial and staffing resources and share best practices across the enterprise. We monitor more than 500+ KPI, and track ATR across all governance.

With NGF Health care organizations align with systemwide initiatives, promote high reliability while continually focusing on eliminating system failures and human errors that may cause harm to patients, families, and staff.

2. NH - Internal Quality and Safety Audit Programme (NIQSA) programme

At Narayana Health, internal audits are conducted across all hospitals by trained auditors from various functions. The NIQSA program defines parameters for generating compliance and safety scores for each hospital, using a standardized checklist. A digital platform with advanced analytics tools is utilized for conducting audits and generating reports, which are accessible to functional heads and leadership.

This platform provides clinicians with real-time access to audit data, enabling them to identify issues and improve patient outcomes. The reports help clinicians and administrative teams highlight key areas for improvement and track the effectiveness of implemented safety measures. Continuous monitoring of data ensures adherence to established protocols and fosters a culture of accountability among clinicians and staff, essential for delivering high-quality patient care.

Monthly internal audits are conducted for:

- International Patient Safety Goals
- Medical Records
- Medication Safety
- Infection Control Surveillance
- Patient Privacy
- Clinical Process Tracers
- Facility Safety

Quarterly internal audits for all departments are conducted by the Hospital Quality Team according to defined quality and safety standards.

Annual internal audits are conducted for all hospitals by the Corporate Quality Team according to defined quality and safety standards

3. NH- Risk Management programme-(NRM) programme

Risk Management at Narayana Health includes an annual proactive risk assessment for various processes such as **Medication Management, Infection Control, Diagnostics, and Facility Management.** These assessments are conducted across all hospitals in the group, leading to the development of a comprehensive group-wide risk reduction programme.

Incident management is integrated with ATHMA – HIS, enabling easy access, paperless reporting, and traceability to prevent the recurrence of events. Due to improved accessibility, staff awareness, and training, near-miss and unsafe condition reporting has increased by 400%, demonstrating a significant impact on establishing a culture of safety. As part of the risk reduction program and emergency preparedness, mock drills are conducted for all emergency codes to assess protocols, staff awareness, and equipment readiness. Over 250 mock drills are conducted annually.

4. Narayana Quality Learning Academy – (NQLA)

The Narayana Quality Learning Academy provides training for all staff on the Quality Management system, facilitating the implementation of Quality Improvement initiatives using metrics and tools. It also helps process owners interpret accreditation standards, identify gaps, and suggest necessary changes for incorporation.

NH organisational ethics is entrenched in its mission and vision statement, which states, **"Health for all and all for health," as well as ICARE-innovation and efficiency, compassionate care, accountability, and respect for everyone.**

This was a year of immense activities, period of consolidation of previous achievements and opening up our Hospitals to be surveyed by the accreditation agencies. We took the opportunity to reflect on our governance arrangements, clinical practice and its outcomes and developed course correction for implementation from 1st April 2024

Our commitment to providing our patients with the quality care they need remains steadfast.

Effective and High Performing Governance Model

"Beyond Safe: Striving for Zero Harm Healthcare"

Narayana Health has established a robust Clinical Governance Framework and review mechanism that holds our hospitals accountable for ongoing service improvement by fostering a culture of safety and excellence in care.

The NH Governance Framework (NGF) consists of five layers that align the Board, Governance leads, Clinical team, Quality Department, Audit team, and front-line staff. This structured design emphasizes stakeholder engagement at all levels, ensuring the selection and reporting of pertinent data in a comprehensible format. Within the clinical governance structure, committees, subcommittees, and groups have specific responsibilities to achieve NH's strategic goals and objectives.

At Narayana Health, leadership structures and systems are established to ensure and perpetuate a Culture of Safety.

We ensure patient safety culture is measured, the feedback is provided to all levels of the organization, and interventions are undertaken that reduce patient harm.

The measure assesses whether our hospitals have acted across four dimensions:

AWARENESS, including ensuring regular board conversations about safety issues, engaging healthcare stakeholders in safety and quality committees, feedback and communicating with staff and conducting a culture of safety survey, reporting benchmarked results, and debriefing with staff

ACCOUNTABILITY, including sustaining a patient safety program, appointing safety-specific leadership, incorporating system performance into performance reviews and compensation, and reporting events to accountability programs, sharing the results with senior leadership and the use of the survey in improvement efforts

ABILITY, including dedicating patient safety program budgets to permit investments to support patient safety activities including conducting staff education programs and provisioning for future surveys

ACTION, including engaging the CEO and senior leadership in patient safety meetings. Identifying performance improvement interventions, wide dissemination of the results, and developing policies and procedures to measure culture.

Corporate Responsibility and Accountability for Clinical Governance

The Board has overall responsibility for the activity, integrity and strategy of the Group and has a statutory duty to ensure high standards of clinical governance.

The Chief Executive Officer has overall accountability for Clinical Governance, delegating the executive responsibility to the Group Chief Medical Director, who is responsible for reporting to the Board on the clinical governance agenda and ensuring that any supporting strategy documents are implemented and evaluated effectively.

Number of Clinical Governance meetings held group wide

Clinical Governance (NH Group)

2,844	204	204	12	**3,264**
Total Level 2 meetings	Total Level 3 meetings	Total Level 4 meetings	Total Level 5 reports, Board level	**Overall total**

Digitally Enabled Change: Embrace patient safety technologies

At Narayana health, we are focused on making sure everyone can easily use our digital systems and services, now and in the future. This includes designing our services to avoid leaving anyone behind, especially the patients we serve.

Working with clinical staff is crucial to our success. Our goal is to make digital improvements that are efficient, easy to use, and reduce hassles for patients, staff, and partners.

Leveraging technology, such as electronic medical records, will help to improve safety by providing real-time access to patient information, reducing errors, and improving care coordination.

Digital adoption of Electronic Medical Records (EMR) at Narayana Health offers numerous benefits that enhance healthcare delivery and patient outcomes. Here are some key advantages:

Digitisation promotes enhanced Efficiency, improved Patient Safety, better coordinated Care, accurate and comprehensive Documentation, Data Analytics and Decision Support, enhanced Patient Engagement and saves money.

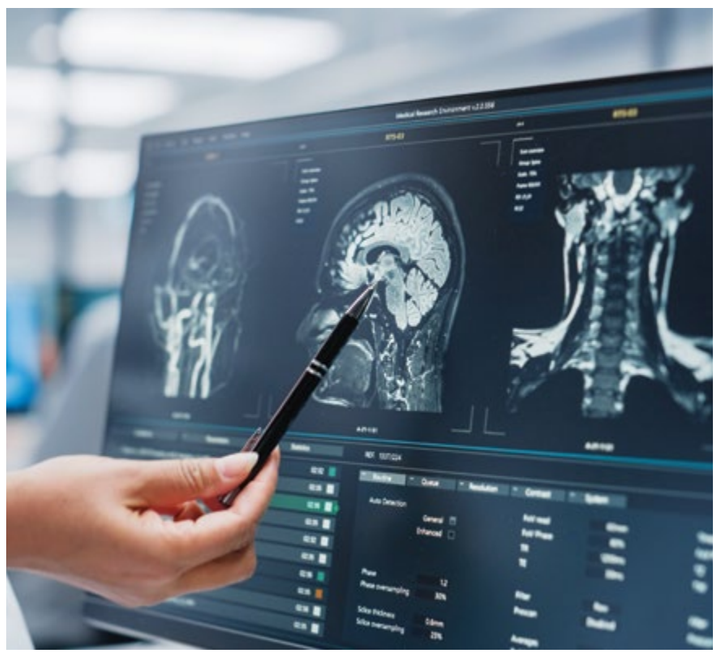
The implementation of **the AADI (ATHMA doctor app) has boosted consultant efficiency by 17%, allowing more time for patient care by automating processes and optimizing workflows.**

Nursing staff have also greatly benefited from the NAMAH (ATHMA nurses app), which automates tasks like monitoring vitals, assessments, and handovers. **This has reduced nursing documentation time by 24%, enabling nurses to provide more personalized patient care.**

In outpatient departments (OPD), the adoption of Electronic Medical Records (EMR) has been a success, with structured consultation documents now captured for over 75% of consultations. This improves decision-making and patient outcomes by ensuring comprehensive digital documentation.

Laboratory operations have seen a 40% reduction in test turnaround time (TAT) compared to legacy systems. **In pharmacy, ATHMA has achieved 92% paperless operations in OPD**, speeding up dispensing and minimizing errors.

ATHMA's impact extends to environmental sustainability, saving 38 million sheets of paper annually, reducing costs, and supporting the organization's sustainability goals. Additionally, the action item-driven incident management system enhances patient care safety and ensures continuous improvement in healthcare delivery



Timely access to Emergency and Elective Care

We closely track each patient's journey to ensure they get the care they need, when they need it, whether it's planned or emergency care. **Our goal is to prevent any delays that could lead to health problems.**

Our ER and OT metrics demonstrate that patients are seen quickly and move seamlessly across different clinical areas. Consistent care pathways, rapid access to a second consultant, swift lab and imaging turnaround times, and quick discharges ensure no backlogs. This results in minimal waiting times for consultations and ward admissions, allowing the next set of patients in Emergency or elective care, to be promptly attended to.

		Benchmark	Group average
Cardiac Sciences	Door to Balloon Time	<90 Minutes	84.8 minutes
	Door to needle time	60 Minutes	51 minutes
Neurology	Time for activation of stroke protocol	<10 Minutes	5.65 minutes
	Door to needle time	<60 minutes	51 minutes
Emergency	Boarding time in ER	<240 minutes-NH internal	162.4 minutes
Operation Theatre (OT)	Percentage of Rescheduling of Surgeries	3%-NH internal	2.70%
	Percentage of OT Cancellation	5%-NH internal	2.18%

TAT Lab

The NH benchmark is set at 2 hours, and over 95% of reports are issued within this timeframe

Low rates of OT cancellations and rescheduling guarantee prompt surgical care, lower patient anxiety and possible complications, and maximise the use of operating rooms, personnel, and resources, lowers the price of rescheduling-related expenses like extra preoperative tests and longer hospital stays.

Clinical Pathways

Clinical Care Pathways capture the journey of the patient when they come in for a particular treatment. They standardize care processes, ensuring consistency and quality in patient treatment across healthcare providers.

Pathways IN ER – STEMI, STROKE

Pathways in the Ward- BMT, Heart transplant, ASD, RVOT, TAVI , Liver and Kidney Transplant, CABG, MVR, TKR, Whipple's

There are a total of 18 pathways with 100 indicators monitored through them. This includes 73 process indicators and 27 outcome indicators. Pathway compliance is at 100%, with 95% appropriateness

Clinical Key performance indicators: Assuring High Quality Care and Outcomes

Clinical Key Performance Indicators, in clinical care are measurable values used to assess the quality, efficiency, and effectiveness of treatments.

Clinical outcome indicators center on the final outcomes of healthcare—how treatments and interventions affect patients' health and quality of life. They enable us to compare our performance against established benchmarks. If we excel, we can create our own benchmarks for further improvement. Conversely, if we fall short, it prompts us to investigate the reasons and strive for enhancement.

Here are key aspects and examples of clinical outcome indicators:

Clinical Department	Clinical Indicator	Benchmark	Group Average
Cardiac Sciences	Door to Ballon Time	**<90 Minutes[1]**	**84.8 Minutes**
	PTCA Mortality Rate	**<1.20%[2]**	**1.21%**
	Acute Myocardial Infraction (AMI) Mortality Rate	**3.9%[3]**	**2.75%**
Neurology	Door to needle time	**60 Minutes[4]**	**51 Minutes**
	Time for activation of stroke protocol	**<10 Minutes[5]**	**5.65 Minutes**
Surgical Gastroenterology	Average length of stay for Laparoscopic Cholecystectomy patients	**1-2 days[6]**	**2.1 day**
Pulmonology	COPD 30-day Mortality	**8.4%[7]**	**4.3%**
Nephrology	Percentage of Patient's in ESRD achieving/ maintaining Hb 10-12 gm% or higher after 3 months of dialysis	**50%[6]**	**45.6%**
	Mean value for serum Albumin for patients on maintenance Dialysis	**> 3 mg/dl[8]**	**3.3 mg/dl**
Radiation Oncology	Percentage of radiation therapy dropouts	**<10%[6]**	**4.8%**
	Break between 2 sessions (<7 days)	**<10%[6]**	**3.2%**
	Break between 2 sessions (<3 days)	**<10%[6]**	**4.8%**

KPI benchmark References:

- [1]Antman EM, Anbe DT, Armstrong PW, et al. ACC/AHA guidelines for the management of patients with ST-elevation myocardial infarction: a report of the American College of Cardiology/American Heart Association Task Force on Practice Guidelines (Committee to Revise the 1999 Guidelines for the Management of Patients with Acute Myocardial Infarction). Circulation 2004;110:e82–92
- [2]Movahed MR, Hashemzadeh M, Jamal MM, Ramaraj R. Decreasing in-hospital mortality of patients undergoing percutaneous coronary intervention with persistent higher mortality rates in women and minorities in the United States. J Invasive Cardiol. 2010 Feb;22(2):58-60.
- [3]European Society of Cardiology (ESC). "30-day mortality after acute myocardial infarction drops with improved treatment." ScienceDaily. ScienceDaily, 28 August 2012. Dennis JA, Zhang Y, Zhang F, Kopel J, Abohelwa M, Nugent K. Comparison of 30-day mortality and readmission frequency in women versus men with acute myocardial infarction. Proc (Bayl Univ Med Cent). 2021 Jul 21;34(6):668-672. Doi: 10.1080/08998280.2021.1945364. PMID: 34732982; PMCID: PMC8545157.
- [4]Fonarow GC, Smith EE, Saver JL, Reeves MJ, Bhatt DL, Grau-Sepulveda MV, Olson DM, Hernandez AF, Peterson ED, Schwamm LH. Timeliness of tissue-type plasminogen activator therapy in acute ischemic stroke: patient characteristics, hospital factors, and outcomes associated with door-to-needle times within 60 minutes. Circulation. 2011 Feb 22;123(7):750-8.
- [5]Jauch EC, Cucchiara B, Adeoye O, Meurer W, Brice J, Chan YY, Gentile N, Hazinski MF. Part 11: adult stroke: 2010 American Heart Association Guidelines for Cardiopulmonary Resuscitation and Emergency Cardiovascular Care. Circulation. 2010 Nov 2;122(18 Suppl 3):S818-28
- [6]NH Internal
- [7]CMS National Average 2022
- [8]Ikizler TA, Burrowes JD, Byham-Gray LD, et al; KDOQI Nutrition in CKD Guideline Work Group. KDOQI clinical practice guideline for nutrition in CKD: 2020 update. Am J Kidney Dis. 2020;76(3)(suppl 1):S1-S107

Do it right the first time.

Get it right the first time, focussing on doing things " right " first time , every time.

Our goal is to achieve excellent clinical outcomes by adhering to protocols, guidelines, pathways, SOPs, systems, and processes. **Zero harm means ensuring patients do not experience avoidable harm.** This involves being meticulous during procedures, lab or imaging reporting, and medication prescriptions.

By getting it right the first time, every time, we avoid the need for redoing treatments or subjecting patients to overtreatment.

1. Re-intubation Rate

Importance: Ensuring correct guidelines were followed prior to extubating the patient, following extubating criteria and sedation vacation, minimizes the need for re-intubation, leading to better patient outcomes and decreased ICU stays. A low rate suggests protocols and guidelines were followed .

2. Return to ICU within 48 Hours

Importance: Preventing the need for a return to the ICU means the initial treatment and care were effective. Proper initial management avoids complications, reduces patient stress, and saves hospital resources by ensuring patients recover as expected. A low rate suggests protocols and guidelines were followed .

3. Return to ER within 72 Hours

Importance: A low rate of return to the ER indicates effective initial diagnosis and treatment. This reduces patient anxiety, prevents overcrowding in emergency departments, and ensures better use of healthcare resources by solving issues during the first visit.

4. Reporting Errors

Importance: Correct and accurate reporting the first time ensures proper communication among healthcare providers, which is essential for effective patient care. Reducing reporting errors prevents misinformation, treatment delays, and potential harm to patients.

5. Percentage of Return to OT, Rescheduling, and Cancellation, Re-exploration Rate

Importance: Minimizing returns to the operating theater (OT), rescheduling, cancellations, and re-explorations indicates high-quality surgical planning and execution. This reduces patient risk, optimizes surgical schedules, and enhances overall patient satisfaction.

6. Medication Errors - Benchmarking

Importance: Ensuring correct medication administration the first time prevents adverse drug events, enhances patient safety, and improves treatment efficacy. Benchmarking medication errors helps identify areas for improvement and ensures adherence to best practices.

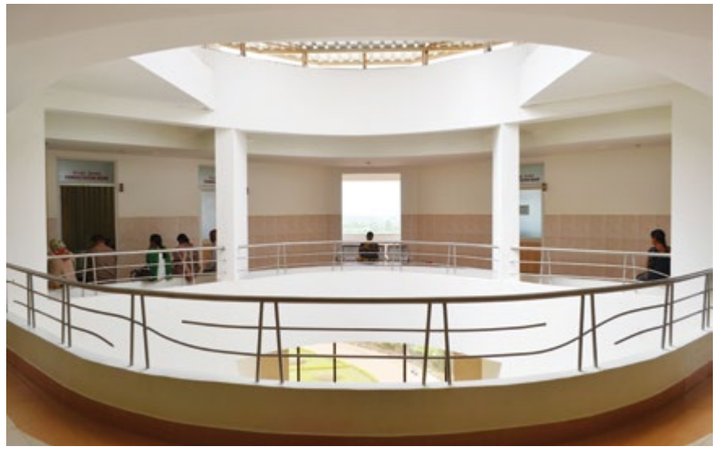
7. IPSG1 (International Patient Safety Goal 1: Identify Patients Correctly)

Importance: Correct patient identification prevents treatment errors, ensures that patients receive the right care, and reduces the risk of harm. Doing this right the first time is critical for patient safety and trust in the healthcare system. **98% compliance is observed in our IPSG 1 audits.**

8. NSI(Needle stick injuries)-

A low rate of needle stick injuries highlights adherence to protocols and proper use of protective equipment. Staff are trained well in handling and disposing needles safely every time and best practices and continuous safety improvements are implemented. Needle stick injuries rate for **NH group is 0.2 per 1000 bed days (Total NSI reported 262 group-wide).**

Bio Medical Waste Management compliance for NH group is 98.2%.



Clinical Area	Clinical Area Indicator	Benchmark	Group Average
Emergency	Boarding time in ER	**<240 Minutes[1]**	**162.4 Minutes**
	Return to ER within 72 Hours	**<1%[1]**	**0.24%**
	Pain management in ER (Pain relief in first hour in ER)	**100%[1]**	**94.02%**
	Time to second consult by a specialist	**<30 Minutes[1]**	**37 Minutes**
Intensive Care Unit (ICU)	Percentage of ICU return within 48 hours	**<5 %[1]**	**0.75%**
	Re-intubation Rate	**<10%[2]**	**1.96%**
	Standardized Mortality Ratio	**<13**	**0.68**
Operation Theatre (OT)	Percentage of Rescheduling of Surgeries	**3%[1]**	**2.70%**
	Percentage of OT Cancellation	**5%[1]**	**2.18%**
	Re-exploration Rate / Unplanned Return to OT	**<1.7% (for elective cases)** **<2.2% (for trauma cases)** **<1.14% (Cardiac Surgeries)[4]**	**0.75%**
Laboratory Services	Sample Rejection Rate	**<1%[1]**	**0.26%**
	Sample Re-do Rate	**<2%[1]**	**0.4%**
	Reporting Errors	**<0 per 1000 tests[1]**	**0.04%**

KPI benchmark references:

- [1]NH Internal
- [2]Cumulative Probability and Time to Reintubation in United States Intensive Care Units Crit Care Med. 2017 May; 45(5): 835–842. (International).
- [3]Quality indicators for ICU: ISCCM guidelines for ICUs in India, Indian J Crit Care Med. 2009 Oct-Dec; 13(4): 173–206
- [4]Journal of Cardiothoracic Surgery Article number: 166 (2021) (International)

Patient safety, the vital pivot

Establishing a safety culture-the NH way

Developing a culture of safety within the healthcare organization is critical for ensuring that patients receive safe care. This culture is fostered by leadership, and supported by policies, procedures, and systems that promote safety. This is done through Governance framework, standardisation of policies, SOP, guidelines and KPIs

Are our services safe?

- Narayana Health has enough staff with the right skills and experience to ensure patient safety and deliver necessary treatment and care.
- Staff competence is reviewed and monitored by experienced personnel.
- Narayana Health actively promotes training and development, with regular supervision and performance reviews to identify learning needs and additional training.Staff understand their responsibilities to protect patients from avoidable harm.
- Risk assessment and monitoring tools are available to help staff recognize and respond to changing patient needs.
- In emergency situations, there is access to skilled staff and technical equipment.
- Infection prevention and control practices are strictly followed to minimize the risk of hospital-acquired infections. The care environment is visibly clean, and equipment is sanitized before use.
- Medicine optimization is achieved in all the areas.

NH Incident Management System

A **hospital's incident management system** is vital for swiftly recognising, reporting, and managing adverse events like near misses and sentinel events. It improves patient safety by conducting thorough investigations, promotes responsibility, guarantees regulatory compliance, and encourages continual improvement in healthcare quality and risk reduction. A feedback process **with clear lines of communication** helps motivate employees to report occurrences without fear of disciplinary action.

These incidents, raised by our staff, led to the introduction of guidelines and protocols that have significantly improved patient safety and standardised care.

Massive Blood Transfusion Protocol - Massive Hemorrhage Management (Code Omega) The Massive Blood Transfusion Protocol aims to establish an efficient communication channel and logistic coordination between clinicians and the blood bank. This ensures the timely issuance of multiple blood component units within the defined timeframe. The group is achieving a 100% compliance rate. **The TAT has been reduced from 1 hour and 30 minutes to 15 minutes for blood without cross-match and 30 minutes for blood with cross-match.**

Procedural Sedation

This protocol was introduced to enhance patient safety, improve sedation efficacy, and minimize adverse events related to procedural sedation. **This protocol ensures compliance with documentation and staff training.**

Chaperone Policy

This policy aims to provide a consistent, standard, and safe care environment within NH hospitals, promoting respect for the patient's dignity and the professional nature of the examination. A chaperone may be requested or needed by patients for physical, psychological, and cultural reasons. Healthcare professionals perform sensitive examinations, procedures, or care following this policy. **Privacy Audit Compliance - 98%**

Escalation Matrix – Patient Safety – Prevent Delay of Care/Service

This policy includes the escalation of concerns to ensure safe, quality patient care. **Patients at risk of deterioration or delayed care/service are treated on time 99% of the time by following the process specified in the escalation matrix.**

Tracheostomy Care Protocol

This protocol provides comprehensive and standardized guidelines for tracheostomy care across the hospital. Specialized and competent teams are developed to ensure the prevention of any adverse events. **No adverse event reported , Bundle compliance - 100%**

IPSG- International Patient Safety Goals

The purpose of the International Patient Safety Goals is to promote specific improvements in patient safety. The goals highlight problematic areas in health care and describe evidence and expert-based consensus solutions to these problems. Recognizing that sound system design is intrinsic to the delivery of safe, high-quality health care, the goals generally focus on systemwide solutions, wherever possible.

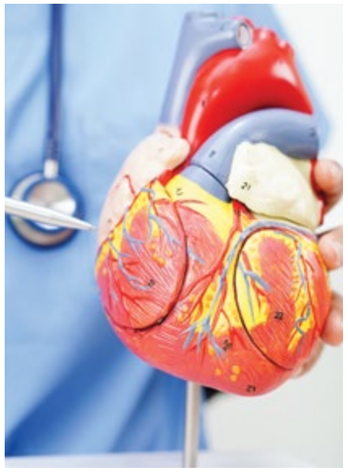
IPSG				
IPSGs	Goal description	Benchmark	Total Opportunities	Group Avg. Compliance
IPSG 1	Identify patients correctly	100%	1,24,481	98%
IPSG 2	Improve effective communication	100%	89,664	97%
IPSG 3	Improve the safety of High-Alert Medications	100%	74,525	99%
IPSG 4	Ensure Correct-Site, Correct Procedure, Correct-Patient Surgery	100%	52,944	97%
IPSG 5	Reduce the risk of healthcare associated infections	100%	8,97,992	96%
IPSG 6	Reduce the risk of patient harm resulting from falls	100%	55,959	97%

Infection control is everyone's responsibility

Hospital-Acquired Infection (HAI)

Hospital-acquired infections (HAIs), also known as nosocomial infections, are infections that patients acquire during the course of receiving healthcare treatment for other conditions. Every hospital in the Narayana Health group has a dedicated Hospital Infection Control (HIC) team that plays a critical role in preventing and managing HAIs. This team comprises healthcare professionals committed to maintaining a safe environment for patients, staff, and visitors. Every healthcare personnel in the hospital have a responsibility to control and reduce HAIs.

Narayana Health has established clear guidelines and protocols for implementing, monitoring, and measuring infection control practices. These measures are monitored at every level to ensure patient safety and improve clinical outcomes.



Having a robust mechanism in place has greatly benefited us to.

1. **Improve Patient Safety and Outcomes:** HAIs are a significant concern as they can lead to severe health complications, prolonged hospital stays (increased ALOS), increased morbidity and mortality, and diminished quality of life for patients.
2. **Decrease Healthcare Costs:** The financial burden of HAIs on the healthcare system is substantial due to longer hospitalizations, additional treatments, and the need for more intensive care. This not only strains hospital resources but also increases healthcare costs for patients and insurance providers.
3. **Control Antimicrobial Resistance:** HAIs often involve antibiotic-resistant bacteria, which complicates treatment and contributes to the global issue of antimicrobial resistance, making infections harder to treat and increasing the risk of spread to other patients.
4. **Optimise antibiotic usage through Antibiotic Stewardship:** Implementing antibiotic stewardship programs to optimize the use of antibiotics can reduce the emergence of resistant bacteria and minimize the risk of HAIs. The HIC team at Narayana Health develops and oversees antibiotic stewardship programs to optimize the use of antimicrobial agents. The team works with medical staff to ensure appropriate antibiotic prescribing practices, including the use of restricted antibiotics when necessary.
5. **Cohort patient through Patient Screening and Isolation:** Early identification and isolation of patients who are infected or colonized with contagious pathogens prevent the spread of infections within healthcare facilities.
6. **Keep the staff in a high state of high alert and readiness, ensuring they are always prepared to effectively manage infection risks.** Continuous education and training programs for healthcare personnel on infection control practices ensure adherence to protocols and the latest guidelines. Narayana Health has a system to update staff on new guidelines, protocols, and emerging infectious diseases.
7. **Establish robust surveillance systems** to monitor HAIs, track infection trends, and identify outbreaks promptly enables timely interventions and prevention strategies.

Metrics	Group Avg. Compliance
AMS-RA (Restricted Antibiotics)	93.1%
AMS-PA (Prophylactic Antibiotics)	99.2%
BMW Compliance	98.2%

Low VAP, CLABSI, SSI and CAUTI rates are strong indicators of Narayana Health's success in implementing effective infection control measures, ensuring high-quality care, and prioritizing patient safety. It reflects our dedication to maintaining high standards of care.

Area	Indicator	Benchmark[xxii]	Group Avg. Compliance
Hospital Acquired Infection (HAI)	Ventilator associated pneumonia (VAP)	1.1 (CDC) 10.1 (INICC)	0.7
	Catheter associated urinary tract infection (CAUTI)	1.3 (CDC) 5.3 (INICC)	0.26
	Surgical site infections (SSI)	8.8% (NSQIP)	0.72%
	Central line associated blood stream infection (CLABSI)	0.8 (CDC) 4.1 (INICC)	0.72

1. Effective Infection Control Practices:

- Our low rates of these infections suggest that Narayana Health has implemented effective infection control protocols, such as hand hygiene, proper sterilization techniques, and adherence to guidelines for the insertion and maintenance of medical devices like ventilators, central lines, and urinary catheters.
- Hand hygiene compliance for NH group is 94.23%.

2. High Standards of Patient Safety:

- Our low rates reflect a strong commitment to patient safety. A lower incidence of VAP, CLABSI, SSI and CAUTI means that patients are less likely to suffer from these serious infections, leading to better patient outcomes, fewer complications, and improved overall patient safety.

3. Quality of Care: Our low infection rate is an indicator of high-quality care. It shows that , we at Narayana health are following best practices and protocols meticulously, which contributes to the overall quality of care provided to patients.

4. Reduced Healthcare Costs:

- Our lower rates of these infections reduce the need for additional treatments, prolonged hospital stays, and intensive care, thereby reducing costs for both the facility and patients.

5. Positive Impact on Patient Outcomes:

- Our patients experiencing fewer HAIs generally have shorter hospital stays, quicker recoveries, and a lower risk of morbidity and mortality. This enhances the overall patient experience and health outcomes.

Nursing sensitive care indicators (NSCI)

Nursing-sensitive care indicators are critical because they directly reflect the quality of nursing care and its impact on patient outcomes. Let's explore why these indicators are important, using the examples of Patient Falls, Pressure Ulcers, Thrombophlebitis, and Accidental De-lining:

Patient Falls

Monitoring patients fall rates is essential for identifying risks and implementing preventive measures such as assessing mobility, ensuring a safe environment (e.g., non-slip floors, adequate lighting), and providing necessary assistance. High fall rates may indicate the need for improved monitoring and preventive strategies, prompting adjustments to enhance patient safety.

Pressure Ulcers

Tracking pressure ulcer rates assesses the effectiveness of nursing interventions like regular repositioning, proper use of pressure-relieving devices, and skincare protocols. This helps nurses promptly identify at-risk patients and implement preventive measures.

Thrombophlebitis

Thrombophlebitis, an inflammation of veins from blood clots due to IV therapy or improper placement of IV cannulas can be prevented through proper catheter insertion and maintenance, and monitoring for complications. Tracking its rates helps evaluate the effectiveness of these nursing interventions and adherence to best practices

Accidental De-lining

Accidental removal of central venous catheters (CVCs) can cause serious complications. Nursing-sensitive indicators track proper securing and monitoring of CVCs, and adherence to care protocols. Low rates indicate effective nursing interventions in reducing risks

Haematomas

Haematomas can lead to significant distress and complications. The absence of haematomas in our patients indicates several key practices:

- Special attention is provided to patients, particularly the elderly and those on blood thinners or anti-platelet medications.
- The radial artery is the preferred access site for all Cath lab procedures (Radial First approach).
- Vascular access is optimized using fluoroscopy or ultrasound.
- A standardized sheath removal and post-sheath removal process is in place, managed by a specialized team.

NSCI- Key Performance Indicators	
Patient Fall Rate	0.12
Pressure Ulcer Rate	0.14
Thrombophlebitis Rate	0.15
Accidental de-lining	0.08
Hematoma (from Cath lab)	0.1

Effective management of these nursing-sensitive indicators contributes to improved patient outcomes, reduced complications, and enhanced overall patient satisfaction. Our patients experience fewer falls, pressure ulcers, thrombophlebitis episodes, and accidental de-lining incidents, and this is reflected in positive healthcare experience and better clinical outcomes which in turn can minimize the need for additional treatments, extended hospital stays, and associated healthcare costs

Patient Safety Rounds (PSR)

The focused 2 hourly assessment by senior nurses includes the completion of the evaluation of the "5P's": Pain, Potty, Positioning, Possessions, and personal needs. It is an evidence-based model of care that promotes a systematic and proactive approach to patient care. The scope of the process is for patients admitted in the wards.

This has **led to increased satisfaction in patients, reduced fall rates and reduction in call bells** which in turn **has helped our nurses spend more time looking after the patients.**

PSR was implemented to enhance patient safety and the compliance for implementation was 100%.

Elevating Standards: Learning through Mortality Reviews

Narayana health has a established Mortality review tool taking reference from IHI-Institute for Healthcare Improvement (for identification of adverse events through mortality) and WHO (for categorization). The structured mortality review helps in identifying process gaps and provides avenues to implement evidence-based strategies which are proven to reduce mortalities.

Every month, over 95% of mortalities are reviewed using the IHI-WHO tool. The findings are discussed in Governance meetings to apply these learnings across the NH Group

Together for Better Care: Fostering Teamwork and Communication in Healthcare

Effective teamwork and communication among healthcare providers is critical for ensuring that patients receive safe care. This is being promoted through training, regular hospital meetings, Clinical Governance meetings, mock drills and Multi-disciplinary meetings, Tumour boards with clear communication protocols.

Hospital committee meetings-

Infection Control Committee: Oversees protocols and findings from audits to prevent and control infections within the healthcare facility.

Safety Committee: Ensures the safety of patients, staff, and visitors by reviewing breach in safety protocols, identifying and mitigating potential hazards.

Mortality Review Committee: Analyzes unexpected patient deaths following initial Mortality reviews to improve care quality and reduce preventable fatalities.

Drugs and Therapeutics Committee: Evaluates and appraises new medications and manages the safe and effective use of medications within the hospital.

Medical Record Compliance Committee: Ensures the accuracy, security, and compliance of medical records and information systems.

Tumour Board Meetings: Multidisciplinary team reviews and discusses cancer cases to determine optimal treatment plans.

CPR Committee Meeting: Reviews and enhances cardiopulmonary resuscitation protocols and training to improve patient outcomes during cardiac emergencies.

Level 2, 3 and 4 meetings: Peer review governance meetings, a platform to bring all the clinicians and administrators together.

Mock drills : Mock drills in hospitals are crucial for testing and improving emergency response protocols, ensuring staff readiness, and verifying the functionality of equipment. They help identify gaps in procedures, enhance coordination, and build confidence, ultimately leading to better patient safety and effective handling of real-life emergencies.

Committees -Total groupwide Committees conducted.

Committees	Frequency	Number
Safety Committee	Monthly	204
HIC Committee	Monthly	204
CPR Committee	Monthly	204
Incident Committee	Monthly	204
IMS	Quarterly	68
P&T	Alternate Month	102
Level 3 Meeting	Monthly	102
Total		1088

Mock drills -Total groupwide drills conducted

Mock Drill	Frequency	Number	Conducted	Average Mock drill group compliance score
Code Blue	Monthly	204	185	92%
Code Yellow	Biannual	34	15	96%
Code Omega	Quarterly	68	42	93%
Code Trauma	Quarterly	68	14	92%
		374	**256**	

Engaging with staff

Narayana Health intends to help improve the lives of patients, families and carers, across all of its Hospitals, and the lives of all colleagues in the NH family – this is because we believe improving lives includes supporting people to be healthy and happy in their profession. This involves listening to staff feedback and insight from partners, across all of our health and care services and learning from their suggestions.

This approach will greatly contribute to retaining the people essential for achieving our goals.

The patient safety culture at Narayana Health encompasses the beliefs, values, and norms shared by healthcare practitioners and staff within the organisation, shaping their actions and behaviours. We are committed to enhancing patient safety and quality, with hospital leadership recognising the importance of fostering a robust patient safety culture

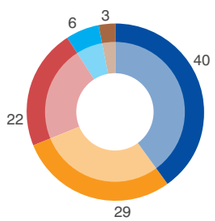
Surveys

To gauge the perception of safety among all staff, we conduct an Annual Employee Safety Perception Assessment using the AHRQ survey tool for all staff and the Practice Environment Scale for nurses to evaluate the nursing work index and their perception of safety.

- Culture of Safety Survey is an annual survey conducted using AHRQ 2.0 tool to understand perception of employee about safety culture
- Practice Environment Scale of the Nursing Work Index (PES-NWI), which is an instrument, that measures the nursing practice environment – defined as factors that enhance or attenuate a nurse's ability to practice nursing skilfully and deliver high quality care.

Culture of safety Survey

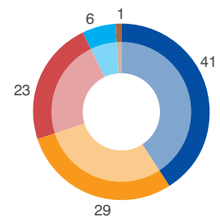
Patient Safety Rating-AHRQ



● Excellent ● Very Good ● Good ● Fair ● Poor

PES Survey

Patient Safety Rating- PES



● Excellent ● Very Good ● Good ● Fair ● Poor

Over 90% of the staff believe that our hospitals are safe, fosters a culture of patient safety, and consistently strive to maintain it.

SAMPARK – Virtual Townhall

SAMPARK offers an engaging Virtual Townhall experience where corporate leaders come together to discuss the future. This platform is a hub for sharing key business insights, financial strategies, and best practices in clinical and non-clinical domain, fostering a shared sense of purpose and direction among participants. It goes beyond a typical meeting, creating an interactive forum for dialogue and inspiration.

SAMPARK - Journey

SAMPARK Commencement	9 Sessions Concluded	11,326 Associates Viewed	88.8% Awareness	4.70/5 Feedback
SAMPARK 2.0 Commencement	30 Sessions Concluded 19 Location	12,543 Associates Viewed	89.5% Awareness	4.10/5 Feedback

SAMPARK 2.0 – Unit Level In-Person Townhall

SAMPARK 2.0 introduces a new level of engagement with its Unit Level In-Person Townhall program. Held monthly, Facility Directors address the entire unit, providing clarity on organizational direction, future plans, and best practices. This initiative celebrates individual and collective achievements while fostering a culture of safety and unity and shared vision within the organization.

Future-Ready Healthcare: NH Virtual Campus Empowers Continuous Development

The NH Virtual campus is a learning platform that digitally empowers talent and development for all NH colleagues, offering convenient access to carefully curated learning resources. This ensures that our healthcare providers stay current with mandatory training, comply with regulatory requirements, stay informed about new initiatives, and participate in mock drills. This guarantees the healthcare organization that its workers are practicing safely and are prepared for emergencies. This snapshot highlights the focus of Learning and Development (L&D) in promoting continuous improvement

- Leadership Development
- Building Functional Capability (Clinical / Non-Clinical)
- Continuous Learning Culture
- Nursing Staff Capability Building
- Service Excellence Programs
- Compliance Trainings
- Digital Adoption Programs
- Building Clinical Capability
- Induction Training
- Process Standardization

Listening to Care: Patient Voices Shape Our Healthcare

We believe in meaningfully engaging, listening and acting upon patient and attender views and feedback on our care and services to help us make the right choices and decisions.

Over 2,00,000 feedback responses were collected resulting in a Net Promoter Score of approximately 76. Based on our analysis several initiatives were implemented to further enhance our services:

Improving communication: We engaged more effectively with our customers to ensure clear and consistent communication.

Enhancing facility comfort and accessibility: We regularly assessed and upgraded our facilities to improve comfort and accessibility for our patients.

Streamlining the Discharge Process: We focussed on planned discharges and kept patients and families updated in real-time to ensure a smooth discharge experience.

Narayana Health Accreditation Status

"One NH - One process and One SOP."

Narayana Health is the first healthcare provider in India and the sixth worldwide to receive the Enterprise accreditation award in June 2023.

JCI enterprise accreditation is an additional level of accreditation and recognition for the enterprise which has evolved from single facility accreditation to enterprise-wide approach to quality of care and patient safety. This helps the enterprise demonstrate their commitment to quality and patient safety across their system (multiple facilities) which in turn helps to drive continuous improvements through sharing best practices, enhancing staff competencies, etc. and ultimately earn patients' confidence across different facilities and brand recognition.

Preparation for enterprise accreditation went beyond the audit. It was an endeavour to align our processes with the requirements of both NH and JCI accreditations standard requirement, emphasizing a unified approach under

JCI enterprise ensures Integration of policies, procedures, and operational rigor across multiple facilities, enabling shared resource allocation, strategic planning, and quality oversight processes across all facilities under the enterprise.

We have successfully completed, 8 Surveys in 5 months with an impressive compliance rate of 96% and favourable outcome report.

The College of American Pathologist (CAP) Laboratory Accreditation Program is globally recognized for its rigorous laboratory inspection and proficiency testing. It utilizes meticulously designed checklists to uphold the highest standards of accuracy and precision in patient testing.

In April 2023, Narayana Health City Lab in Bangalore pursued CAP accreditation and achieved the CAP Accreditation certificate in May 2023. Our patients now experience improved accuracy and reliability in test results, contributing to enhanced diagnosis and treatment outcomes.

This snapshot of Narayana Health's various accreditations signifies the Hospitals' commitment to maintaining a high level of quality and patient safety

Joint Commission Internataional **Enterprise** 9 Entities	Joint Commission International 8 Hospitals	College of Americal Pathology (CAP)
NABH 17 Hospitals	Nursing Excellence 16 Hospitals	NABL

Caring for The Forgotten: Supporting Caregivers

Our patients' caregivers make significant sacrifices, especially when managing long-term conditions such as dialysis and cancer treatment.

"Patient and Beyond: Valuing Caregivers"

Narayana Health recognizes the vital role caregivers play in the well-being of our patients and ensures they receive the support they need.

A caregiver is someone who looks after a family member with a disability, mental or physical illness, or who needs extra assistance as they age. Providing care without the right information and support can be very challenging. It is essential that we acknowledge the contributions of caregivers, as they often go unrecognized and are taken for granted.

Caregiving is one of the most important responsibilities patients' attenders have and the challenges involved should not be underestimated. The impact of caregiving can be significant, affecting their own relationships, health, finances, and employment. Our Oncology and Nephrology departments have gone over and beyond the realm of traditional treatments to encompasse care for the carers as a routine.

Our Departments of Oncology and Nephrology have gone above and beyond the scope of conventional care to care for the carers.

Oncology:

The Department of Paediatric Haematology, Oncology, and Bone Marrow Transplantation offers a range of services, including Psycho-Oncology, social support, and nutrition support, to provide comprehensive care for patients and their families throughout their cancer journey. Below is a summary of the initiatives undertaken in the past year which promotes patient wellbeing and participation of carers and attenders.

Parent Support Group Meetings

Weekly meetings every Wednesday for parents, featuring guest speakers, survivor stories, and discussions on infection control, line care, nutrition, and psychosocial care. These meetings provide knowledge and resources, fostering a supportive community for better outcomes in paediatric cancer care.

Yoga Activities

Regular yoga sessions for patients and parents led by certified instructors. These sessions include gentle movements, breathing exercises, and meditation to promote physical well-being, emotional balance, and stress management, complementing medical treatments.

Samiksha Foundation Learning Centre

Personalized educational support for paediatric cancer patients, helping them keep up with their schooling. Certified teachers provide lessons, homework help, and resources, ensuring continuity in education and intellectual stimulation.

Celebrating Cultural and Festive Occasions

Organizing events for holidays like Diwali, Christmas, and Children's Day to bring joy and normalcy to the hospital environment. These celebrations allow patients and families to partake in meaningful traditions and strengthen community bonds.

Birthday Celebrations

Celebrating each patient's birthday with decorations, small parties, or surprise gifts to make them feel special. These celebrations uplift spirits and provide moments of joy amidst treatment.

Fundraising Events

Hosting themed fundraising events throughout the year to support the needs of paediatric cancer patients. Funds raised are used for resources like playroom supplies, books, birthday gifts, and festival celebrations.

Make-A-Wish Activities

Partnering with Make-A-Wish to fulfil dreams of paediatric cancer patients. Activities like meeting celebrities or special trips bring joy and empowerment, creating unforgettable experiences for patients and their families.

Awareness Activities

Conducting activities for International Childhood Cancer Day and Awareness Month to promote education and community engagement. Walkathons, awareness walls, social media challenges, and flash mobs amplify advocacy efforts and inspire action against paediatric cancer.

Chronic Kidney Disease and Dialysis

In honour of World Kidney Day, the Department of Nephrology celebrated **Caregivers Appreciation Week from March 14-21**.

This week **aimed to recognize and uplift caregivers of dialysis patients through various heartwarming initiatives.** A karaoke session was organized in the dialysis units, where patients and families enjoyed songs in Kannada, Tamil, Hindi, and English. Many dialysis patients also participated, singing songs and creating a joyful atmosphere.

To support the well-being of caregivers, a wellness session offered foot and head massages, providing much-needed relaxation and stress relief. The week concluded with an engaging interactive session where clinical nutritionists, nephrologists, transplant coordinators, and psychiatric teams connected with patients, fostering a supportive community and sharing valuable insights.

Clinical governance is critical for maintaining excellent levels of care in healthcare facilities. Effective leadership is essential for developing a clear vision and ensuring responsibility. Various committees, such as those in charge of safety, infection control and monitoring international patient safety goals (IPSG), play important roles in ensuring quality. Monitoring clinical key performance indicators (KPIs) promotes ongoing improvement. Clinicians buy-in is essential for implementing best practices, and working with stakeholders promotes teamwork. Listening to staff and patients improves treatment quality by addressing problems and providing feedback. Supporting carers ensures that they can provide the finest care. These aspects work together to create a culture of quality and safety in healthcare.

Clinical Research

Research Support

We incentivized researchers for publishing in peer-reviewed journals and provided support to investigators for attending national and international conferences, as well as conducting investigator-initiated studies. In the last financial year alone, we allocated Rs 1.34 million towards research activities. Additionally, we provided access to world-class academic resources through our subscriptions to ClinicalKey and UpToDate. We also initiated the Narayana Clinical Research India Foundation to guide and support researchers in carrying out grant applications and clinical trials.

Research Output

In the past year, our team published 188 research papers in esteemed journals, bringing our total number of publications close to 2000. Our publications have received more than 4000 citations.

Research Awards

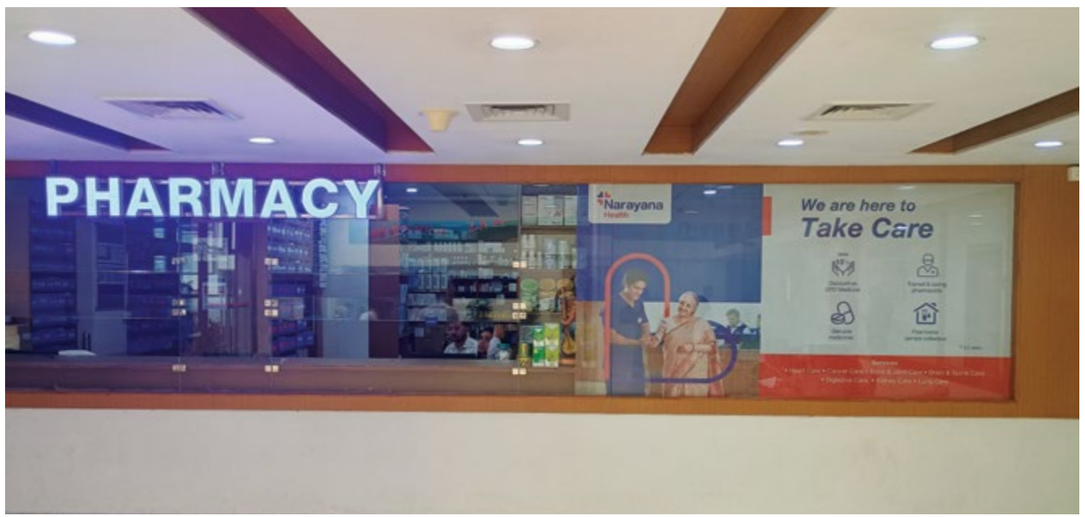
Several of our students received commendations from the National Board of Examinations for outstanding thesis work. Additionally, we were honored with awards at the national level for our academic publications and presentations.

Research Partnerships

We engaged in strategic research collaborations with renowned institutions both nationally and internationally, including the Indian Institute of Science and the University of Arizona. Through these partnerships, we participated in studies supported by prestigious organizations such as the Indian Council of Medical Research (ICMR), the National Institutes of Health (NIH), and the National Institute for Health and Care Research (NIHR).

Research Initiatives Centered on Sustainable Development Goals

At Narayana Health, our research endeavors extended beyond the boundaries of medical science to address the Sustainable Development Goals (SDGs). We strive to pioneer studies that not only advance healthcare but also foster socio-economic development and tackle pressing issues such as malnutrition. Our research initiatives encompass a broad spectrum, from analyzing the geographical distribution and genetic underpinnings of diseases to optimizing healthcare delivery within primary healthcare systems. Furthermore, we actively explore innovative models of public-private partnerships to ensure sustainable healthcare provision. Integrating these diverse facets, we aim to make meaningful contributions to both medical science and societal well-being.

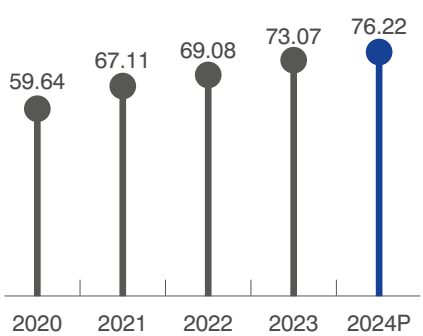


Management Discussion & Analysis

India Healthcare Industry Snapshot

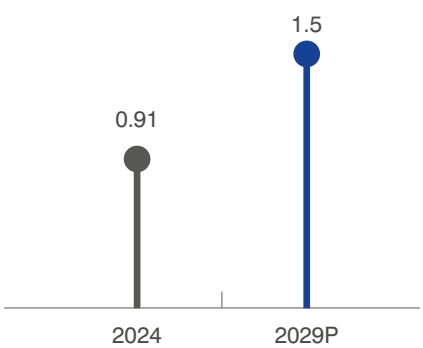
Unveiling the Economic surge India's escalating Per Capita Healthcare Expenditure

Per Capita Healthcare Expenditure in India (in USD)

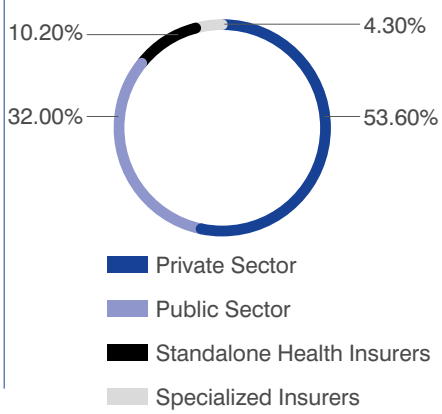


Increasing penetration and density of Private Insurers

India's Health Insurance Market Size (INR in Tn)

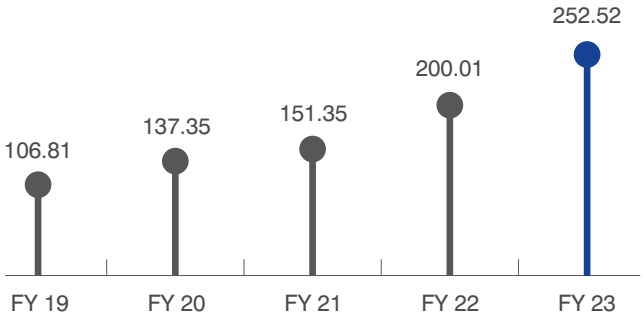


India's Insurers Market Share



Strong growth in Health Insurance Premium Collection

Health Insurance Premium Collection grown at 19% CAGR (INR in Bn)



Source: Statista, PIB, Mordor Intelligence, IBEF

Indian healthcare sector sees upswing

India's healthcare industry, which comprises hospitals, medical devices and equipment, health insurance, clinical trials, telemedicine, and medical tourism, has been growing at a compound annual growth rate of around 22 per cent since 2016, reaching over $370 billion in 2022 and is expected to reach over $670 billion by 2026. This increase in market size is due to growing demand for specialized and higher quality healthcare services. According to EY, in 2023, the healthcare sector's investments mainly centered around hospitals and health tech start-ups. Hospitals received the majority share of 62 per cent of all PE/VC investments in healthcare, followed by health tech with a 23 per cent share.

The digital transformation of India's healthcare industry has the potential to accelerate tenfold, from $2.7 billion in 2022 to approximately $37 billion by 2030, a report by Boston Consulting Group (BCG) and B Capital said. This is being driven by rapid digitization, the proliferation of innovative Healthtech platforms, partnerships between start-ups and established companies, and favorable funding environments for viable business models, supported by government initiatives.

Government push to accelerate healthcare

India's government is putting efforts to address the challenge of improving healthcare resources and making them more available and affordable. According to the World Bank, there are 0.9 physicians per 1,000 people in India, while the global average is 1.8. Hospital beds per 1,000 people is 0.5 and the target is to reach 3.5. To bridge this gap and provide affordable and accessible healthcare to everyone, the Government of India has consistently increased public health expenditure year-on-year. In 2023, expenditure was USD 63 billion, or 2.26% of GDP, putting the government on track to reach its target of 2.5% of GDP by 2025.

Increase in medical & nursing colleges, MBBS, PG seats over a decade

As per the National Medical commission (NMC) and Indian Nursing Council (INC), there are a total of 706 medical colleges and 2,268 nursing colleges in India as of now. Tamil Nadu has the highest number of medical colleges (74) while Karnataka tops the list of highest number of nursing colleges (367) in the country. Including both allopathic and AYUSH physicians, the doctor-population ratio in the country at present is 1:834. The Government has increased the number of medical colleges and subsequently increased MBBS seats. There is an increase of 82% in medical colleges from 387 before 2014 to 706 as in 2023. Further, there is an increase of 112% in MBBS seats from 51,348 to 1,08,940 as of now. There is also an increase of 127% in PG seats from 31,185 before 2014 to 70,674 now.

Budget 2024-25 Initiatives

The Interim Budget 2024–25, with an allocation of ₹ 90,171 crore for health, aims to improve access to healthcare services and infrastructure in India. The government's announcement to establish more medical colleges by utilizing existing hospital infrastructure will address manpower shortages while also increasing access to healthcare education. Encouraging preventive cervical cancer vaccination for young girls aged 9 to 14 is a positive step toward reducing cases of the third most common cancer in India. Allocating a substantial corpus, accompanied by a 50-year interest-free loan for private sector research and development, positions India as a global healthcare innovation leader. Offering attractive interest rates incentivizes the private sector to contribute meaningfully.

Evolving healthcare technology ecosystem

India has historically served as the back end for many US- and Europe-focused healthcare data and analytics companies, such as revenue cycle outsourcers. However, in recent years, digital health companies serving the Indian market directly especially in fitness and wellness, such as HealthifyMe, telemedicine, such as Mfine, and insurtech, including Turtlemint and even have seen brisk activity.

Automation: The Key To Efficiency

Automation's role in enhancing healthcare efficiency and care quality cannot be overstated. However, the transition to automation must be approached with caution. To build trust in automated systems, a balance between technology and human oversight is essential. Implementing automation in non-critical tasks first can help staff adapt to new workflows and build confidence in the system's reliability.

AI: A Revolution In Diagnosis And Treatment

Artificial intelligence in healthcare is a game-changer. Through AI, we can analyze vast amounts of data in ways that were unimaginable just a few years ago, leading to earlier diagnoses, personalized treatment plans and, ultimately, better outcomes for patients. AI is not just a tool; it is a partner in healthcare, offering insights and solutions that enhance the capabilities of healthcare professionals.

AI stands as a transformative force in healthcare, providing unprecedented data analysis capabilities for better patient outcomes. To get started, healthcare decision-makers should begin by identifying critical areas for AI application. Ensuring compliance with regulatory requirements and securing data privacy are crucial steps. Pilot programs can provide valuable insights before a full-scale implementation.

NH CONSOL P&L Review

Total Income:

On a Consolidated basis, the Company revenue grew 11% YoY from ₹ 45902 Mn to ₹ 50934 Mn. NH India grew by 11% to ₹ 41686 Mn driven by increased patient footfall, and improvement in speciality and payor mix. HCCI grew 15.8% to US $ 126.5 Mn attributed to strong pickup in patient footfall.

Cost of Material Consumed:

NH India

NH India improved its consumption by over 60 Basis Points (BPS) to 23.2% in 2023-24.This was driven by efficiencies in operations.

HCCI

HCCI improved consumption from 15.6% to 13.6%. This was driven by efficiencies in operations.

Manpower Expenses (Employees Benefits + Prof. Fees paid to doctors)

NH India

The manpower expenses including professional fees paid to doctors increased from ₹ 14513 Mn in FY2022-23 to ₹ 16308 Mn in FY2023-24.

The manpower expenses as a % of income increased by 60 BPS to 40.4% in 2023-24 due to addition of doctors accross locations and annual inflation.

HCCI

The manpower expenses including professional fees paid to doctors have increased from $ 25.6 Mn in 2022-23 to $ 31.4 Mn in 2023-24.

Other Expenses (Overheads)

NH India

The other expenses of the Company at the India business level have increased from ₹ 7181 Mn in 2022-23 to ₹ 7490 Mn in 2023-24. Some of the key heads and the movement of expenses across each is explained below:

Operating Rent/Revenue Share

The operating rent/revenue share increased from ₹452 Mn in 2022-23 to ₹576 Mn in 2023-24 in line with the increased revenue.

Repair and Maintenance

The repair and maintenance expenses have increased from ₹1539 Mn in 2022-23 (4.2%) to ₹1543 Mn (3.7%) in 2023-24 due to increased Spend across the group on facility upgrade and higher throughput.

Power and Fuel

Despite increase in power and diesel cost during the year, we have seen same power cost as a % of income due to efforts taken by the ESG Team in renewable usage and reducing power consumption across units. The absolute power and fuel cost increased from ₹747 Mn in 2022-23 to ₹836 Mn.

Business Promotion and Advertisements

These expenses were ₹951Mn for 2022-23 and ₹1162 Mn in 2023-24 commensurate with the increased revenue.

Other Expenses - HCCI

The other expenses of the unit has decreased by $ 2.41 Mn (4.5% decrease as a percentage of income). These were largely driven by one timers including implementation costs of software solutions in last year.

EBITDA

NH India

The Company registered an EBITDA of ₹ 8214 Mn (19.7% of Revenue) in 2023-24 for its India business, a growth of 23% YoY. We noticed growth momentum across all our hospitals. The actions taken on improvement in throughput and reducing consumption costs also contributed to the improved performance.

HCCI

The Company registered an EBITDA of $ 58 Mn in 2023-24 (45.8% of revenue) against $ 45 Mn (40.8% of revenue) for its Cayman Islands operations on the back of strong growth and efficiency in operations.

Finance Cost

NH India

Finance cost Increased from ₹ 606 Mn in 2022-23 to ₹ 691 Mn this year due to availing of new loans.

HCCI

Finance costs increased from $ 1.11 Mn in 2022-23 to $ 3.35 Mn in 2023-24

NH CONSOL Balance Sheet Review

	FY23-24			FY22-23		
	NH India (INR Million)	HCCI Consol (US$ Million)	NH Consol (INR Million)	NH India (INR Million)	HCCI Consol (US$ Million)	NH Consol (INR Million)
Borrowings	9,338	61.2	14,437	5,725	23.1	7,622
Trade Payables	4,950	13.0	6,036	4,490	13.1	6,150
Gross Tangible Assets	26,869	83.3	33,813	24,445	65.6	29,835
Trade Receivables	2,358	22.3	4,219	2,709	19.5	4,315
Inventories	745	4.3	1,099	333	4.7	716

Borrowings:

NH India:

Total Borrowings increased from INR 5,725 Mn as on March 31, 2023 to INR 9,338 Mn as on March 31, 2024 to fund increased capital expenditure incurred during the year.

HCCI:

Total Borrowings increased from US$ 23.1 Mn as on March 31, 2023 to US$ 61.2 Mn as on March 31, 2024, due to availment of loan from First Caribbean International Bank (FCIB) for setting up new facility at Cayman Islands.

Trade Payables:

NH India:

The trade payables have increased from INR 4,490 Mn as on March 31, 2023 to INR 4,945 Mn as on March 31, 2024. This increase is in line with revenues growth.

HCCI:

The trade payables decreased slightly from US$ 13.1 Mn as on March 31, 2023 to US$ 13 Mn as on March 31, 2024.

Assets

Gross Block:

NH India:

Gross Block (tangible assets) increased from INR 24,445 Mn as on March 31, 2023 to INR 26,869 Mn as on March 31, 2024. We have made investments in Medical equipment, new capabilities and facility transformation across our network.

HCCI:

Gross Block (tangible assets) increased from US$ 65.6 Mn as on March 31, 2023 to US$ 83.3 Mn as on March 31, 2024 which is due to beginning of new facility in the Cayman Island.

Trade Receivables:

NH India:

The trade receivables (net of provision for doubtful receivables) decreased from INR 2,709 Mn as on March 31, 2023 to INR 2,358 Mn as on March 31, 2024. Collections were significantly better resulting in improved debtor days.

HCCI:

The trade receivables (net of provision for doubtful receivables) increased from US$ 19.5 Mn as on March 31, 2023 to US$ 22.3 Mn as on March 31, 2024.This increase is in line with revenues growth.

Inventories:

NH India:

The inventory value increased from INR 333 Mn as on March 31, 2023 to INR 745 Mn as on March 31, 2024 which can be attributed to the following factors i.e. Days of Inventory increased from 13.6 days to 21.1 days, transition phase involving the incorporation of our supply chain vertical and the software upgrade implementation in Q4 FY 2024.

HCCI:

The inventory slightly decreased from US$ 4.7 Mn as on March 31, 2023 to US$ 4.3 Mn as on March 31, 2024.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

The year 2023-24 brought the launch of complete HR function automation with the full stack implementation of Success Factors. This brought in significant automation on all processes of HR from hiring, onboarding, performance assessment, training, compliance, payroll and compensation for all employees of the organisation. We brought in practices, processes and automation efforts, to ensure that we provide our employees an organisational environment that is designed to engage and motivate employees and help them deliver superior performance at work.

This enabled us to link each role with clear deliverables which can be measured and reviewed on a continuous basis.

The NH brand continues to carry a respectable goodwill in the field of Healthcare delivery and is one of the most sought-out workplaces for good talent. Being spread across geographical

locations have helped us to leverage our expertise across the group entities. We leveraged on this equity of the brand in developing customised agenda to attract talent from the market, engage them meaningfully, and retain them effectively to create a bench of talent in the organisation.

The Company acknowledges the value every employee brings with him / her and continuously strives to nurture competence and potential. Trainings continue to be conducted for both Clinical and Non-Clinical areas, and also in technology, which has helped us raise the quality of performance and output. We have also launched employee well-being programmes to cater to the mental and physical health of each employee.

As an organisation, we continue to strongly believe in being compliant with all statutes and labour-related Acts, we also ensure that our partners and vendor organisations who work as an integral part of service delivery at NH, are also following the same standards of compliance. This is closely monitored by a central team and also at each location where NH has its presence.

Training and Development

Our commitment at NH is to invest continuously in the holistic development of our workforce. Our training and development programs provide learning opportunities for our associates and help them upskill, stay up-to-date on the latest advancements in the constantly evolving world of healthcare, and become more effective in their roles. Associates can choose from a wide range of skill-building programs with varied methodologies like classroom training, virtual training, and digital learning, programs focusing on skill and competence enhancement. Our associates are encouraged to participate in external training and education programs that update them on the latest trends in industry and domain and enhance their skills to perform better in their roles.

To build a continuous learning culture at NH, EdSpark, our Digital Learning Management System (LMS), was launched. We intend to leverage the Digital Learning Platform to become more systematic about evaluating our current talent and pointing associates towards optimal skills development and providing flexibility for learners to focus on their specific needs and areas of interest. Our cutting-edge learning platform makes it easy for our associates to access learning opportunities. Our associates are more engaged in learning as we offer a wide variety of knowledge repositories with a competence-based approach (Clinical, Non-Clinical , Functional, Business Skills, Compliance, e-books, Podcasts, etc), learners are self-directed, and all our courses are easy to access, i.e., available asynchronously, from multiple devices.

As a part of our Talent Development agenda, we invest in developing Senior and Middle-level Leadership, focusing on operational excellence, cross-functional skill development, and core leadership skill development. Training our Nursing and patient-facing associates on interpersonal & communication skills is the core L&D agenda. Designing impactful Clinical Programs in collaboration with our internal Doctors and Consultants to build clinical capability for enhanced patient outcomes has been the hallmark of last year performance. There are many policy-related mandatory training that all new hires must complete. The L&D Team continued its efforts to develop the skills necessary to continuously offer the best possible patient experience through the execution of Service Excellence Programs round the year thereby emphasizing our commitment to rendering compassionate care and providing high-quality medical care.

Recruitment

One of our key focus on Talent Acquisition for this year has been on setting up the leadership team at NHIL which enabled us to acquire the coveted Health Insurance license from IRDA. This combined with the hiring of key talent for our Integrated Care business has helped us acquire new skillsets required to take the organization forward. An increasingly competitive landscape has resulted in us losing our talent to market and also made it more challenging to hire nurses amongst others. One of the positive outcomes of our development agenda has led us to identify and fill more positions internally into key leadership position giving us the ability to retain and nurture talent within.

Compensation

Our compensation philosophy is designed to provide a competitive advantage in terms of better reputation, increased employee satisfaction and a stronger employer brand in the hospital industry. Our compensation strategies ensure a fair work life balance by providing competitive monetary and non-monetary benefits which are aligned to the market. As a part of the strategy, every year we benchmark salaries against market and implement a merit-based increment, which are core the success of the hospital.

Risk and Concerns

NH leadership believes that timely identification, continual monitoring, and mitigation of critical risks is a key differentiator in our journey to achieving sustainable excellence.

Cyber risks are ever assuming new dimensions. Health care industry and hospitals are being specifically targeted due to the vulnerable nature of the patient data held. At NH, we have continued to invest generously in People, Process and Technology to be ahead of this curve.

The Digital Personal Data Protection Act is a landmark legislation passed in September 2023 and expected to be notified during this financial year. Health care providers like us must necessarily hold highly confidential patient health related records in addition to other personal identifier data. Through the year, we have worked on preparing the organization at all levels for the roll out of robust processes that will ensure complete compliance once the legislation is notified for implementation and the rules framed.

Quality initiatives are an important tool to safeguard against risks in core patient care delivery and peripheral services. We celebrated an important milestone in this journey in June 2023 when we were awarded the coveted JCI Enterprise Accreditation for all of our major hospitals.

Internal Control Systems and their adequacy

The Company has adequate Internal Control Systems, commensurate with the size, scale and complexity of its operations. The Board of Directors has laid down internal financial controls to be followed by the Company and the policies and procedures to be adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies and compliance with all applicable Laws, Rules and Directives from any Statutory or Regulatory Authority, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Audit, Risk and Compliance Committee, comprising of three independent directors of the Company, reviews the effectiveness of the Company's financial controls and other internal controls and risk management systems and processes (including those relating to compliance with all applicable laws and regulations) to ensure that they are robust and have been appropriately developed, implemented and maintained so that financial, compliance and other risks are identified, assessed, mitigated and controlled. They are aided in this task by an Internal Audit Team which continually evaluates the existing internal controls, providing feedback on its effectiveness and recommendations on possible improvements to the Operational and Executive Management team. The key findings are reported on a quarterly basis to the Audit, Risk and Compliance Committee for in-depth review and follow-up on appropriate resolutions of critical issues.

Additionally, the organization maintains a robust risk register which is continually updated for the emerging risks. The enterprise level risks with the highest score card and their mitigation strategies are reviewed periodically by the Audit, Risk and Compliance Committee.

Key Financial Ratio Analysis

Standalone

Ratios	2023-24	2022-23	Movement
(i) Debtors Turnover	17.81	16.93	5.21%
(ii) Inventory Turnover	17.48	23.3	-24.99%
(iii) Interest Coverage Ratio	10.29	9.84	4.54%
(iv) Current Ratio	1.17	0.86	36.37%
(v) Debt Equity Ratio	0.55	0.44	25.23%
(vi) Operating Profit Margin (%)	18.24%	16.11%	13.25%
(vii) Net Profit Margin (%)	13.00%	8.96%	45.11%
(viii) Return on Net Worth	25.66%	19.72%	30.10%

Consolidated

Ratios	2023-24	2022-23	Movement
(i) Debtors Turnover	11.76	10.42	12.85%
(ii) Inventory Turnover	11.83	15.29	-22.62%
(iii) Interest Coverage Ratio	10.17	11.82	-13.97%
(iv) Current Ratio	1.75	1.31	33.72%
(v) Debt Equity Ratio	0.56	0.41	35.98%
(vi) Operating Profit Margin (%)	22.96%	21.35%	7.58%
(vii) Net Profit Margin (%)	15.74%	13.41%	17.38%
(viii) Return on Net Worth	31.47%	33.50%	-6.03%

Board's Report

Dear Members,

Your Directors have immense pleasure in presenting their 24th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2024.

1. FINANCIAL SUMMARY/HIGHLIGHTS, PERFORMANCE AND STATE OF AFFAIRS OF THE COMPANY

(₹ in Million, except per share data)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Income				
Revenue from Operations	50,182.49	45,247.65	32,657.02	29,652.29
Other Income	751.89	654.45	1,234.05	1,007.99
Total Income	**50,934.38**	**45,902.10**	**33,891.07**	**30,660.28**
Total Expenditure*	38,658.90	35,589.41	26,700.05	24,876.39
Earnings Before Interest, Tax, Depreciation and Amortisation and Exceptional items	12,275.48	10,312.69	7,191.02	5,783.89
Less: Interest & Depreciation	3,390.20	2,795.00	2,156.54	1,838.64
Less: Exceptional items	-	-	-	-
Profit before tax	**8,885.28**	**7,517.69**	**5,034.48**	**3,945.25**
Less: Income Tax	989.04	1,450.11	789.31	1,288.86
Profit/(Loss) After Tax	7,896.24	6,067.58	4,245.17	2,656.39
Add: Share of Profit/ (Loss) in Associate (Net)	-	(1.92)	-	-
Profit for the year	**7,896.24**	**6,065.66**	**4,245.17**	**2,656.39**
Add: Other Comprehensive Income	137.73	566.76	(23.10)	(18.01)
Total Comprehensive Income for the year	**8,033.97**	**6,632.42**	**4,222.07**	**2,638.38**
Earnings Per Share (Basic)	38.86	29.85	20.90	13.08
Earnings Per Share (Diluted)	38.86	29.85	20.90	13.08

* Expenses before depreciation and amortisation, finance costs and exceptional items.

2. PERFORMANCE OVERVIEW

Standalone Operations

- During the year under review, the total income of the Company increased from ₹ 30,660.28 Million in FY 2022-23 to ₹ 33,891.07 Million in FY 2023-24.
- Earnings Before Interest, Tax, Depreciation and Amortization and Exceptional Items increased from ₹ 5,783.89 Million in FY 2022-23 to ₹ 7,191.02 Million in FY 2023-24.
- Profit for the year was ₹ 4,245.17 Million against profit of ₹ 2,656.39 Million in FY 2022-23.

Consolidated Operations

- During the year under review, the total income of the Company increased from ₹ 45,902.10 Million in FY 2022-23 to ₹ 50,934.38 Million in FY 2023-24.
- Earnings Before Interest, Tax, Depreciation and Amortization and Exceptional Items increased from ₹10,312.69 Million in FY 2022-23 to ₹12,275.48 Million in FY 2023-24.
- Profit for the year was ₹7,896.24 Million as against profit of ₹6,065.66 Million in FY 2022-23.

3. TRANSFER TO RESERVES

Dividend and transfer to reserves

Based on the Company's performance, the Directors are pleased to recommend for approval of the members, a final dividend of Rs. 4.00 per share for the financial year ended March 31, 2024. The final dividend on equity shares, if approved by the members, would involve a cash outflow of ₹ 81,74,43,216/-.

The Directors have decided to retain an amount of ₹ 4,245.17 Million in the retained earnings.

Pursuant to SEBI's notification dated 8th July 2016, the Board of Directors of the Company have formulated a Dividend Distribution Policy ("the policy"). The policy is also available on our website (URL: https://www.narayanahealth.org/stakeholder-relations/company-policies)

4. SUBSIDIARY AND ASSOCIATE COMPANIES

Review of performance of Subsidiaries and Associate Companies

As on March 31, 2024, the Company has 15 Subsidiary Companies and 2 Associate Companies. Except Health City Cayman Islands Limited, none of the other subsidiary companies is a Material Subsidiary within the meaning of Material Subsidiary as defined under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended from time to time.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the Financial Statements of the Company's Subsidiaries and Associates in Form AOC-1, that forms part of this Report is attached as **Annexure I**.

Pursuant to Section 129 of the Companies Act, 2013, the Consolidated Financial Statements of the Company, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Rules made thereunder, forms part of this Annual Report.

Further, pursuant to provisions of Section 136 of the Companies Act, 2013:

i. The Annual Report of the Company, containing therein its standalone and consolidated financial statements are available on the Company's website i.e., https://www.narayanahealth.org/stakeholder-relations/annual-reports.

ii. The audited financial statements of Subsidiary Companies are available on the website of the Company: i.e., https://www.narayanahealth.org/stakeholderrelations/annual-reports.

The brief details of all the Subsidiary and Associate Companies are as follows:

i. Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)

NHSHPL is a wholly owned subsidiary of the Company and is engaged in the business of operating and maintaining hospitals, clinics, health centers, nursing homes and other related activities. This subsidiary operates a multispecialty hospital in Mysore, offering a wide range of services across specialties, which includes cardiology, cardiac surgery, nephrology, urology, neurology, neuro-surgery, endocrinology, orthopaedics, internal medicines, obstetrics, gynaecology, paediatrics, neonatology, gastroenterology and oncology to name a few. The subsidiary also operates and runs the Dharamshila Narayana Superspecialty Hospital in Delhi under a Service Agreement with Dharamshila Cancer Foundation and Research Centre. Further, other financial information is included in Form AOC-1.

ii. Meridian Medical Research & Hospital Ltd. (MMRHL)

MMRHL is a subsidiary of the Company and is engaged in the business of operation of hospitals, clinics, health centers, and other related activities. This subsidiary operates two hospitals in Howrah offering multispecialty and super-specialty healthcare services which includes nephrology, urology, neurology, neurosurgery, etc., Further, other financial information is included in Form AOC-1.

iii. Narayana Vaishno Devi Specialty Hospitals Private Limited (NVDSHPL)

NVDSHPL is a wholly owned subsidiary of the Company and is engaged in the business of providing healthcare services of superior quality with state-of-the-art technology, clinics, health centers, diagnostic centers and other related activities. This subsidiary operates a hospital at Kakryal near Katra in Jammu which caters to patients across more than 20 different specialties, with radiology, obstetrics & gynaecology, oncology, etc. Further, other financial information is included in Form AOC-1.

iv. Narayana Hospitals Private Limited (NHPL)

NHPL is a wholly owned subsidiary of the Company and is authorised to engage in the business of operation of hospitals, clinics, health centers, nursing homes and other related activities. Further, other financial information is included in Form AOC-1.

v. NH Health Bangladesh Private Limited (NHBPL)

NHBPL is a step-down subsidiary of the Company, incorporated on July 22, 2018 and is authorised to engage in the business of running and operation of hospitals, clinics, health centers, nursing homes and other related activities. NHBPL has no operations during the financial year 2023-24. Further, other financial information is included in Form AOC-1.

vi. **Narayana Holdings Private Limited (Narayana Holdings)**

Narayana Holdings Private Limited, Mauritius is 100% step-down subsidiary of the Company incorporated in the Republic of Mauritius in April, 2016. Further, other financial information is included in Form AOC-1.

vii. **Health City Cayman Islands Limited (HCCI)**

HCCI is a wholly owned subsidiary of the Company, incorporated in Cayman Islands and operates a hospital in Cayman Islands. HCCI is a Material Subsidiary within the meaning of Material Subsidiary as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, other financial information is included in Form AOC-1.

viii. **Narayana Health North America LLC**

Narayana Health North America LLC is a subsidiary Company incorporated in Delaware, United States of America on April 9, 2019. Further, other financial information is included in Form AOC-1.

ix. **Athma Healthtech Private Limited**

Athma Healthtech Private Limited is a wholly owned subsidiary of the Company incorporated on June 2, 2022 and is authorised to develop, implement, export, import, purchase, sell, lease and otherwise deal in software related to Healthcare industry in particular and other allied services. Further, other financial information is included in Form AOC-1.

x. **NH Integrated Care Private Limited**

NH Integrated Care Private Limited is a wholly owned subsidiary of the Company incorporated on January 10, 2023 and is authorised to undertake, assist, promote, conceive, design, build and construct, establish, setup, develop, takeover, run, manage and operate establishments, organizations and institutions, facilities for providing, giving and dispensing medical treatment, medical facilities, para medical facilities, healthcare facilities and all health, medical and other related and ancillary services including preventive healthcare and wellness management, diagnostics, selling of medicines, clinical consumables and other goods, and support and carrying out all medical and healthcare activities, including clinics, general, multi-speciality and super speciality hospitals. The Company commenced its activities with effect from April 1, 2023 with 4 (Four) Clinics situated in Bengaluru and 1 (One) Clinic situated in Hosur. Further, other financial information is included in Form AOC-1.

xi. **Cayman Integrated Healthcare Ltd**

Cayman Integrated Healthcare Ltd is a 100% step-down subsidiary of the Company incorporated in the Cayman Islands on September 28, 2022 and is authorised to carry out the integrated healthcare business in the Cayman Islands. Further, other financial information is included in Form AOC-1.

xii. **ENT In Cayman Ltd.**

The HCCI acquired the 100% Ordinary shares in the ENT In Cayman Ltd on March 3, 2023. Accordingly, ENT In Cayman Ltd has become a 100% step-down subsidiary of the Company. This step down subsidiary is engaged in providing complete diagnosis and treatment of ear, nose, and throat conditions. Further, other financial information is included in Form AOC-1.

xiii. **Samyat Healthcare Private Limited**

Samyat Healthcare Private Limited is a wholly owned subsidiary of the Company incorporated on July 4, 2023 to mainly carry on the business of distribution of medicines, implants, medical equipment, consumables and other goods and assets as are used by hospitals, to manufacture medical supplies and to provide services in the areas of healthcare supply chain, pharmacy and such other healthcare related areas. Further, other financial information is included in Form AOC-1.

xiv. **Narayana Health Insurance Limited**

Narayana Health Insurance Limited is a wholly owned subsidiary of the Company incorporated on May 24, 2023 for diversification into health insurance business through the subsidiary and thereby enabling the Company to offer an integrated healthcare solution to the general public as a healthcare service provider. The subsidiary was granted license by the Insurance Regulatory and Development Authority of India (IRDAI) on January 3, 2024 to exclusively carry on health insurance business. Further, other financial information is included in Form AOC-1.

xv. **Medha AI Private Limited**

Medha AI Private Limited is a wholly owned subsidiary of the Company incorporated on December 15, 2023 to carry on the business to build or distribute platforms of all kinds of information technology services including software development, solutions, designing, testing, training, mobile applications and web solutions, networking solutions and development of all kinds of information technology enabled applications, products and solutions, around analytics, data intelligence,

machine learning and artificial intelligence. Further, other financial information is included in Form AOC-1.

Associate Companies

i. Reya Health Inc (formerly Cura Technologies Inc)

Reya is an Associate Company incorporated in the State of Delaware, USA, in which the Company holds 43.58% of common stock of the Associate Company through HCCI. This Company is engaged in the business of developing software and technology to transform delivery of patient care. Further, other financial information is included in Form AOC-1.

ii. ISO Healthcare

ISO Healthcare is an Associate Company incorporated in Mauritius in which the Company had held 20% of the equity shares through its step-down subsidiary, Narayana Holdings. During the financial year, ISO Healthcare had filed an application for voluntary liquidation in accordance with Section 137 of the Insolvency Act, 2009 in Mauritius, for the winding up the affairs of the Company and same was dissolved with effect from April 3, 2024.

The Company has adopted a Policy for determining Material Subsidiaries in line with Regulation 16 of the Listing Regulations. The Policy, as approved by the Board, is uploaded on the website of the Company : https://www.narayanahealth.org/stakeholder-relations/company-policies.

The total revenue from all the subsidiaries of the Company in aggregate during the year under review was at ₹18,016.61 Million resulting in an overall contribution of 35.90% of the consolidated revenue.

5. SHARE CAPITAL

As on March 31, 2024, the Authorized Share Capital of the Company is ₹ 3,800.00 Million comprising of 30,90,00,000 Equity Shares of ₹ 10 each and 7,10,00,000 Preference Shares of ₹ 10 each. The Paid-up Share Capital is ₹ 2,043.61 Million comprising of 20,43,60,804 Equity Shares of ₹ 10 each.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

i) In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.

ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) The Directors have prepared the annual accounts on a going concern basis.

v) The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant Board Committees, including the Audit, Risk and Compliance Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

7. BOARD OF DIRECTORS AND COMMITTEES

Composition of Board of Directors and changes thereof

As on March 31, 2024, the composition of your Company's Board has an ideal combination of Executive, Non-Executive and Independent Directors and thereby ensuring separation of management and governance while maintaining its independence. In compliance with the terms of the SEBI Regulations, Independent Directors constitute 50% of the Board strength including an independent women director as required to be appointed by top 500 listed entities.

Type of Directorship	No. of Directors	% of Board Strength
Executive Directors	3	37.50%
Non-executive & Non-Independent Directors	1	12.50%
Independent Directors	4	50%
Total	**8**	**100.00%**

The Composition of the Board and Committees of the Board along with the changes in composition during the year is detailed in the Corporate Governance Report which forms part of this Report.

Appointments

During the year under review, Dr. Devi Prasad Shetty (DIN: 00252187) and Mr. Viren Prasad Shetty (DIN: 02144586) were re-appointed as Whole-time Directors of the Company, for a term of five years with effect from August 29, 2023 and subsequently, the same was approved by the shareholders of the Company by passing Special Resolutions at the Annual General Meeting held on August 4, 2023.

There was no appointment of any Independent Director during the year under review.

Retirements

During the year under review, Mr. B.N.Subramanya (DIN: 00483654), Mr. B.Muthuraman (DIN; 00004757), Mr. Dinesh Krishna Swamy (DIN: 00041553) and Mr. Arun Seth (DIN: 00204434) retired from the Board as Independent Directors of the Company, in view of the cessation of their second term, with effect from close of business hours of August 7, 2023.

Retirement by rotation

Mr. Viren Prasad Shetty (DIN: 02144586), Executive Vice-Chairman & Whole-Time Director is retiring by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMPs) of the Company are:

Sl. No.	Name of the KMPs	Position held in the Company
1.	Dr. Emmanuel Rupert	Managing Director and Group CEO
2.	Ms. Sandhya Jayaraman	Group Chief Financial Officer
3.	Mr. Sridhar S.	Group Company Secretary, Legal & Compliance Officer

Details of Key Managerial Personnel who were appointed or have resigned during the year

None of the Key Managerial Personnel (KMP) were appointed or resigned during the year.

Committees and their Constitution

As required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had formed four Committees viz. Stakeholders' Relationship Committee, Audit, Risk and Compliance Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and the details of membership of the Committees are disclosed in Corporate Governance Report which forms part of Board's Report.

Keeping in view the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board reviews the Terms of Reference of these Committees and the nomination of Board Members to various Committees. The recommendations, if any, of these Committees are submitted to the Board for approval.

Number of meetings of the Board

The meetings of the Board are scheduled at regular intervals to decide and discuss on the business performance, policies, strategies and other matters of significance. The schedule of the meetings is circulated in advance to ensure proper planning and effective participation in meetings. In certain exigencies, decisions of the Board are also accorded through circulation.

The Board during the financial year under review met Five (5) times. Detailed information regarding the meetings of the Board and meetings of the Committees of the Board is included in the Report on Corporate Governance which forms part of Board's Report.

8. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Nomination and Remuneration Policy of the Company is to ensure that the remuneration is in line with best comparable market practices, as well as competitive vis-à-vis that of comparable companies both in India and other international markets, which will have a motivating effect to act as a driving force to ensure long term availability of talent and also retention of the best talents.

A brief description about the Company's Nomination and Remuneration Policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other related matters provided in Section 178(3) of the Companies Act, 2013 are provided in the Corporate Governance Report, which forms part of the Board's Report.

The Nomination and Remuneration Policy of the Company is available on the Company's website at URL: https://www.narayanahealth.org/stakeholder-relations/company-policies.

9. DECLARATION BY INDEPENDENT DIRECTORS OF THE COMPANY

A declaration of independence in compliance with Section 149(6) of the Companies Act, 2013, has been taken on record from all the Independent Directors of the Company.

10. PERFORMANCE EVALUATION OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17 and 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, evaluation of performance of every Director, Board and the Chairman was carried out by the Nomination and Remuneration Committee. The Chairman of the respective committees reviewed the performance of the respective committees. The performance evaluation of Non-Independent Directors and Board as a whole, Committees thereof and Chairman of the Company was also carried out by the Independent Directors through a separate meeting of the Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated.

The evaluation was carried out on the basis of response of the Directors to a structured questionnaire covering various aspects of Board performance such as Board composition and expertise, Board oversight, strategy and direction, Corporate Governance and Board administration and inputs shared by the Directors at the meeting.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interests of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval of Independent Directors of the Company and the Board for approval, if required. The Company has taken necessary approvals as and when required as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the transactions entered into with the Related Parties are stated in the notes to accounts, and also in Form AOC-2 as prescribed under the Companies Act, 2013 which is annexed herewith as **Annexure II**.

12. CORPORATE SOCIAL RESPONSIBILITY

Your Company has formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at (URL: https://www.narayanahealth.org/stakeholder-relations/company-policies.

As a responsible corporate citizen, your Company undertook several social welfare initiatives during the financial year under review. The Annual Report on CSR activities for the financial year 2023-24 as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure III** and forms integral part of this Report.

13. ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

During the year under review, the Company has issued 30,000 (Thirty Thousand) Unsecured, listed, rated, redeemable, Non-Convertible Debentures (NCDs) of face value of Rs. 1,00,000/- (Rupees One Lakh) each at par, aggregating upto Rs 300,00,00,000/- (Rupees Three Hundred Crores only) in dematerialised form, on a private placement basis, with a tenor of 60 (Sixty) months and having a coupon payable at the rate of 8.25% per annum payable on an annual basis and maturity on March 19, 2029. The NCDs are listed on the Wholesale Debt Market Segment of BSE Limited.

14. CREDIT RATING

The ICRA Limited has assigned the [ICRA] AA (Stable) rating on February 1, 2024, which was also re-affirmed

on March 2, 2024 in relation to the Non-Convertible Debentures issued by the Company on private placement basis during the year under review. The instruments with [ICRA] AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

15. DETAILS OF DEBENTURE TRUSTEES

The details of Debenture Trustees of the Company in relation to the Non-Convertible Debentures issued by the Company on private placement basis are given hereunder:-

Axis Trustee Services Limited
Registered Office Address: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025
E-mail: teamalpha@axistrustee.in
Contact No. 022 - 6230 0451

16. PARTICULARS OF EMPLOYEES

The statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report and is appended herewith as **Annexure IV** to the Board's Report.

The statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report. Considering the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the aforesaid information, is being sent to the Members of the Company and others entitled thereto. The said information is available for inspection at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy thereof, may write to the Secretarial Team of the Company in this regard.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is detailed in **Annexure V**.

18. CORPORATE GOVERNANCE

Your Company places utmost importance on its fiduciary role as a guardian of stakeholders' interest and strives to achieve a mutually aligned objective of value and wealth creation for all interested parties. The Board and the Management humbly acknowledges this role and continues to propagate this belief through all layers of the organization to create an environment of accountability and trust.

These responsibilities continue to be the focus of its attention through the tumultuous ride along the path of expansion, ensuring the highest standards of ethics and integrity in all its business dealings while avoiding potential conflicts of interest. The result of this is a corporate structure which serves its ever expanding business needs while maintaining transparency and adherence to the above stated beliefs.

A Report on Corporate Governance has been appended as **Annexure VI** and forms an integral part of this Report. As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Managing Director & Group Chief Executive Officer and Chief Financial Officer have given appropriate certifications to the Board of Directors.

Further, pursuant to Regulation 34(3) of SEBI Listing Regulations read with Part E of Schedule V of the Listing Regulations, a certificate from M/s. Ganapathi and Mohan, (Firm Registration Number P2002KR57100), Bengaluru, Practicing Company Secretaries certifying the compliance with various provisions of the Corporate Governance is annexed to this Report as **Annexure VII**.

The Company has received a certificate from M/s. Ganapathi and Mohan, (Firm Registration Number P2002KR57100), Bengaluru, Practicing Company Secretaries, pursuant to clause 10(i) of Part C under Schedule V of SEBI Listing Regulations certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority and same is attached as **Annexure VIII** to this report.

19. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In November 2018, the Ministry of Corporate Affairs (MCA) constituted a Committee on Business Responsibility Reporting ("the Committee") to finalize business responsibility

reporting formats for listed and unlisted companies, based on the framework of the National Guidelines on Responsible Business Conduct (NGRBC). Through its report, the Committee recommended that BRR be rechristened BRSR, where disclosures are based on Environmental, Social and Governance (ESG) parameters, compelling organizations to holistically engage with stakeholders and go beyond regulatory compliances in terms of business measures and their reporting. SEBI, vide its circular dated May 10, 2021, made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from the financial year 2023 onwards.

The Board of Directors of the Company has adopted the Environmental and Social Governance (ESG) Policy of the Company which is available on our website: https://www.narayanahealth.org/stakeholder-relations/company-policies

The SEBI vide its notification dated June 14, 2023 had amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to introduce the BRSR Core for the listed entities and BRSR Core for Company's value chain partners. Subsequently, on July 12, 2023, SEBI had issued the revised format of BRSR Report and also introduced BRSR Core Assurance for listed entities and value chain partners. Pursuant to the amended format issued by SEBI, the BRSR disclosures on ESG practices and priorities of the Company is attached as **Annexure IX** to this report.

20. AUDITORS

A. Statutory Auditors

The members of the Company in their 22nd Annual General Meeting (AGM) held on August 30, 2022 re-appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Bengaluru, having Firm Registration No. 117366W/W-100018, as Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting.

Auditor's Report

The Auditors' have issued an unmodified Report for the year ended March 31, 2024 and hence, do not call for any comments from the Management under Section 134 of the Companies Act, 2013.

B. Cost Auditors

The Board has approved the appointment of M/s. PSV & Associates, Cost Accountants having Firm Registration Number 000304, as the Cost Auditor of the Company for the financial year 2024-25, at a remuneration of Rs. 4,00,000/- (Rupees Four Lakhs Only), exclusive of taxes and reimbursement of out-of- pocket expenses incurred, if any, in connection with the cost audit.

The Board of Directors of the Company proposes the ratification of remuneration of M/s. PSV & Associates, Cost Accountants as the Cost Auditor of the Company, for the financial year 2024-25 at the ensuing Annual General Meeting.

Your Company has made and maintained the cost records, as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

C. Secretarial Auditor

The Company has appointed M/s. Ganapathi and Mohan, (Firm Registration Number P2002KR57100), Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Report of the secretarial audit as required under Section 204 of the Companies Act, 2013 read with Regulation 24A(1) of the SEBI Listing Regulations is annexed herewith as **Annexure X**.

Pursuant to Regulation 24A(2) of the SEBI Listing Regulations, the Secretarial Compliance Report, issued by M/s. Ganapathi & Mohan, Practicing Company Secretaries, Bengaluru (firm Registration No. P2002KR057100) is annexed herewith as **Annexure XI**.

There is no qualification, reservations or adverse remarks made by M/s. Ganapathi and Mohan, Practicing Company Secretaries, Secretarial Auditor of the Company in their Secretarial Audit Report and Secretarial Compliance Report.

21. INTERNAL AUDIT SYSTEMS

Your Company has continued its engagement with M/s. Ernst & Young LLP, Chartered Accountants, to conduct internal audit across the organization during the year under review. Your Company also has an in-house internal audit team to supplement and support the efforts of M/s. Ernst & Young LLP.

22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes affecting the financial position of the Company between the end of the financial year to which these financial statements relate and the date of the Report.

23. DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

24. PARTICULARS OF LOANS, SECURITIES, GUARANTEES AND INVESTMENTS

The loans given, security provided, guarantees given and investments made by the Company under Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

25. EMPLOYEE STOCK OPTION PLAN

The Company has adopted the Narayana Hrudayalaya Employee Stock Option Plan (NH ESOP), 2015 pursuant to the approval of the Board on September 7, 2015 and the approval of Shareholders on September 12, 2015. The Plan is administered by the Nomination and Remuneration Committee through Narayana Health Employees Benefit Trust. Pursuant to Rule 14 of the Companies (Share Based Employee Benefits and Sweat Equity) Regulations 2021, the details are available on website of the Company at https://www.narayanahealth.org/stakeholderrelations/annual-reports.

26. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website on https://www.narayanahealth.org/stakeholder-relations/annual-return.

27. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's operational and financial performance as well as the initiatives taken by the Company in its key functional areas are separately discussed in this Annual Report.

29. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has developed a Whistle Blower Policy with a view to provide a mechanism for employees and Directors of the Company to voice concerns and grievances in a responsible manner. The policy of vigil mechanism is available on the Company's website at: https://www.narayanahealth.org/stakeholder-relations/company-policies.

Further, details of the same are provided in Corporate Governance Report attached to this Report.

30. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on prevention of sexual harassment in workplace framed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) have been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Below is the report on the same containing details of number of cases filed, their disposal, nature of action taken, number of cases pending and number of workshop/ awareness sessions conducted.

No. of cases reported	No. of cases disposed	Nature of Action Taken	No. of cases pending	No. of workshops conducted (Induction & Refresher)	No. of participants
7	7	Out of 7 cases, in 5 cases, the services of the respondents were discontinued. 2 cases have been settled through conciliation.	Nil	467	11,370

31. RISK MANAGEMENT POLICY

The Board of Directors of the Company at their meeting held on October 31, 2018 has decided to entrust the Audit, Risk and Compliance Committee to perform the role of a Risk Management Committee in terms of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has amended the Terms of Reference of the Committee suitably to include the following:

i. To assist the Board of Directors in meeting its responsibility of oversight on identification, evaluation, mitigation and resolution of strategic, operational, financial, reputational and compliance risks.

ii. To approve Risk Management Policy of the Company and review the same annually to keep it updated to address varying nature and dynamics of risks faced by the Company from time-to-time.

iii. To review management's assessment of risk at least once in a year and provide an update to the Board in this regard.

The Audit, Risk and Compliance Committee also meets the requirement of composition and other stipulations in terms of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has implemented Enterprise Risk Management wherein business units and corporate functions review and address risks with the oversight of the Audit, Risk & Compliance Committee and the Board of Directors. This is being facilitated by the Internal Audit team of the Company. The Risk Management Policy of the Company is available on our website: https://www.narayanahealth.org/stakeholder-relations/company-policies.

32. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year.

33. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

a. Narayana Institute for Advanced Research Private Limited (NIARPL)

NIARPL, an erstwhile wholly-owned subsidiary of the Company, which was formed for engaging in the business of research and development work connected with medicines and operation of hospitals, clinics, health centers, nursing homes and other related activities had filed an application with the Registrar of Companies for voluntary liquidation of the Company pursuant to Section 59 of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board (Voluntary Liquidation Process) Regulations, 2017 since the Company had no operations for many years. The Company stands dissolved pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on September 15, 2023.

b. Narayana Health Institutions Private Limited (NHIPL)

NHIPL, an erstwhile wholly owned subsidiary of the Company, which was formed for engaging in the business of running medical colleges and operation of hospitals, clinics, health centers, nursing homes and other related activities, had filed an application for dissolution by way of removal of its name from the Register of Companies by the Registrar of Companies ("RoC") under Section 248 of the Companies Act, 2013, since the Company had no operations for many years. The application filed by NHIPL was approved by the RoC, Bengaluru on September 20, 2023 and the name of the said Company was struck off and dissolved with effect from the said date.

c. ISO Health Limited (ISO Health)

ISO Health, an erstwhile Associate Company incorporated in Kenya had filed an application for strike off from the Register of Companies. The application filed by ISO Health was approved by the Registrar and the name of the said Company was struck off and dissolved with effect from October 9, 2023.

d. ISO Healthcare

ISO Healthcare, an erstwhile Associate Company incorporated in Mauritius had filed an application for voluntary liquidation in accordance with Section 137 of the Insolvency Act, 2009 in Mauritius, for the winding up the affairs of the Company. The application filed by ISO Healthcare was approved and the same was dissolved with effect from April 3, 2024.

34. PROCEEDINGS PENDING, IF ANY, UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has neither filed an application during the year under review nor are any proceedings pending under the Insolvency and Bankruptcy Code, 2016 as at March 31, 2024.

35. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

No such event has occurred during the year under review.

36. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not initiated any Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 during the year under review.

37. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, the Company has not transferred any amount to the Investor Education and Protection Fund (IEPF), as per the requirements of the IEPF Rules.

38. DECLARATION ON CODE OF CONDUCT

The Company has adopted the Code of Conduct for all its Senior Management Personnel and Directors and the same is affirmed by all the Board Members and Senior Management Personnel as required under Regulation 34 read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A declaration signed by Dr. Emmanuel Rupert, Managing Director and Group CEO of the Company affirming the compliance with the Code of Conduct of the Company for the financial year 2023-24 has been annexed as part of this Report.

39. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which are required to be mentioned in the Board's report.

40. SECRETARIAL STANDARDS

The Company has complied with the mandatory applicable Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

41. ACKNOWLEDGEMENT

Your Directors express strong sense of gratitude towards all the internal and external stakeholders including patients, business associates, vendors, bankers, investors, Central and State Governments for all the support extended during the year. Your Directors' also wish to thank the medical professionals and employees at each level for their continued hard work, commitment and performance during the year.

For and on behalf of the Board

Sd/-
Dr. Devi Prasad Shetty
Chairman
DIN: 00252187

Sd/-
Dr. Emmanuel Rupert
Managing Director and Group CEO
DIN: 07010883

Place: Bengaluru
Date: May 24, 2024

Declaration on Code of Conduct

To
The Members,
Narayana Hrudayalaya Limited

I, Dr. Emmanuel Rupert, Managing Director and Group CEO, declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2024.

For Narayana Hrudayalaya Limited

Sd/-
Dr. Emmanuel Rupert
Managing Director and Group CEO
DIN: 07010883

Place: Bengaluru
Date: May 24, 2024

Annexure I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part A: Subsidiaries

(amounts in ₹)

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name of the subsidiary	Athma Healthtech Private Limited	NH Integrated Care Private Limited	Narayana Hospitals Private Limited	Narayana Hrudayalaya Surgical Hospital Private Limited	Narayana Vaishno Devi Specialty Hospitals Private Limited	Meridian Medical Research & Hospitals Ltd.	Medha AI Private Limited	Samyat Healthcare Private Limited	Narayana Health Insurance Limited	Health City Cayman Islands Limited	Cayman Integrated Healthcare Ltd.	ENT in Cayman Ltd.	NH Health Bangladesh Private Limited	Narayana Holdings Private Limited	Narayana Health North America, LLC
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	USD 1 USD = Rs.(83.37)	USD 1 USD = Rs.(83.37)	USD 1 USD = Rs.(83.37)	BDT (1 BDT = Rs. (0.0091)	USD 1 USD = Rs.(83.37)	USD 1 USD = Rs.(83.37)
Share capital	5,00,000	5,00,000	53,26,14,420	24,42,59,000	1,00,00,000	29,27,88,000	5,00,000	5,00,000	1,00,05,00,000	510	2,200	50,000	12,47,45,750	18,30,000	5000
Reserves & surplus	(11,73,300)	(32,56,68,000)	15,63,83,660	40,57,83,948	12,22,92,493	1,34,04,54,000	12,721	48,67,629	(3,63,86,000)	16,29,86,998	6,03,320	18,29,156	(12,47,46,001)	(17,18,848)	13308.36
Total assets	85,32,670	43,09,34,000	2,05,69,45,230	2,08,49,92,000	46,87,47,000	2,30,21,43,760	5,38,880	49,73,34,548	97,40,12,000	24,98,13,490	41,96,588	26,60,626	38,24,198	1,21,781	18308.36
Total Liabilities	92,05,970	75,61,02,000	1,36,79,47,150	1,43,49,49,000	33,64,55,833	66,88,95,053	26,159	49,19,66,918	98,98,000	8,68,25,982	35,91,070	7,81,470	38,24,449	10,629	NIL
Investments	NIL	NIL	NIL	67,20,000	NIL	36,35,05,186	NIL	NIL	95,24,88,000	6,66,18,058	NIL	NIL	NIL	NIL	NIL
Turnover	72,54,810	21,95,65,000	90,00,000	3,35,96,20,000	1,28,04,17,000	2,90,46,83,000	36,000	43,88,93,188	NIL	11,96,06,225	NIL	51,76,766	NIL	NIL	NIL
Profit before taxation	4,67,330	(39,95,89,000)	2,05,04,340	22,49,12,000	4,24,92,524	60,38,59,000	17,000	71,44,076	(3,63,86,000)	4,92,38,053	(15,94,480)	10,24,306	(21,73,132)	(6,683)	-2203.97
Provision for taxation	NIL	NIL	NIL	13,22,000	90,04,000	18,76,20,000	4,279	17,75,897	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Profit after taxation	4,67,330	(39,95,89,000)	2,05,04,340	22,35,90,000	3,34,89,000	41,62,39,000	12,721	53,68,179	(3,63,86,000)	4,92,38,053	(15,94,480)	10,24,306	(21,73,132)	(6,683)	-2203.97
Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	USD 122 per share	NIL	NIL	NIL	NIL	NIL
% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	99.13%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.99%	100.00%	100.00%

1. Name of the subsidiaries which are yet to commence operations
   i) Narayana Health Insurance Limited
   ii) Cayman Integrated Healthcare Limited
2. Name of the subsidiaries which have been liquidated or sold during the year
   Narayana Institute for Advanced Research Private Limited (NIARPL) dissolved with effect from September 15, 2023
   Narayana Health Institutions Private Limited (NHIPL) struck off with effect from September 20, 2023

Part "B": Subsidiaries/Joint Ventures

Name of Associates /Joint Ventures	Reya Health Inc (formerly known as Cura Technologies Inc) (Associate)
Latest audited Balance Sheet Date	USD
	31-Mar-24
Shares of Associate/Joint Ventures held by the company on the year end	
No.	3,90,00,000
Amount of Investment in Associates	1,36,833
Extent of Holding %	43.58%
Description of how there is significant influence	Due to percentage of share capital held
Reason why the associate/ joint venture is not consolidated	Consolidated as per Ind AS 28 March 31, 2024
Net worth attributable to Shareholding as per latest audited Balance Sheet	(1,65,55,192)
Profit / (Loss) for the year	(41,65,459)
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	(41,65,459)
1. Names of associates or joint ventures which are yet to commence operations.	NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year.	ISO Health Limited, Kenya and ISO Healthcare, Mauritius were struck off and dissolved with effect from October 9, 2023 and April 3, 2024 respectively.

Place: Bengaluru
Date: May 24, 2024

Sd/-
Dr. Devi Prasad Shetty
Chairman
DIN: 00252187

Sd/-
Dr. Emmanuel Rupert
Managing Director and Group CEO
DIN: 07010883

Annexure II

FORM NO. AOC – 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NIL

2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contract/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance, if any
1.	Hrudayalaya Pharmacy - Partnership firm owned by Mrs. Shakuntala Shetty (Spouse of Dr. Devi Prasad Shetty, Chairman and Whole-time Director), Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director and Son of Dr. Devi Prasad Shetty), Dr. Varun Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr.Viren Prasad Shetty), Ms. Ameya Shetty, (Daughter of Dr. Devi Prasad Shetty and sister of Mr.Viren Prasad Shetty) and Dr. Anesh Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty)	Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses towards payment of Group Mediclaim Insurance premium. Value of transactions during the year was Rs. 13,811/-	March 29, 2023	NIL
2.	Amaryllis Healthcare Private Limited - Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), is a Director and Member in Amaryllis Healthcare Private Limited	Purchase and provision /availing of services of hospital related goods, equipment's, assets and services	Ongoing	Medicines and Hospital supplies, Supply of disposable drapes, etc., Value of transactions during the year was Rs. 16,91,39,034/-	March 29, 2023	NIL
3.	Charmakki Infrastructures - Partnership firm owned by Mrs. Shakuntala Shetty (Spouse of Dr. Devi Prasad Shetty, Chairman and Whole-time Director), Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director and Son of Dr. Devi Prasad Shetty), Dr. Varun Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty), Ms. Ameya Shetty, (Daughter of Dr. Devi Prasad Shetty and sister of Mr. Viren Prasad Shetty) and Dr. Anesh Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty).	Nursing Hostel Rent.	Ongoing	Nursing Hostel Rent. Value of transactions during the year was Rs. 78,88,309/-	March 29, 2023	NIL
4.	Biocon Biologics Limited - Dr. Kiran Mazumdar Shaw (Non-Executive Director) is a Whole-time Director of Biocon Biologics Limited.	Purchase and provision /availing of services of hospital related goods, equipment's, assets and services.	Ongoing	Purchase of Medicines. Value of transactions during the year was Rs. 7,01,60,744/-	March 29, 2023	Nil

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contract/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance, if any
5.	Health City Cayman Islands Limited, a wholly-owned subsidiary Company located in Cayman Islands. Dr. Devi Prasad Shetty (Chairman & Whole-time Director), Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), Dr. Anesh Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty), Ms. Terri Smith Bresenham (Independent Director) and Mr. Shankar Arunachalam (Independent Director) are Directors in Health City Cayman Islands Limited.	Sale/ services of hospital related goods, stationery, consumables, equipment's, assets and services	Ongoing	Sale / Services of hospital related goods, stationery, consumables, equipment's, assets and services. Value of transactions during the year was Rs. 34,28,22,305/-	March 29, 2023	NIL
		Sale of Fixed asset/ equipments (entire group)	Ongoing	Sale of Fixed asset/ equipments (entire group) Rs. 11,49,727/-		NIL
		Oracle software licence fees	Ongoing	Oracle software licence fees. Value of transactions during the year was USD 144,000.		NIL
		Provision of following off-shore business auxiliary services: 1. Supply Chain (SCM) 2. Human Resource (HR) 3. Finance 4. Patient Discharge Summary	Ongoing	Providing of off-shore business auxiliary services such as Supply Chain (SCM), Human Resource (HR), Finance and Patient Discharge Summary. Value of transactions during the year was Rs. 2,10,95,048/-		NIL
		Provision of IT services- Support and maintenance	Ongoing	Providing IT services- Support and maintenance. Value of transactions during the year was Rs. 9,51,98,286/-		NIL
		Corporate Guarantee commission	Ongoing	Corporate Guarantee Commission during the year was Rs. 57,73,970/-		NIL
		Laptop Rental	Ongoing	Laptop Rental during the year was Rs. 4,19,750/-		NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses (net) and other Contingencies. Value of transactions during the year was Rs. 3,59,06,416/-		NIL
6.	Meridian Medical Research & Hospital Ltd., a subsidiary in which the Company holds 99.13% of the total paid-up equity capital. Dr. Devi Prasad Shetty (Chairman & Whole-time Director), Dr. Emmanuel Rupert (Managing Director and Group CEO), Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), Mr. Shankar A. (Independent Director) and Dr. Nachiket Mor (Independent Director) are Directors in Meridian Medical Research & Hospital Ltd.	Sale and providing of services of hospital related goods, equipment's, assets and services	Ongoing	Sale of Medicine and fixed assets. Value of transactions during the year was Rs. 2,47,23,723/-	March 29, 2023	NIL
		Purchase and availing of services of hospital related goods, equipment's, assets and services	Ongoing	Purchase and availing of services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs 40,29,036/-		NIL
		Sale of Fixed asset/ equipment's (entire group)	Ongoing	Sale of Fixed asset/ equipments (entire group). Value of transactions during the year was Rs. 2,00,045/-		NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses (Net) and other contingencies. Value of transactions during the year was Rs. 19,65,582/-		NIL
7.	Narayana Hrudayalaya Surgical Hospital Private Limited, a wholly-owned Subsidiary. Dr. Devi Prasad Shetty (Chairman & Whole-time Director), Dr. Emmanuel Rupert (Managing Director and Group CEO) and Mr. Viren Prasad Shetty	Hospital Lease rent.	Ongoing	Hospital Lease rent. Value of transactions during the year was Rs. 49,56,000/-	March 29, 2023	NIL
		Sale and provision / availing of services of hospital related goods, equipment's, assets and services	Ongoing	Sale and providing of services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs. 31,14,444/-		NIL

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contract/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance, if any
	(Executive Vice-Chairman & Whole-time Director) are Directors and Nominee Shareholders in Narayana Hrudayalaya Surgical Hospital Private Limited.	Sale of Fixed asset/ equipment's (entire group)	Ongoing	Sale of Fixed asset/ equipment's (entire group) was Rs. 68,09,898/-		NIL
		Purchase and availing of services of hospital related goods, equipment, assets and services	Ongoing	Purchase of hospital related goods/ assets and availing of services. Value of transactions during the year was Rs. 53,126/-		NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses (Net) & Other Contingencies. Value of transactions during the year was Rs. 7,39,50,789/-		NIL
8.	Narayana Hospitals Private Limited, a wholly-owned Subsidiary. Dr. Devi Prasad Shetty (Chairman & Whole-time Director) and Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director) are Directors and Nominee Shareholders in the subsidiary. Dr. Emmanuel Rupert (Managing Director and Group CEO) is a Nominee Shareholder in the subsidiary Company.	Hospital Lease Rent	Ongoing	Hospital Lease rent. Value of transactions during the year was Rs. 1,06,20,000/-	March 29, 2023	NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses on account of salaries and professional fees. Value of the transaction during the year was Rs. 64,36,422/-		NIL
9.	Narayana Vaishno Devi Specialty Hospitals Private Limited, a wholly-owned Subsidiary of the Company. Dr. Devi Prasad Shetty (Chairman & Whole-time Director), Dr. Emmanuel Rupert (Managing Director and Group CEO), Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), and Dr. Kiran Mazumdar Shaw (Non-Executive Director) are Directors in Narayana Vaishno Devi Specialty Hospitals Private Limited. Further, Dr. Devi Prasad Shetty, Dr. Emmanuel Rupert, Mr. Viren Prasad Shetty and Dr. Varun Shetty, (son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty) are Nominee Shareholders in the subsidiary Company.	Sale and providing of services of hospital related goods, equipment's, assets and services	Ongoing	Sale and providing services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs. 6,03,818/-	March 29, 2023	NIL
		Purchase and availing of services of hospital related goods, equipment's, assets and services	Ongoing	Purchase and availing of services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs. 59,378/-		NIL
		Reimbursement of expenses	Ongoing	Reimbursement of expenses towards corporate management services excluding IT services. Value of transactions during the year was Rs. 26,06,748/-		NIL
10.	Narayana Hrudayalaya Foundation (NHF), a Trust in which Dr. Devi Prasad Shetty (Chairman & Whole-time Director), Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), Mrs. Shakuntala Shetty (Spouse of Dr. Devi Prasad Shetty) and Dr. Varun Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty) are trustees of the Trust.	Rental charges for the Assets	Ongoing	Amount paid towards Rental charges for the Assets. Value of transactions during the year was Rs. 31,60,838/-	March 29, 2023	NIL
		Medical fees received from NHF for treatment of patients	Ongoing	Medical fee received from NHF for treatment of patients. Value of transactions during the year was Rs. 2,10,804/-		NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses on account of group staff insurance and hostel rent, paid by NHL. Value of transactions during the year was Rs. 93,388/-		NIL

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contract/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance, if any
11.	Asia Heart Foundation (AHF), a Trust in which Dr. Devi Prasad Shetty (Chairman & Whole- time Director), Mr. Viren Prasad Shetty (Executive Vice Chairman & Whole-time Director), Mrs. Shakuntala Shetty (Spouse of Dr. Devi Prasad Shetty) and Dr. Varun Shetty (Son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty) are trustees of the Trust.	Discount entitlement for the year	Ongoing	Value of transactions during the year was Rs. 14,36,362/-	March 29, 2023	NIL
		Rental expense for Robotic CT ingenuity and Dental bus	Ongoing	Value of transactions during the year was Rs. 36,82,214/-		NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses and other contingencies Value of transactions during the year was Rs. 53,437/-		NIL
12.	Mazumdar Shaw Medical Foundation (MSMF), a Section 8 Company under the Companies Act, 2013. Dr. Devi Prasad Shetty (Chairman & Whole-time Director) and Dr. Kiran Mazumdar Shaw (Non-Executive Director) are the Directors in Mazumdar Shaw Medical Foundation.	Rent for Hospital building and Furniture Hire Charges	Ongoing	Payment towards lease rent. Value of the transactions during the year was Rs. 2,95,00,000/-	March 29, 2023	NIL
		Lab – Outsourcing	Ongoing	Availing of Diagnostic Services. Value of transactions during the year was Rs. 37,31,100/-		NIL
		Sale and providing of services of hospital related goods, equipment's, assets and services	Ongoing	Sale and providing of services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs. 54,02,415/-		NIL
13.	Dharamshila Cancer Foundation and Research Centre – Narayana Hrudayalaya Surgical Hospital Private Limited, a wholly-owned subsidiary Company has entered into an Healthcare Service Agreement with the said Research Centre.	Sale and providing of services of hospital related goods, equipment's, assets and services	Ongoing	Sale and providing of services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs. 85,56,708/-	March 29, 2023	NIL
		Purchase and availing of services of hospital related goods, equipment's, assets and services	Ongoing	Purchase and availing of services of hospital related goods, equipment's, assets and services. Value of transactions during the year was Rs. 98,55,055/-		NIL
		Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses (Net) & Other Contingencies. Value of transactions during the year was Rs. 13,26,98,881/-		NIL
14.	Syngene International Limited. Dr. Kiran Mazumdar Shaw (Non-Executive Director) is a Director in Syngene International Limited	Purchase and availing of services of hospital related goods, equipment's, assets and services	Ongoing	Purchase and availing of services of hospital related goods, equipment's, assets and services Value of transactions during the year was Rs. 27,32,935/-	March 29, 2023	NIL
15.	Narayana Health Academy Private Limited, Dr. Devi Prasad Shetty (Chairman & Whole-time Director) and Mrs. Shakuntala Shetty (Spouse of Dr. Devi Prasad Shetty) are Shareholders and Directors in this Company.	Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses (Net) & Other Contingencies. Value of transactions during the year was Rs. 505/-	March 29, 2023	NIL
16.	Athma Healthtech Private Limited, a wholly-owned Subsidiary of the Company. Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), Dr. Emmanuel Rupert, (Managing Director & Group CEO) and Dr. Varun Shetty (son of Dr.Devi Prasad Shetty and Brother of Mr. Viren Prasad Shetty) are Directors in the wholly-owned subsidiary.	Reimbursement of expenses (Net) & Other Contingencies	Ongoing	Reimbursement of expenses (Net) & Other Contingencies. Value of transactions during the year was Rs. 37,06,452/-	March 29, 2023	NIL
		Revenue share income - Advertising Revenue	Ongoing	Revenue share income - Advertising Revenue Rs. 34,24,271/-		NIL
		Rent for Office building	Ongoing	Amount paid towards rental charges for the Office building. Value of transactions during the year was Rs. 5,35,248/-		NIL

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contract/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance, if any
17.	NH Integrated Care Private Limited, a wholly-owned Subsidiary of the Company. Mr. Viren Prasad Shetty (Executive Vice-Chairman and Whole-time Director), Dr. Emmanuel Rupert (Managing Director & Group CEO) and Dr. Varun Shetty (son of Dr. Devi Prasad Shetty and brother of Mr. Viren Prasad Shetty) are Directors in the wholly-owned subsidiary Company.	Reimbursement of expenses(Net) & Other Contingencies	Ongoing	Reimbursement of expenses(Net) & Other Contingencies. Value of transactions during the year was Rs. 1,00,01,101/-	March 29, 2023	NIL
		Sale and providing of services of hospital related goods, and services	Ongoing	Sale and providing of services of hospital related goods, and services. Value of transactions during the year was Rs. 2,05,39,683/-		
		Sale of Fixed asset/ equipments (entire group)	Ongoing	Sale of Fixed asset/ equipments (entire group). Value of transactions during the year was Rs. 2,46,556/-		
		Lease Rent	Ongoing	Warehouse & Office rent. Value of transactions during the year was Rs. 7,01,679/-		
18.	Narayana Health Enterprises, a Trust settled by Dr Devi Prasad Shetty, Chairman & Whole-time Director for the purpose of promoting Health Care.	Reimbursement of expenses(Net) & Other Contingencies	Ongoing	Reimbursement of expenses(Net) & Other Contingencies. Value of transactions during the year was Rs. 6,14,100/-	March 29, 2023	NIL
19.	Narayana Health Employee Benefit Trust is a Trust formed for the purpose of implementation of granting Employees Stock Ownership Plan (ESOP) to the Employees of the Company.	Reimbursement of expenses(Net) & Other Contingencies	Ongoing	Reimbursement of expenses(Net) & Other Contingencies. Value of transactions during the year was Rs. 5,72,100/-	March 29, 2023	NIL
20.	Samyat Healthcare Private Limited, a wholly owned subsidiary of NHL. Mr. Viren Prasad Shetty (Executive Vice-Chairman & Whole-time Director), Dr. Emmanuel Rupert (Managing Director & Group CEO) and Dr. Varun Shetty (brother of Mr. Viren Prasad Shetty) are Directors in the wholly-owned subsidiary Company.	Purchase of Medical consumable, implants	Ongoing	Purchase of Medical consumable, implants. Value of transactions during the year was Rs. 43,47,24,708/-	March 29, 2023	NIL
		Lease Rent	Ongoing	Office Rent Value of transactions during the year was Rs. 2,99,180/-		
		Reimbursement of expenses(Net) & Other Contingencies	Ongoing	Reimbursement of expenses(Net) & Other Contingencies. Value of transactions during the year was Rs. 9,57,119/-		
21.	Narayana Health Insurance Limited, a wholly-owned subsidiary of the Company. Dr Devi Prasad Shetty (Chairman & Whole-time Director) and Mr. Viren Prasad Shetty (Executive Vice-Chairman and Whole-time Director) are Directors in the wholly-owned subsidiary Company.	Reimbursement of expenses(Net) & Other Contingencies	Ongoing	Reimbursement of expenses(Net) & Other Contingencies. Value of transactions during the year was Rs. 1,34,49,582/-	August 2, 2023	NIL
		Rent	Ongoing	Office Rent Value of transactions during the year was Rs. 55,263/-		
22.	Dr. Emmanuel Rupert (Managing Director and Group CEO of NHL)	Rent	Ongoing	Rent Value of transactions during the year was Rs. 2,20,000/-	March 27, 2024	NIL

Place: Bengaluru
Date: May 24, 2024

Sd/-
Dr. Devi Prasad Shetty
Chairman
DIN: 00252187

Sd/-
Dr. Emmanuel Rupert
Managing Director & Group CEO
DIN: 07010883

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES OF NARAYANA HRUDAYALAYA LIMITED

1. Brief outline of Narayana Hrudayalaya CSR Policy (NH CSR):

Narayana Hrudayalaya Limited aims to make a positive difference in the lives of the people by engaging in activities that eliminates or alleviates pain and suffering to the under privileged sections of the society by:

- Promoting healthcare facilities for the upliftment of people at large and creating a positive impact by addressing issues of accessibility and affordability.
- Promoting educational facilities to help and assist in unfolding the creative potentials and talents of the children and amateurs.
- Strive for socio-economic development thereby reducing inequality between rich and poor.

1.1 Overview of projects/programs undertaken during the financial year 2023-24

EDUCATION PROGRAM - UDAAN

The Udaan scholarship program was started in December 2014 in Karnataka with an objective to nurture the potential of rural students from disadvantaged backgrounds and create a platform which they could leverage towards realizing medical education and become doctors. Students from our Udaan program can be motivated to use their medical education in improving health care systems in their villages and small towns. It is hoped that these enabled students would fulfil their dreams of becoming able physicians, have a multiplier effect among students and practice ethical healthcare thereby serving the larger community.

The program follows a very careful selection process to ensure we are reaching out to the brightest and most deserving students who have an aptitude and are committed towards taking up science as a subject after class X and choosing the medical profession as their careers. The social and economic background of the students is verified before they become part of our program.

This year 435 Students were supported under the Udaan Program for NEET Coaching and 280 MBBS students were selected for scholarship program. The program focuses on providing financial support to these young students for NEET Coaching, mentoring, and preparing them for the Exam.

FEEDING PROGRAM

The feeding program was initiated this year with intent to provide breakfast in Government schools and to support orphanages and children shelter home with basic meal supplements. With the help of local NGOs, Clubs, and shelter home, the program supported 2028+ kids in the year. It was observed that there is an increase in school attendance due to improvement in Body Mass Index (BMI) and overall weight of students. The main objective of the program is provide breakfast for children studying in Government schools, as well as extend the support to orphanages, old age homes with the help of local NGOS and social organizations. The morning meals (breakfast) serves as an incentive for school enrollment and boosts the attendance ratio in Government schools. The project continues this year also with intent to reach more Government schools and orphanages with wider coverage.

PROVIDING SAFE DRINKING WATER AND SANITATION FACILITIES

The Project was initiated in Government schools for improving basic facilities related to safe drinking water and providing toilets in Government schools. it was observed that majority of girls students were not attending schools due to unavailability of basic toilets and change facilities in schools, also drinking water facilities were not present in these schools and thus students were falling sick with water borne diseases which lead to poor attendance and dropouts in Government schools. Through this project, school attendance improved and female students could attend schools with better toilets and around 52+ Government Schools and more than 19,000+ students were covered during the year. The lack of safe and separate hygienic toilet facilities for girls in Government schools is a key reason for school dropouts and absenteeism. Improving these facilities will improve attendance of girl students and thereby contribute to education and learning.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	*Dr. Nachiket Madhusudan Mor	Chairman – Independent Director	2	1
2	*Ms. Terri Smith Bresenham	Member - Independent Director	2	1
3	Mr. Viren Prasad Shetty	Member – Executive Vice-Chairman & Whole-time Director	2	2
4	*Mr. Dinesh Krishna Swamy	Chairman (upto May 19, 2023)	2	1
5	*Mr. B N Subramanya	Member (upto May 19, 2023)	2	1

* Pursuant to the reconstitution of the Committee, Mr. Dinesh Krishna Swamy – former Chairman and Mr. B N Subramanya - former Member resigned from the Committee and Dr. Nachiket Madhusudan Mor was appointed as Chairperson of the Committee and Ms. Terri Smith Bresenham was appointed as a Member of the Corporate Social Responsibility Committee with effect from the close of business hours of May 19, 2023.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Committee	https://www.narayanahealth.org/stakeholder-relations/board-committees
CSR Policy	https://www.narayanahealth.org/stakeholder-relations/company-policies
CSR Projects	https://www.narayanahealth.org/stakeholder-relations/csr-projects

4. Details of the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company does not meet the criteria in terms of Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence impact assessment is not applicable. However, the CSR Committee reviews the progress of various CSR projects undertaken by the Company and its impact in terms of beneficiaries covered and the outcome of the programs.

5. a. **Average net profit of the Company as per Section 135(5):** Rs. 170,09,63,392/- (Rupees One hundred Seventy Crore Nine Lakh Sixty Three Thousand Three Hundred and Ninety Two Only).

b. **Two percent of average net profit of the Company as per Section 135(5):** Rs. 3,40,19,268/- (Rupees Three Crore Forty Lakh Nineteen Thousand Two Hundred and Sixty Eight Only).

c. **Surplus arising out of the CSR projects or programmes or activities of the previous financial years.:** Nil

d. **Amount required to be set off for the financial year, if any:** Rs. 2,17,630/- (Rupees Two Lakhs Seventeen Thousand Six Hundred and Thirty Only). However, Rs. 2,32,142/- is available for set-off in the succeeding financial years.

e. **Total CSR obligation for the financial year [(b)+(c)-(d)]:** Rs. 3,38,01,638 (Rupees Three Crore Thirty Eight Lakh One Thousand Six Hundred and Thirty Eight Only).

6. a. **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 3,38,01,638/- (Rupees Three Crore Thirty Eight Lakh One Thousand Six Hundred and Thirty Eight Only).

b. **Amount spent in Administrative Overheads:** Nil

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

d. **Total amount spent for the Financial Year [(a)+(b)+(c):** Rs. 3,38,01,638 (Rupees Three Crore Thirty Eight Lakh One Thousand Six Hundred and Thirty Eight Only)

e. **CSR amount spent or unspent for the Financial Year**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,38,01,638/-	Nil	NA	NA	Nil	NA

f. Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per Section 135(5)	3,40,19,268/-
(ii)	Total amount spent for the Financial Year	3,40,19,268/- (including Rs. 2,17,630/- set-off against surplus of previous years)
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,32,142/-

7. Details of Unspent CSR amount for the preceding three financial years: NA

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

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

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

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company has spent on CSR activities to the extent of the prescribed limit under the Companies Act, 2013.

Sd/-
Dr. Emmanuel Rupert
Managing Director & Group CEO
DIN: 07010883

Sd/-
Dr. Nachiket Mor
(Chairman - CSR Committee)
DIN: 00043646

Annexure IV

STATEMENT CONTAINING PARTICULARS IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is detailed as under:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors*	Ratio to median remuneration
Mr. Muthuraman Balasubramanian**	8.53
Mr. Dinesh Krishna Swamy**	8.61
Mr. Arun Seth**	8.45
Ms. Kiran Mazumdar Shaw	9.01
Mr. B N Subramanya**	8.61
Ms. Terri Smith Bresenham	9.07
Mr. Shankar Arunachalam***	2.27
Dr. Nachiket Mor***	2.43
Mr. Naveen Tewari****	1.35

*Includes Commission paid for the financial year 2022-2023 in proportionate basis.

** Retired from the Board as an Independent Director w.e.f. the closing hours of August 7, 2023

***Appointed as an Independent Director w.e.f. February 8, 2023

**** Appointed as an Independent Director w.e.f. March 29, 2023

Executive Directors	Ratio to median remuneration
Dr. Devi Prasad Shetty	468.67
Mr. Viren Prasad Shetty	106.73
Dr. Emmanuel Rupert	324.54

b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary	% increase
Dr. Devi Prasad Shetty	20%
Mr. Viren Prasad Shetty	20%
Dr. Emmanuel Rupert	15%
Mr. Sridhar S.	10%
Ms. Sandhya Jayaraman	12%

c. The percentage increase in the median remuneration of employees in the financial year: **10%**

d. The number of permanent employees on the rolls of Company: **11,659**

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

On an average, including promotions on base salary budget, employees received an increment for the financial year ended March 31, 2023 and March 31, 2024, as given hereunder:-

Broad Group	Average increment (Financial Year 2022-2023)	Average increment (Financial Year 2023-2024)
Administration	10.2%	10.6%
Reduction of Diesel cost	11.8%	11.9%
Overall Reduction in Energy Consumption	9.4%	9.5%

Market benchmarks and ringfencing critical roles in the organization were factored and the period of performance review was from April 2022 till March 2023 for FY 2023 and from April 2023 till March 2024 for FY 2024.

f. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy adopted by the Company.

Annexure V

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

(A) CONSERVATION OF ENERGY

Implementation of Energy Conservation measures through investment in equipment/components was a key agenda for energy conservation initiatives in FY 2023-24. Process improvement and utilization of existing resources identified in the last financial year were also reviewed to ensure continued savings.

Various initiatives have been undertaken by the Company to optimize the energy usage and cost.

Adequate measures have been taken for energy conservation and thereby reducing energy cost with reduction of Carbon footprint for sustainable development.

i. Steps taken to create impact on conservation of energy.

a. Energy conservation by improving overall efficiency of Utility by replacing older technology machines by newer technology to improve efficiency.

The Company has continued to utilize heat pump to achieve conservation of energy by replacing use of diesel, and utilized electoral energy, high efficiency cooling tower, pump, chilled & LED lights at various units and replacement of high energy consuming chiller with energy efficient chiller. Replacement of diesel consuming vehicle of internal transport with electrical cart (Buggy).

b. Use of solar/Wind & Hydro power for flagship unit in Bengaluru – Health City campus, Hospitals in HSR & Shimoga reaching 85-90% of its total power requirement of the hospitals in Karnataka. Further, 26% of NH Group's energy requirement is met from captive Wind and Hydro energy. This activity has been reducing Co2 emissions by 14963 ton/Year by consuming 15.47 MU of power from Solar/wind and Hydro energy and reducing diesel consumption.

c. Overall achievement with multiple approach of energy conservation activity.

NHL - Group Summary	Details	%
Consumption of Renewable Energy	15,477 Mwh	26.00%
Cost Saving by Renewable Energy	Rs. 497 lakhs	8.00%
Energy Conservation through other Energy efficient projects	4,429 Mwh	6.90 %
Energy cost saving by Energy efficient Project	Rs. 327 Lakhs	5.30%
Reduction of Diesel consumption	98.5 kl	17.60 %
Reduction of Diesel cost	Rs. 44 Lakhs	9.60 %
Overall Reduction in Energy Consumption	Rs. 868.9 Lakhs	14.00%

d. Through various energy saving initiatives undertaken by the Company, a reduction in energy consumption by ~ 14.0% and reduction in Co2 footprint by ~14963 ton/year was achieved.

e. All the Hospitals in Karnataka are utilising 80-90% energy from Green Energy source.

f. In addition to continual improvement of energy efficiency, NH Ahmedabad Unit has replaced old chiller with high energy efficient chiller.

g. A long-term group captive solar agreement for a 6 Mwp solar Power Purchase Agreement (PPA) is being signed, which will supply low-cost renewable energy to four hospitals in Karnataka, totaling around 9 million units annually, and resulting in cumulative annualized cost savings of Rs. 300-350 lakh per year.

ii. Plan for conservation of energy (2024-25)

a. Utilizing alternate sources of energy, supplemented by long-term, low-cost solar power from a group captive arrangement.

b. As an alternative to offset any shortfall in solar energy generation, we will continue to purchase wind and hydro energy from short-term contracted energy suppliers.

c. Upgradation & replacement of capital equipment like inefficient Chiller, Pump cooling tower at certain hospitals.

iii. Conservation of Energy & Water by adopting advance technology cooling tower.

The Company will continue its initiative for water conservation by adopting new technologies for cooling towers and installing low-flow water taps

iv. Conservation of Energy & reduction of operational expense through technology partner analysis

Initiatives are taken for reduction of operational expenses of less energy efficient equipments through different technology partnership.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption are detailed as under:-

At Narayana Hrudayalaya, we stand as pioneers in a healthcare revolution, driven by the fusion of technology and digitization within our services. Guided by the visionary leadership of our Founder and Chairman, Dr. Devi Prasad Shetty, we are committed to a journey that renders healthcare more accessible, affordable, and safer for all. Firmly anchored in our belief in the transformative power of technology, we aspire to reshape the healthcare landscape, delivering superior outcomes for our Customers and stakeholders alike.

Our dedication to harnessing technology resonates throughout our operations, where we have embraced cutting-edge advancements such as advanced analytics, machine learning, artificial intelligence, and intuitive persona-focused applications. Through the implementation of intelligent Electronic Medical Record (EMR) systems, we empower our healthcare professionals with decision support tools, fortifying Customer safety and optimizing clinical outcomes.

Central to our strategy is the adept utilization of Cloud Computing and other pioneering technologies to efficiently manage our software platforms. Backed by a world-class technology team, we endeavour to design and develop groundbreaking healthcare products, thus ensuring our position at the vanguard of technological innovation and the establishment of a state-of-the-art health ecosystem.

Our commitment to catalysing healthcare transformation finds expression in three key pillars: Customer Experience, Clinical Transformation, and Non-Clinical Transformation.

In the fiscal year 2023-2024, our initiatives underscore our unwavering dedication to technological innovation and healthcare excellence:

Non-Clinical Transformation:

- **Supply Chain Management:** We initiated the transformation of our Supply Chain Management system by deploying a Healthcare-focused Procure-to-Pay module in ATHMA. This initiative has streamlined medical procurement processes, leading to expedited Goods Receipt Note creation, improved Turnaround Time (TAT), and heightened reconciliation efficiency.

- **Digitization of Medical Records:** Our focus on digitizing medical records culminated in the launch of the Digital Medical Record module. This module facilitates the storage of digital Customer medical records, with forthcoming AI-based techniques poised to automate data extraction and populate relevant sections in the Electronic Health Record, further enhancing efficiency and accuracy.

Clinical Transformation:

- **Radiology Information System Implementation:** The implementation of a Radiology Information System across eight tertiary care hospitals has significantly enhanced the Radiologist experience. With a modern user interface and seamless integration with the ATHMA Health Information Platform, we have reduced Turnaround Time (TAT) by 7%, expediting scheduling and reporting processes.

- **Nursing Automation:** The introduction of the NAMAH (Nursing Automation and Medical Administration Hub) mobile app represents a paradigm shift in nursing automation. Piloted at two of our institutions, this app has streamlined vital tasks and assessments, facilitating over 35,000 handover tasks and enhancing Customer care and safety.

- **Digitization of Clinical Functions:** Through the implementation of Pre-Anaesthesia and Tumour Board modules, we have digitized clinical functions, eliminating paper-based processes, improving TAT, and empowering quick and informed decision-making.

Customer Transformation:

- **Kiosk Management System Implementation:** To elevate the Customer experience, we are deploying a Kiosk management system for streamlined registration, appointment check-in, and payments. A pilot initiative in Mysore processed over 650 billing requests and 56,678 consultation billings within three months, underscoring its efficacy in enhancing efficiency and Customer satisfaction.

- **Rollout of Salesforce CRM and Genesys Telephony:** The rollout of Salesforce CRM and Genesys Telephony across our network in India and the Cayman Islands has revolutionized Customer engagement. This system enables meticulous monitoring of the Customer journey, culminating in enhanced Customer satisfaction throughout their healthcare journey.

- **Wellness Tracking:** For One Health subscription customers, we reimplemented Wellness tracking features like Health Score, Goals and Coach, Home Sample Collection and Medicine delivery services.

Narayana Hrudayalaya remains steadfast in its commitment to revolutionizing healthcare through technological innovation. Through strategic initiatives and an unyielding pursuit of excellence, we continue to redefine the standards of healthcare delivery, making a tangible difference in the lives of our Customers and stakeholders. As we look towards the future, our dedication to leveraging technology to build a healthier, more connected world remains resolute.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

- Improved patient and doctor experience
- Improved Efficiency
- Cost optimization
- Transform digitally by reducing manual intervention
- Improve Safety

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company is in the business of providing healthcare services and it continues to use the latest technology in medical equipments.

(iv) The expenditure incurred on Research and Development- NIL

(C) FOREIGN EXCHANGE EARNINGS AND EXPENDITURE:

(Amount in ₹ Million)

Particulars	2023-24	2022-23
Foreign Exchange Earnings*	2,788.01	1,894.80
Foreign Exchange Expenditure	132.96	72.92
Value of Imports on CIF Basis**	241.22	345.95

*The foreign currency earning includes the amount received by the Company in foreign currency excluding INR.

**Value of imports includes capital goods purchases.

Annexure VI

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2024

1. Corporate Governance Philosophy

Your Company is committed to the principles of 'Accountability', 'Transparency' and 'Trusteeship' in its dealing with stakeholders. Accordingly, in the endeavor to take balanced care of stakeholders, your Company adheres to good corporate governance practices in its business processes.

The Company is conscious of the fact that the success of a corporation reflects the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical and responsible conduct are met throughout the organization. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its Employees including the Managing Director and Executive Directors. In addition, the Company's terms of appointment with Independent Directors suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. These Codes and terms of appointment are available on the Company's website and can be accessed at www.narayanahealth.org.

A Report on Corporate Governance, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto is outlined below.

2. Board of Directors

The Board of Directors (the Board) is at the core of the Company's Corporate Governance practices and oversees how Management serves and protects the long-term interest of its stakeholders. It brings in strategic guidance, leadership and an independent view to the Company's Management while discharging its fiduciary responsibilities, thereby, ensuring that Management adheres to highest standards of ethics, transparency and disclosure.

The Board consists of an optimal combination of Executive Directors and Non-Executive Directors including Independent Directors, representing a judicious mix of in-depth knowledge and experience.

(a) Composition and Category of Directors

The Board comprises of 8 (Eight) Directors viz., 3 (Three) Executive Directors and 5 (Five) Non-Executive Directors out of which 4 (Four) are Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Composition of the Board and Committees as on March 31, 2024 are given below:

Sl. No.	Name of Director	Designation	Category	Board	Audit, Risk and Compliance Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee
1	Dr. Devi Prasad Shetty	Chairman & Whole-Time Director	ED & Promoter	✓✓	-	-	-	-
2	Dr. Emmanuel Rupert	Managing Director & Group CEO	ED	✓	-	-	-	-
3	Mr. Viren Prasad Shetty	Executive Vice-Chairman and Whole-time Director	ED	✓	-	✓	-	✓
4	Dr. Kiran Mazumdar Shaw	Non-Executive Director	NE	✓	-	-	✓	-

Sl. No.	Name of Director	Designation	Category	Board	Audit, Risk and Compliance Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee
5	Ms. Terri Smith Bresenham	Non-Executive & Women Independent Director	INED	✓	-	✓	✓✓	-
6	Mr. Shankar Arunachalam	Non-Executive & Independent Director	INED	✓	✓✓	-	-	-
7	Dr. Nachiket Mor	Non-Executive & Independent Director	INED	✓	✓	✓✓	-	✓
8	Mr. Naveen Tewari	Non-Executive & Independent Director	INED	✓	✓	-	✓	✓✓

✓✓ Chairman ✓ Member **ED -** Executive Director **INED -** Independent Non-Executive Director

NE - Non-Executive Director

(b) Changes in the composition of the Board

- Retirement of Directors

  During the year under review, Mr. Dinesh Krishna Swamy, Mr. Muthuraman Balasubramanian, Mr. Arun Seth and Mr. B N Subramanya retired from the Company's Board of Directors, with effect from the close of business hours on August 7, 2023, due to the completion of their tenure pursuant to Section 149(11) of the Companies Act, 2013.

(c) Attendance of each director at the Board Meetings and the last Annual General Meeting

Directors	Number of Board Meetings		Attendance at the last Annual General Meeting held on August 4, 2023
	Held	Attended	
Dr. Devi Prasad Shetty	5	5	Yes
Dr. Emmanuel Rupert	5	5	Yes
Mr. Viren Prasad Shetty	5	5	Yes
Dr. Kiran Mazumdar Shaw	5	5	Yes
Ms. Terri Smith Bresenham	5	5	Yes
Mr. Shankar Arunachalam	5	5	Yes
Dr. Nachiket Mor	5	5	Yes
Mr. Naveen Tewari	5	5	Yes
Mr. Dinesh Krishna Swamy*	5	2	Yes
Mr. Muthuraman Balasubramanian*	5	2	Yes
Mr. Arun Seth*	5	2	Yes
Mr. B N Subramanya*	5	2	Yes

* Mr. Dinesh Krishna Swamy, Mr. Muthuraman Balasubramanian, Mr. Arun Seth and Mr. B N Subramanya retired from the Company's Board with effect from the close of business hours on August 7, 2023, due to the completion of their tenure pursuant to Section 149(11) of the Companies Act, 2013.

(d) Number of other Boards or Board Committees in which Director is a member or Chairman

Number of Directorships and Committee chairmanships / memberships held by Directors in other public companies as on March 31, 2024 are given herein below. Other directorships do not include directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act 2013. Chairmanships / Memberships of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee.

Sr. No.	Name of Director	Name of the Listed entity where he/she is a director and the category of Directorship	No. of Directorship in other public entities including this entity	No. of memberships in Audit and Stakeholders' Relationship Committee(s) held in other public entities including this entity	No. of post of Chairman in Audit and Stakeholders' 'Relationship Committee held in public entities including this entity
1	Dr. Devi Prasad Shetty	Narayana Hrudayalaya Limited – Chairman & Whole-Time Director	7	-	0
2	Dr. Emmanuel Rupert	Narayana Hrudayalaya Limited – Managing Director & Group CEO	8	1 – Audit Committee	0
3	Mr. Viren Prasad Shetty	Narayana Hrudayalaya Limited – Executive Vice-Chairman & Whole-time Director	10	1– Stakeholders' Relationship Committee	0
4	Dr. Kiran Mazumdar Shaw	• Biocon Limited – Executive Chairperson • United Breweries Limited – Independent Director • Syngene International Limited – Non-Executive Chairperson • Narayana Hrudayalaya Limited - Non-Executive Director	9	0	0
5	Ms. Terri Smith Bresenham	Narayana Hrudayalaya Limited – Independent Women Director	3	0	0
6	Mr. Shankar Arunachalam	Narayana Hrudayalaya Limited – Independent Director	3	3 - Audit Committee	2- Audit Committee
7	Dr. Nachiket Mor	Narayana Hrudayalaya Limited – Independent Director	5	5 - Audit Committee 2 - Stakeholders' Relationship Committee	2– Audit Committee
8	Mr. Naveen Tewari	Narayana Hrudayalaya Limited – Independent Director	1	1 - Audit Committee 1 - Stakeholders' Relationship Committee	1 - Stakeholders' Relationship Committee

(e) Number of Board meetings held and dates on which held

During the financial year under review, 5 (Five) Board Meetings were held on May 19, 2023, August 2, 2023, November 13, 2023, February 14, 2024 and March 27, 2024. The gap between 2 (two) Board Meetings did not exceed 120 (One Hundred and Twenty) days as required under Section 173 of the Companies Act, 2013 read with Rule 3 & 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 along with Regulation 17 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These Meetings were well attended by all the Directors including Independent Directors.

(f) Meeting of Independent Directors

The Company's Independent Directors are required to meet at least once every Financial Year in compliance with the provisions of the Companies Act, 2013. Such meetings are conducted to enable Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views. Further, Independent Directors also review the performance of the

Non-Independent Directors, Chairman (after considering the views of Executive and Non-Executive Directors of the Company) and the Board as a whole. During the year under review, the Independent Directors met on May 16, 2023 and all the Independent Directors attended the meeting.

(g) Pecuniary Relationship

There were no pecuniary relations or transactions of Non-Executive Directors vis-a-vis the Company other than:

a. The payment of sitting fees and commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

b. Dr. Kiran Mazumdar Shaw (Non-Executive Director) holds 47,05,671 equity shares of Rs. 10 each of the Company as on March 31, 2024.

c. Related Party Transactions with companies in which Dr. Kiran Mazumdar Shaw is interested as under: Biocon Limited - Executive Chairperson, Syngene International Limited - Non-Executive Chairperson, Biocon Biologics Limited – Whole Time Director.

(h) Familiarization Programs for Board Members

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, operations review, quarterly and annual results, budgets, review of internal audit reports and action taken reports, statutory compliances, risk management, operations of subsidiaries and business strategy and risks involved. Such presentations and documents provide an opportunity to the Independent Directors to interact with the Senior Management Team of the Company and help them understand the Company's business including any new segment, strategy, operations, services, organization structure, finance, human resources, technology, quality and such other areas as may arise from time to time.

The Policy on the Familiarization Programs for Independent Directors and their terms of appointment are also posted on the website of the Company and can be accessed at www.narayanahealth.org.

(i) Key Board skills/expertise/competencies

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Board of Directors have identified the following key skills/expertise/competence that the Board of Directors comprises of a diverse and multidisciplinary group of professionals with requisite skills/expertise/competence who can contribute towards providing strategic direction to the Company's management to continue to pursue its vision of providing quality and affordable healthcare whilst upholding the highest standards of Corporate Governance.

Key Competencies	Brief Description	Name of Directors
Governance and Board service	The Board shall collectively comprise of Directors who demonstrate competence and experience in application of Corporate Governance principles.	All the Directors
Business/ Management	Experience with, or can demonstrate knowledge or expertise in, sound management and operational business processes and practices in the private or public sector including an understanding of topics such as managing complex projects, leveraging information technology, planning and measuring performance, and allocating resources to achieve outcomes.	All the Directors
Risk/Legal/ Regulatory Compliance	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.	Dr. Kiran Mazumdar Shaw Mr. Shankar Arunachalam
Information Technology	Knowledge and experience in the strategic use and governance of information management and information technology with ability to apply technology to the hospital sector.	Mr. Viren Prasad Shetty Mr. Naveen Tewari
Accounting/ Financial Experience	Experience with, or can demonstrate knowledge or expertise in, accounting or financial management including analyzing and interpreting financial statements, evaluating organizational budgets and use of resources, critically analyze performance and financial viability, oversee funding arrangements and understanding financial reporting.	Mr. Shankar Arunachalam Dr. Nachiket Mor

Key Competencies	Brief Description	Name of Directors
Industry/Sector Knowledge	Experience with or is able to demonstrate knowledge or expertise of healthcare industry with specific exposure in Hospital segment including an understanding of particular trends, challenges and opportunities, or unique dynamics within the sector that are relevant to the Company.	Dr. Devi Prasad Shetty Mr. Viren Prasad Shetty Dr. Emmanuel Rupert Ms. Terri Smith Bresenham Dr. Nachiket Mor Dr. Kiran Mazumdar Shaw
Strategy development and implementation	Ability to think strategically and contribute to effective strategy formulation in the light of the strategic objectives of the company.	All the Directors
Human Resource management	Experience in the Human Resource Management with understanding of employment law.	Dr. Kiran Mazumdar Shaw Dr. Nachiket Mor

3. Board Procedure

A detailed agenda and notes thereon are sent to each Director in advance of Board and Committee Meetings. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any documents with the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. To enable the Board to discharge its responsibilities effectively, the Board is kept abreast at every meeting on the overall performance of the Company. All the relevant reports are also presented at the Board Meetings.

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the Senior Management, finalize the agenda for Board meetings.

Every Board member can suggest the inclusion of additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary.

4. Board member evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Nomination and Remuneration Committee has laid down the manner of evaluation of performance of the Board, its committees and individual Directors and its implementation and review. The Board of Directors have adopted the same.

Some of the performance indicators, based on which the Independent Directors are evaluated include:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.
- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.

To improve the effectiveness of the Board and its Committees, as well as that of each individual director, a formal Board review is internally undertaken on an annual basis. The members may refer to the Board's Report for the evaluation process followed by the Company.

5. Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee has been constituted in terms of Section 177 of the Companies Act, 2013 read with Regulations 18 and 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The terms of reference of Audit, Risk and Compliance Committee are broadly as follows:

The Audit, Risk and Compliance Committee provides directions to the audit function and monitors the quality of internal and statutory audits. The Committee functions as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013. The responsibilities of the Committee include review of the quarterly and annual financial statements before submission to Board, review and approval of related party transactions, review of compliance of internal control system, overseeing the financial reporting process to ensure transparency, sufficiency, fairness and credibility of financial statements, approve risk management policy, assist the Board in oversight of risk identification, evaluation and mitigation and review management's assessment of risk. The Committee also reviews the functioning of whistle blower mechanism, adequacy and effectiveness of internal audit function, review of management discussion and analysis of financial condition and results of operation.

As on March 31, 2024, the Audit, Risk and Compliance Committee comprised of 3 Directors. All are Independent Directors and the details of the same are as follows:

Director	Nature of Directorship	Designation
1. Mr. Shankar Arunachalam	Independent Director	Chairman
2. Dr. Nachiket Madhusudan Mor	Independent Director	Member
3. Mr. Naveen Tewari	Independent Director	Member

Meetings and attendance during the year:

Name of the members* attending the meeting	Date of Committee Meeting	No. of meetings held	No. of meetings attended
Mr. Shankar Arunachalam	18.05.2023	5	4
Dr. Nachiket Madhusudan Mor	02.08.2023	5	4
Mr. Naveen Tewari		5	4
Mr. B N Subramanya	13.11.2023	5	1
Mr. Dinesh Krishna Swamy	14.02.2024	5	1
Mr. Muthuraman Balasubramanian	27.03.2024	5	1

*Pursuant to the reconstitution of the Committee, Mr. B. N. Subramanya - former Chairman, Mr. Dinesh Krishna Swamy - former Member and Mr. Muthuraman Balasubramanian - former Member resigned from the Committee and Mr. Shankar Arunachalam was appointed as Chairman, Dr. Nachiket Madhusudan Mor and Mr. Naveen Tewari were appointed as the Members of the Audit, Risk and Compliance Committee with effect from the close of business hours on May 19, 2023.

6. Nomination and Remuneration Committee

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Nomination and Remuneration Committee includes determination of the Company's policy on specific remuneration packages for the Executive Directors and Senior Management, oversee the framing, review and implementation of compensation policy of the Company on behalf of the Board. The Committee's terms also include to frame a policy, procedures and schemes and to undertake overall supervision and administration of Employee Stock Option Plan (ESOP) of the Company and to review the Board structure, size and composition and make recommendation for any change. The Committee also formulates evaluation criteria for Directors and the Board.

The Nomination and Remuneration Policy is also posted on the website of the Company and can be accessed at www.narayanahealth.org.

The composition, name of members and Chairman of the Nomination and Remuneration Committee as on March 31, 2024 are as under:

Director	Nature of Directorship	Designation
1. Ms. Terri Smith Bresenham	Independent Director	Chairperson
2. Mr. Naveen Tewari	Independent Director	Member
3. Dr. Kiran Mazumdar Shaw	Non-Executive Director	Member

Meetings and attendance during the year:

Name of the members* attending the meeting	Date of Committee Meeting	No. of meetings held	No. of meetings attended
Ms. Terri Smith Bresenham	18.05.2023 14.02.2024	2	1
Mr. Naveen Tewari		2	1
Dr. Kiran Mazumdar Shaw		2	2
Mr. Arun Seth		2	1
Mr. Dinesh Krishna Swamy		2	1

*Pursuant to the reconstitution of the Committee, Mr. Arun Seth – former Chairman and Mr. Dinesh Krishna Swamy - former Member resigned from the Committee and Ms. Terri Smith Bresenham was appointed as Chairperson and Mr. Naveen Tewari was appointed as a Member of the Nomination and Remuneration Committee with effect from the close of business hours on May 19, 2023.

7. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee as on March 31, 2024 are:

Director	Nature of Directorship	Designation
1. Mr. Naveen Tewari	Independent Director	Chairman
2. Dr. Nachiket Madhusudan Mor	Independent Director	Member
3. Mr. Viren Prasad Shetty	Whole-Time Director	Member

Meetings and attendance during the year:

Name of the members* attended the meeting	Date of Committee Meeting	No. of meetings held	No. of meetings attended
Mr. Naveen Tewari	19.05.2023 13.11.2023	2	1
Dr. Nachiket Madhusudan Mor		2	1
Mr. Viren Prasad Shetty		2	2
Mr. Muthuraman Balasubramanian		2	1
Mr. B. N. Subramanya		2	1

* Pursuant to the reconstitution of the Committee, Mr. Muthuraman Balasubramanian – former Chairman and Mr. B N Subramanya - former Member resigned from the Committee and Mr. Naveen Tewari was appointed as Chairperson and Dr. Nachiket Madhusudan Mor was appointed as a Member of the Stakeholders' Relationship Committee with effect from the close of business hours on May 19, 2023.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Stakeholders' Relationship Committee of our Company include effectively overseeing the resolution of the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual reports, resolving investors' complaints pertaining to share transfers, issue of duplicate share certificates, transmission of shares and other Shareholder related queries, complaints, monitoring implementation of code of conduct for prohibition of insider trading etc.

The details with regard to Stakeholders' grievances as on March 31, 2024 are:

Sl. No.	Particulars	Related Details
1.	Name of the Non-Executive Director heading the Committee	Mr. Naveen Tewari (Independent Director), Chairman
2.	Name and Designation of Compliance Officer	Mr. Sridhar S., Group Company Secretary, Legal and Compliance Officer
3.	No. of shareholders' complaints received as on March 31, 2024	Nil

Sl. No.	Particulars	Related Details
4.	No. of complaints not solved to the satisfaction of shareholders as on March 31, 2024	Nil
5.	No. of pending complaints as on March 31, 2024	Nil

8. Other Committees

a. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee as on March 31, 2024 are:

Director	Nature of Directorship	Designation
1. Dr. Nachiket Madhusudan Mor	Independent Director	Chairman
2. Ms. Terri Smith Bresenham	Independent Director	Member
3. Mr. Viren Prasad Shetty	Executive Vice-Chairman & Whole-Time Director	Member

Meetings and attendance during the year:

Name of the members* attended the meeting	Date of Committee Meeting	No. of meetings held	No. of meetings attended
Dr. Nachiket Madhusudan Mor	19.05.2023 13.11.2023	2	1
Ms. Terri Smith Bresenham		2	1
Mr. Viren Prasad Shetty		2	2
Mr. Dinesh Krishna Swamy		2	1
Mr. B N Subramanya		2	1

* Pursuant to the reconstitution of the Committee, Mr. Dinesh Krishna Swamy – former Chairman and Mr. B N Subramanya - former Member resigned from the Committee and Dr. Nachiket Madhusudan Mor was appointed as Chairperson Ms. Terri Smith Bresenham was appointed as a Member of the Corporate Social Responsibility Committee with effect from the close of business hours of May 19, 2023.

The Committee owns the Corporate Social Responsibility Policy and recommends any changes to the policy (or related activities) from time to time to the Board. The Committee also oversees the implementation of the policy, approves plans and programs.

The Corporate Social Responsibility Policy is also posted on the website of the Company and can be accessed at www.narayanahealth.org.

b. Risk Management Committee

In terms of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1000 listed entities, are required to constitute a Risk Management Committee. The responsibilities related to the Risk Management Committee are being performed by our Audit, Risk and Compliance Committee. The Board has nominated the Audit, Risk and Compliance committee as the Risk Management Committee of the Company.

In addition to the scope and function of the Audit, Risk and Compliance Committee of the Company as referred above, the scope of the Committee is also to assist the Board in fulfilling its responsibilities about the identification, evaluation, mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company. It is also responsible for reviewing and approving risk disclosure statements in public documents or disclosures.

The Risk Management Policy is also posted on the website of the Company and can be accessed at www.narayanahealth.org.

As on March 31, 2024, the Audit, Risk and Compliance Committee comprised of 3 Directors. All are Independent Directors and the details of the same are as follows:

Director	Nature of Directorship	Designation
1. Mr. Shankar Arunachalam	Independent Director	Chairman
2. Dr. Nachiket Madhusudan Mor	Independent Director	Member
3. Mr. Naveen Tewari	Independent Director	Member

Meetings and attendance during the year

Name of the members* attending the meeting	Date of Committee Meeting	No. of meetings held	No. of meetings attended
Mr. Shankar Arunachalam	18.05.2023	5	4
Dr. Nachiket Madhusudan Mor	02.08.2023	5	4
Mr. Naveen Tewari		5	4
Mr. B N Subramanya	13.11.2023	5	1
Mr. Dinesh Krishna Swamy	14.02.2024	5	1
Mr. Muthuraman Balasubramanian	27.03.2024	5	1

* Pursuant to the reconstitution of the Committee, Mr. B. N. Subramanya - former Chairman, Mr. Dinesh Krishna Swamy - former Member and Mr. Muthuraman Balasubramanian - former Member resigned from the Committee and Mr. Shankar Arunachalam was appointed as Chairman, Dr. Nachiket Madhusudan Mor and Mr. Naveen Tewari were appointed as the Members of the Audit, Risk and Compliance Committee (Risk Management Committee) with effect from the close of business hours on May 19, 2023.

9. Particulars of Senior Management Personnel and changes since the close of previous financial year:

Name of Senior Management Personnel ("SMP")	Designation
Mr. Sunil Kumar C N	Senior VP & Head-Business Transformation and Key Initiatives
Mr. R Venkatesh	Group Chief Operating Officer
Dr. Milind D Inamdar	Senior Vice President & Group Head
Mr. Srikanth Raman	Group Head - Internal Audit
Mr. Kumar Krishnamurthy Venkateswaran	Group Head Information Technology & Chief Information Officer
Ms. Rashmi Srivastava	Vice President - Quality
Mr. Sridhar S	Group Company Secretary, Legal & Compliance Officer
Mr. Sirshendu Mookherjee	Group Chief Human Resources Officer
Ms. Sandhya J	Group Chief Financial Officer
Mr. Ashish Bajaj	Group Chief Marketing Officer

During the Financial Year 2023-24, there were no changes in the Senior Management Personnel.

10. Remuneration to Directors

a. Details of remuneration to Directors for the Financial Year ended March 31, 2024

(In Rs.)

Director	All elements of remuneration packages of the Directors				Total
	Salary and allowances	Contribution to PF and other funds	Other benefits and perquisites	Performance related pay*	
Dr. Devi Prasad Shetty, Chairman & Whole-Time Director	11,38,94,067	-	39,600	3,16,40,100	14,55,73,767
Mr. Viren Prasad Shetty, Executive Vice Chairman & Whole-time Director	2,59,49,720	-	-	72,00,000	3,31,49,720
Dr. Emmanuel Rupert, Managing Director & Group CEO	5,41,24,878	26,49,504	18,99,504	1,64,68,368	7,51,42,254

*Performance related pay for FY 2022-23 paid in FY 2023-24

b. Remuneration to Non-Executive, Independent Directors paid as on March 31, 2024

(In Rs.)

Director	All elements of remuneration packages of the Directors				Total
	Sitting fees (Board)	Sitting fees (Committees)	Commission	Other benefits, if any	
Dr. Kiran Mazumdar Shaw	2,50,000	50,000	25,00,000	-	28,00,000
Ms. Terri Smith Bresenham	2,50,000	50,000	25,18,690	-	28,18,690
Mr. Shankar Arunachalam	2,50,000	1,00,000	3,56,164	-	7,06,164
Dr. Nachiket Mor	2,50,000	1,50,000	3,56,164	-	7,56,164
Mr. Naveen Tewari	2,50,000	1,50,000	20,548	-	4,20,548
*Mr. B. N. Subramanya	1,00,000	75,000	25,00,000	-	26,75,000
*Mr. Muthuraman Balasubramanian	1,00,000	50,000	25,00,000	-	26,50,000
*Mr. Dinesh Krishna Swamy	1,00,000	75,000	25,00,000	-	26,75,000
*Mr. Arun Seth	1,00,000	25,000	25,00,000	-	26,25,000

* Mr. Dinesh Krishna Swamy, Mr. Muthuraman Balasubramanian, Mr. Arun Seth and Mr. B N Subramanya retired from the Company's Board with effect from close of business hours on August 7, 2023, due to the completion of their tenure pursuant to Section 149(11) of the Companies Act, 2013.

The remuneration of Non-Executive Directors comprises of commission paid pursuant to approval of the shareholders under Section 197 of the Companies Act, 2013, sitting fees of Rs. 50,000/- per Board Meeting and Rs. 25,000/- per Committee Meeting attended in accordance with the provisions of Companies Act, 2013. Further, reimbursement of expenses incurred by the Non-executive Directors in connection with attending the Board Meetings, Committee Meetings, General Meetings and in relation to the business of the Company are extended to the Non-Executive Directors.

c. Service Contracts, Notice and Severance Fees

As on March 31, 2024, the Board comprises of 8 (Eight) Directors viz., 3 (Three) Executive Directors and 5 (Five) Non-Executive Directors out of which 4 (Four) are Independent Directors. The Executive Directors are the employees of the Company and are subject to service conditions as per the Company's Policy. There is no separate provision for payment of severance fees. However, Independent Directors are subject to a notice period of 30 (Thirty) days but are not eligible for severance fees.

d. Criteria for making payment to Non-Executive Directors

The criteria for making payment to the non-executive directors is based on the varied roles played by them towards the Company. It is not just restricted to corporate governance or outlook of the Company, but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas such as technology, corporate strategy, finance and other corporate functions. The Company seeks their expert advice on various matters in general management, strategy, business planning, finance, science, technology and intellectual property.

e. Disclosure of relationships between Directors inter-se

There is no inter-se relationship between any Directors except Dr. Devi Prasad Shetty, Chairman & Whole-Time Director and Mr. Viren Prasad Shetty, Executive Vice-Chairman & Whole-Time Director.

f. Number of shares and convertible instruments held by Non-Executive Directors

- Dr. Kiran Mazumdar Shaw (Non-Executive Director) holds 47,05,671 equity shares of Rs. 10 each as on March 31, 2024.

The Company has not issued any convertible instruments.

11. General Body Meetings

a. Details of location and time, where last 3 (three) Annual General Meetings were held:

Financial year ended	Day, Date and Time of Annual General Meeting	Location
March 31, 2023	Friday, August 4, 2023 at 11:30 A.M.	Meeting held via Video Conferencing means
March 31, 2022	Tuesday, August 30, 2022 at 11:30 A.M.	Meeting held via Video Conferencing means
March 31, 2021	Friday, August 27, 2021 at 11:30 A.M.	Meeting held via Video Conferencing means

b. Details of Special Resolutions passed in the previous 3 (three) Annual General Meetings:

Annual General Meeting held on August 4, 2023	Revision in remuneration of Dr. Devi Prasad Shetty (DIN: 00252187) as Whole- time Director of the Company till the end of his current tenure, i.e. upto August 28, 2023
	Revision in remuneration of Mr. Viren Prasad Shetty (DIN:02144586) as Whole-time Director, designated as Executive Vice Chairman of the Company till the end of his current tenure, i.e. upto August 28, 2023
	Revision in remuneration of Dr. Emmanuel Rupert (DIN: 07010883), as Managing Director and Group CEO of the Company
	Re-appointment of Dr. Devi Prasad Shetty (DIN:00252187) as Whole-time Director of the Company for a term of five years effective from August 29, 2023.
	Re-appointment of Mr. Viren Prasad Shetty (DIN:02144586), as Whole-time Director (designated as Executive Vice Chairman) of the Company for a term of five years effective from August 29, 2023
	Issue of Debt Securities on Private Placement Basis
Annual General Meeting held on August 30, 2022	Revision in remuneration of Dr. Devi Prasad Shetty (DIN: 00252187) as Whole-time Director of the Company
	Revision in remuneration of Mr. Viren Prasad Shetty (DIN:02144586) as Whole-time Director, designated as Executive Vice Chairman of the Company
	Issue of Debt Securities on Private Placement Basis
	Approval of increase in the limits for providing Loans, Guarantee, Security and making Investments under Section 186 of the Companies Act, 2013
Annual General Meeting held on August 27, 2021	Revision in remuneration of Dr. Emmanuel Rupert (DIN: 07010883) as Managing Director and Group CEO of the Company
	Revision in remuneration of Dr. Devi Prasad Shetty (DIN: 00252187) as Whole-time Director
	Revision in remuneration of Mr. Viren Prasad Shetty (DIN: 02144586) as Whole-time Director and Group Chief Operating Officer
	Payment of Remuneration to Non-Executive Directors
	Issue of Debt Securities on Private Placement Basis
	Appointment of Ms. Terri Smith Bresenham (DIN: 09111500) as an Independent Director of the Company for a term of five consecutive years

12. Details of Postal Ballots

The Company sought the approval of the shareholders by way of a Special Resolutions through notice of postal ballot notice dated March 29, 2023 dispatched on March 31, 2023 (a) To appoint Mr. Shankar Arunachalam (DIN:00203948) as an Independent Director of the Company (b) To appoint Dr. Nachiket Madhusudan Mor (DIN:00043646) as an Independent Director of the Company and (c) To appoint Mr. Naveen Tewari (DIN: 00677638) as an Independent Director of the Company. The results of the postal ballot were announced on May 2, 2023. Mr. Sudhindra K S, Practicing Company Secretary, Bengaluru (FCS No. 7909, CP No. 8190) was appointed as the Scrutiniser to conduct the Postal Ballot through e-voting process in a fair and transparent manner.

13. Details of Special Resolution proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting

None of the businesses are proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

14. Remote e-voting at the Annual General Meeting

To allow the Members to vote on the resolutions proposed at the Annual General Meeting to be held through Video Conferencing facility, the Company has arranged for a remote e-voting facility. The Company has engaged National Securities Depository Limited (NSDL) to provide E-voting facility to all the Members. Members whose names appear on the register of Members as on Friday, August 23, 2024 shall be eligible to participate in the e-voting.

15. Means of Communication

a. Financial results

The quarterly, half yearly and yearly financial results are filed with the Stock Exchanges immediately after the Board approves the same and within the stipulated timelines as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These results are published in newspapers like Financial Express (English) and Vijaya Vani (Kannada).

b. The results along with investor presentations and press release are also posted on the website of BSE Limited and National Stock Exchange of India Limited, and on Company's website: www.narayanahealth.org.

16. General Shareholder Information

a. Annual General Meeting Venue

The Company shall hold the Annual General Meeting through Video Conferencing facility pursuant to MCA General Circular No. 09/2023 dated September 25, 2023. Details are provided in the Notice of this AGM.

Day, date and time

The 24th Annual General Meeting of the Company will be held on Friday, August 30, 2024, at 11:30 A.M. IST by means of Video Conferencing (VC)/Other Audio-Visual Means (OAVM).

b. Financial Year:

The Financial Year covers the period from April 1, 2023 to March 31, 2024.

c. Dividend payment date:

On and from August 31, 2024, subject to approval of the Shareholders at the ensuing Annual General Meeting.

d. Listing on Stock Exchanges

Equity Shares of the Company are listed on the BSE Limited (BSE), Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Mumbai – 400 050. The Unsecured, redeemable Non-Convertible Debentures are listed on the BSE Limited during the year under review. The requisite listing fees have been paid in full to the Stock Exchanges where the Company's securities are listed.

e. Stock Exchange Codes

NSE: NH
BSE: 539551 (Equity)
BSE: 975516 (Debt)

f. Demat International Security Identification Number (ISIN) in NSDL and CDSL

ISIN: INE410P01011 (Equity)
ISIN: INE410P08016 (Debt)

g. Suspension of Trading

No securities of the Company were suspended from trading on stock exchanges during the year under review.

h. Registrar and Share Transfer Agents

KFin Technologies Limited situated at Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Gachibowli, Hyderabad – 500 032, Telangana.

i. Share Transfer System

Trading in equity shares of the Company through recognized Stock Exchanges is permitted only in dematerialized form.

Pursuant to amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

j. Distribution of shareholdings as on March 31, 2024

Category (Share)	Distribution Schedule - Consolidated as on 31.03.2024				
	No. of Cases	% of Cases	Total Shares	Amount (Rs.)	% of Amount
1 - 500	129292	93.65	8036278	8,03,62,780	3.93
501 - 1000	4806	3.48	3391161	3,39,11,610	1.66
1001 - 2000	2120	1.54	2949253	2,94,92,530	1.44
2001 - 3000	612	0.44	1498712	1,49,87,120	0.73
3001 - 4000	332	0.24	1158102	1,15,81,020	0.57
4001 - 5000	180	0.13	812184	81,21,840	0.40
5001 - 10000	307	0.22	2143612	2,14,36,120	1.05
10001 - 20000	176	0.13	2502035	2,50,20,350	1.22
20001 and above	227	0.16	181869467	1,81,86,94,670	88.99
Total	**138052**	**100.00**	**204360804**	**2,04,36,08,040**	**100.00**

k. Category of Equity Shareholders as on March 31, 2024

Category	Consolidated Shareholding Pattern as on 31.03.2024		
	No. of Holders	Total Shares	% of Equity Capital
PROMOTER INDIVIDUALS	6	126783666	62.04
FOREIGN PORTFOLIO - CORPORATE	228	22294385	10.91
RESIDENT INDIVIDUALS	129988	20435109	10.00
MUTUAL FUNDS	18	14669050	7.18
DIRECTORS	2	4888788	2.39
PROMOTERS BODIES CORPORATE	1	3702064	1.81
BODIES CORPORATES	1358	2620767	1.28
QUALIFIED INSTITUTIONAL BUYER	6	2586626	1.27
ALTERNATIVE INVESTMENT FUND	11	2161264	1.06
NON RESIDENT INDIANS	2374	1645949	0.81
TRUSTS	8	1362808	0.67
NON RESIDENT INDIAN NON REPATRIABLE	2046	777871	0.38
H U F	1989	415467	0.20
BANKS	3	8898	0.00
CLEARING MEMBERS	8	4176	0.00
NBFC	3	2816	0.00
FOREIGN NATIONALS	2	1000	0.00
FOREIGN PORTFOLIO INVESTORS	1	100	0.00
TOTAL	**138052**	**204360804**	**100.00**

l. Dematerialization of Shares & Liquidity

As on March 31, 2024, except one resident individual holding 1 (one) share in physical form, the entire Paid-up Equity Share Capital of the Company is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

m. Outstanding ADRs/GDRs Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

The Company had not issued any ADRs/GDRs, Warrants or any Convertible Instruments during the year under review.

Listing of Debt Securities: During the year under review, the Company has issued 30,000 (Thirty Thousand) Unsecured, listed, rated, redeemable, Non-Convertible Debentures (NCDs) of face value of Rs. 1,00,000/- (Rupees One Lakh) each at par, aggregating upto Rs 300,00,00,000/- (Rupees Three Hundred Crores only) in dematerialised form, on a private placement basis, as mentioned below:

Particulars	Amount outstanding as on March 31, 2024	Listed on	Name of the Debenture trustees with contact details
8.25% unsecured, listed, rated, redeemable, non-convertible debentures	Rs.300 Crores	BSE Limited	Axis Trustee Services Limited Registered office: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai -400 025 Contact No.: 022 - 6230 0451 E-mail: teamalpha@axistrustee.in

n. Address for correspondence

Mr. Sridhar S, Group Company Secretary, Legal and Compliance Officer.

Narayana Hrudayalaya Limited, Corporate Office, 2nd Floor, 261/A, Bommasandra Industrial Area, Anekal Taluk, Hosur Road, Bangalore – 560099.

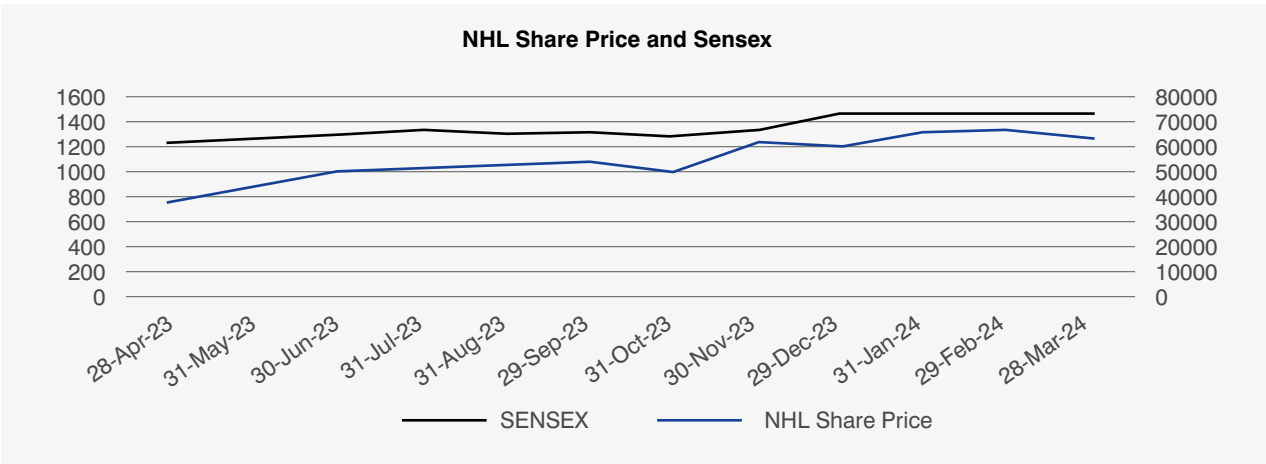
o. Stock Market Data:

High, Low and Total Traded Quantity of the Company's equity shares during each month of the financial year 2023-24 at BSE and NSE are given below:

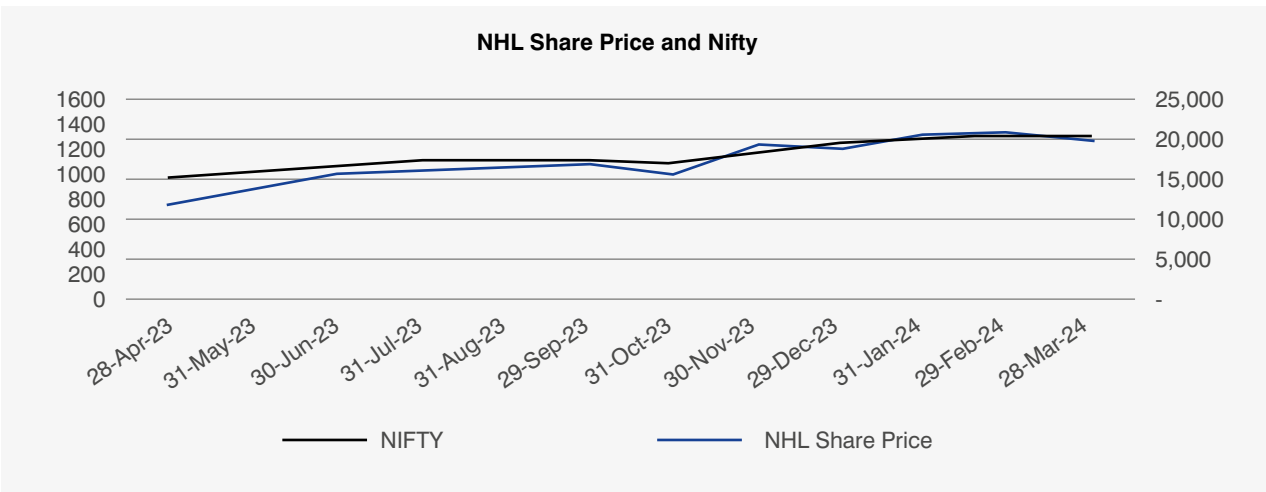
Month	NSE			BSE		
	High (Rs.)	Low (Rs.)	Total Traded Quantity	High (Rs.)	Low (Rs.)	Total Traded Quantity
April 2023	801.00	746.30	3251151	800.95	745.20	136277
May 2023	900.00	748.90	9347732	899.75	749.00	445589
June 2023	1076.95	891.45	9313883	1077.15	890.05	606259
July 2023	1068.50	981.20	3773271	1068.65	980.00	275698
August 2023	1050.00	973.40	4678533	1050.00	972.05	264340
September 2023	1121.00	999.25	7588511	1134.75	999.50	372068
October 2023	1132.80	979.95	4231016	1132.85	980.00	264452
November 2023	1314.10	989.00	10629469	1314.00	990.05	540444
December 2023	1248.00	1,152.20	6131775	1247.00	1152.65	315281
January 2024	1338.00	1147.05	8107383	1338.00	1146.85	433675
February 2024	1444.90	1303.85	8922832	1445.05	1305.20	436635
March 2024	1340.20	1175.00	8017641	1361.00	1174.50	465023

p. Performance in comparison to broad-based indices

i. BSE:



ii. NSE:



q. Unit Locations

In view of the nature of the Company's business viz. Healthcare and allied activities, the Company operates from various facilities in India and abroad.

The first facility was established in Bengaluru with approximately 225 operational beds and since then, the company has grown to 18 hospitals, 3 heart centres, 17 Clinics and Dialysis centres across India and 1 hospital in Cayman Islands.

r. Credit Ratings

The credit rating assigned to long term and Short-term loans of the Company during the financial year 2023-24 is given below:

Instrument	Credit Rating
	ICRA
Long – Term Loans	[ICRA]AA (Stable)
Short-Term Loans	[ICRA]A1+

Details relating to these Credit Ratings are also available on the company's website: https://www.narayanahealth.org/stakeholder-relations/credit-rating

s. Auditors Fees

M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018) have been appointed as the Statutory Auditors of the Company. The Company paid an amount of Rs. 1,39,80,000/- (Rupees One Crore Thirty-Nine Lakhs Eighty Thousand only) to the Statutory Auditors on a consolidated basis for the Financial Year 2023-24.

t. Certificate from Practicing Company Secretary

The Company has received a certificate from a Company Secretary-in-Practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continued as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority.

u. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company during the year under consideration has not raised any funds through preferential allotment or qualified institutional placement. However, during the year under review, the Company has issued unsecured Non-Convertible Debentures on private placement basis, which are listed on BSE Limited. The Company affirms that there has been no deviation or variation in utilisation of proceeds of the listed NCDs of the Company.

v. Non-acceptance of any recommendation of any Committee of the Board which is mandatorily required

The Board of Directors have taken all the recommendations of the various Committees of the Board as statutorily prescribed.

w. Demat Suspense Account/Unclaimed Suspense Account

The Company during the year under consideration does not have any demat suspense account or unclaimed suspense account.

x. Material Subsidiaries

Details of material subsidiary of the Company, including the date and place of incorporation of such subsidiary are as under:

Sl. No.	Subsidiaries whose total income / net worth exceeds 10% of the Group's total income/net worth	Date of Incorporation	Place of Incorporation
1.	Health City Cayman Islands Ltd	May 7, 2010	Cayman Islands

17. Disclosures

a. Related Party transactions

During the financial year 2023-24, there were no materially significant transactions entered into between the Company and its Promoters, Directors or the Management, Holding Company, Subsidiaries, Associates or relatives that may have potential conflict with the interest of the Company at large except for those mentioned in the Boards' Report. Further, details of related party transactions form part of notes to the standalone accounts of the Annual Report and a policy about same is available on the Company's website i.e., https://www.narayanahealth.org/stakeholder-relations/company-policies.

Details of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: The Company has given loan to its wholly owned subsidiaries, details of which are given below:

Name of the Company (Wholly-owned subsidiaries)	Nature of transaction	Balance as at 31.03.2024 (Amount in Mn)
Narayana Hrudayalaya Surgical Hospital Private Limited	Unsecured Loan	20
NH Integrated Care Private Limited	Unsecured Loan	75
NH Integrated Care Private Limited	Unsecured Optionally Convertible Debentures	500
Samyat Healthcare Private Limited	Unsecured Loan	15

b. Details of non-compliance with respect to Capital Markets

The Company has complied with all the requirements of regulatory authorities with respect to capital markets. There were no instances of non-compliance by the Company and no penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets during the year under review.

c. Whistle Blower Policy/Vigil Mechanism

The Company has developed a Vigil Mechanism and Whistle Blower Policy with a view to provide a mechanism for Directors, employees and stakeholders of the Company to report their genuine concern. The Whistle Blower Policy is also posted on the website of the Company and can be accessed at https://www.narayanahealth.org/stakeholder-relations/company-policies

d. Compliance with Corporate Governance Requirements

The Company has complied with all the mandatory Corporate Governance requirements to the extent applicable to the Company.

e. Link for Policy on determining Material Subsidiaries

The Company has a Policy for determining material subsidiaries which is disclosed on website and can be accessed at https://www.narayanahealth.org/stakeholder-relations/company-policies

f. Disclosure of Commodity Price Risk or Foreign Exchange Risk and Hedging activities

Information on foreign exchange risk and hedging activities are provided under Notes to Accounts of Financial Statements section of Annual Report, you are requested to refer to Note No. 43 of Annual Report.

g. Disclosures regarding appointment or re-appointment of Directors

As per the Companies Act, 2013, at least two thirds of the Board should consist of retiring Directors, of these at least one third are required to retire every year. While determining the retiring Director, Independent Directors shall be excluded. Further, in terms of the Articles of Association of the Company, the Managing Director is not considered for the determination of Directors who shall retire by rotation.

Mr. Viren Prasad Shetty, Executive Vice-Chairman and Whole-time Director of the Company, being the longest in the office, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The detailed profile of the above Director is provided as part of this Annual Report.

h. Code for Prevention of Insider Trading Practices

The Company has in place an Insider Trading policy governing determination of Legitimate purposes for sharing of Unpublished Price Sensitive Information, mechanism for internal control, mechanism for dealing with suspected leak of unpublished price sensitive information as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The insider trading Policy is posted on the website of the Company and can be accessed at https://www.narayanahealth.org/stakeholder-relations/company-policies

i. Subsidiary Companies

All subsidiary companies are managed by their Boards, having the rights and obligations to manage such Companies in the best interest of their stakeholders.

The Company monitors the performance of subsidiary Companies, inter-alia, by reviewing financial statements, particularly investments (wherever applicable) made by unlisted subsidiary companies. During the year under review, Narayana Health Institutions Private Limited was struck off from the Register of Companies w.e.f. September 20, 2023 and Narayana Institute for Advance Research Private Limited, was voluntarily liquidated w.e.f. September 15, 2023, wholly owned subsidiaries of the Company as they have not been operational since incorporation.

j. Accounting Treatment in Preparation of Financial Statements

In the preparation of the financial statements, the Company has followed existing Indian Accounting Standards (Ind AS). The significant accounting policies which are consistently applied have been set out in the notes to the financial statements.

k. Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all the mandatory provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

l. Secretarial Audit Report

Pursuant to Regulation 24A(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its Annual Report, a secretarial audit report, given by a Company Secretary in Practice. The Company, in this regard, has sought a certificate from M/s. Ganapathi & Mohan, Company Secretaries, having their office at No.2243, Vishishta Arcade, 2nd Floor, 23rd Cross, Banashankari II Stage, Bengaluru - 560070 (Firm Registration No. P2002KR057100). which is annexed to this report as **Annexure X**.

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

- Number of complaints filed during the financial year: **7**
- Number of complaints disposed of during the financial year: **7**
- Number of complaints pending as on end of the financial year: **0**

n. Compliance with Mandatory Requirements

The Company has complied with all the mandatory corporate governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Specifically, the Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

o. Discretionary requirements [Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Modified opinion in Audit Report: During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

Ernst & Young LLP, the Internal Auditors of the Company, make presentations to the Audit committee on their reports.

The Company has been filing quarterly, half yearly results with stock exchanges within the stipulated timeline and publishes on website https://www.narayanahealth.org/stakeholder-relations/financial-results and in widely circulated newspapers.

18. Disclosures of Transactions of the Listed Entity with any Person or Entity belonging to the Promoter/Promoter Group which hold(s) 10% or more Shareholding in the Listed Entity, in the format prescribed in the relevant Accounting Standards for Annual Results

Dr. Devi Prasad Shetty and Mrs. Shakuntala Shetty, Promoters holds 10% or more shares in the Company. The details of transactions with Promoter/Promoter group holding 10% or more shares have been disclosed in the financial statements which is part of the Annual Report.

19. Declaration as required under Regulation 34(3) and Schedule V of the Listing Regulations

All Directors and senior management personnel of the Company have affirmed compliance with Narayana Hrudayalaya Code of Conduct for the financial year ended March 31, 2024.

20. Disclosure of certain types of agreements binding listed entities

There were no agreements binding the Company, which required disclosure under Clause 5A of paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under review.

21. CEO and CFO Certification

The Managing Director & Group Chief Executive Officer ("MD & Group CEO") and the Chief Financial Officer (CFO) of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The MD & Group CEO and the CFO have also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22. Compliance Certificate on Corporate Governance

Certificate received from M/s. Ganapathi & Mohan, Company Secretaries, having their office at No. 2243, Vishishta Arcade, 2nd Floor, 23rd Cross, Banashankari II Stage, Bengaluru - 560070 (Firm Registration No. P2002KR057100), confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 (3) and Regulation 53(f) read with Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report as **Annexure VII**.

For and on behalf of the Board of Directors

Dr. Devi Prasad Shetty
Chairman
DIN: 00252187

Dr. Emmanuel Rupert
Managing Director & Group CEO
DIN: 07010883

Place: Bengaluru
Date: 24.05.2024

Annexure VII

REPORT ON CORPORATE GOVERNANCE BY COMPANY SECRETARY IN PRACTICE

To,
The Members,
M/s. **NARAYANA HRUDAYALAYA LIMITED**
CIN: L85110KA2000PLC027497
No. 258/A, Bommasandra Industrial Area,
Anekal Taluk, Bangalore – 560 099

We have examined the compliance of conditions of Corporate Governance by **NARAYANA HRUDAYALAYA LIMITED** ('**the Company**') for the year ended on March 31, 2024 as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) as amended from time to time.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations of the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

For **GANAPATHI & MOHAN**
Company Secretaries

CS. G M GANAPATHI
Partner
FCS. 5659; C.P: 4520
Peer review No: 1571/2021
(FRN: P2002KR057100)
UDIN: F005659F000446165

Place: Bengaluru
Date:24/05/2024

Annexure VIII

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
NARAYANA HRUDAYALAYA LIMITED
No.258/A, Bommasandra Industrial Area
Anekal Taluk, Bangalore – 560 099

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Narayana Hrudayalaya Limited** having CIN: L85110KA2000PLC027497, having registered office at No.258/A, Bommasandra Industrial Area, Anekal Taluk, Bangalore – 560 099 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations, legal opinion furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continued as Director of the Company, by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs, Government of India (MCA) or any such Statutory Authority.

The details of Directors of the Company as on March 31, 2024 are as follows:

Sl. No.	Name of the Director	DIN	Designation	Date of Appointment
1.	Dr. Devi Prasad Shetty	00252187	Chairman cum Whole-time Director	19/07/2000
2.	Dr. Kiran Mazumdar Shaw	00347229	Non-Executive Director	06/02/2008
3.	Mr. Viren Prasad Shetty	02144586	Executive Vice-Chairman & Whole-time Director	10/04/2008
4.	Dr. Emmanuel Rupert	07010883	Managing Director & Group CEO	03/02/2019
5.	Ms. Terri Smith Bresenham	09111500	Independent Women Director	05/08/2021
6.	Dr. Nachiket Madhusudan Mor	00043646	Independent Director	08/02/2023
7.	Mr. Shankar Arunachalam	00203948	Independent Director	08/02/2023
8.	Mr. Naveen Tewari	00677638	Independent Director	29/03/2023

Mr. Muthuraman Balasubramanian, Mr. Arun Seth, Mr. Subramanya Bangalore Nagappa and Mr. Dinesh Krishna Swamy, Independent Directors of the Company retired from the position of Independent Directorship with effect from August 7, 2023.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **GANAPATHI & MOHAN**
Company Secretaries

CS. G M GANAPATHI
Partner
FCS. 5659; C.P: 4520
Peer review No: 1571/2021
(FRN: P2002KR057100)
UDIN: F005659F000446121

Place: Bengaluru
Date:24/05/2024

Annexure IX

Business Responsibility and Sustainability Report

Section A
General disclosures

Section B
Management and process disclosures

Section C
Principle-wise performance disclosure

Principle 1
Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable

Principle 2
Businesses should provide goods and services in a manner that is sustainable and safe

Principle 3
Businesses should respect and promote the well-being of all employees, including those in their value chains

Principle 4
Businesses should respect the interests of and be responsive to all its stakeholders

Principle 5
Businesses should respect and promote human rights

Principle 6
Businesses should respect and make efforts to protect and restore the environment

Principle 7
Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Principle 8
Businesses should promote inclusive growth and equitable development

Principle 9
Businesses should engage with and provide value to their consumers in a responsible manner

Section A

General disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L85110KA2000PLC027497
2.	Name of the Listed Entity	Narayana Hrudayalaya Limited
3.	Year of incorporation	2000
4.	Registered office address	No. 258/A, Bommasandra Industrial Area, Anekal Taluk, Bangalore – 560099
5.	Corporate office address	No. 261/A, 2nd floor, Bommasandra Industrial Area, Anekal Taluk, Bangalore – 560099
6.	E-mail	investorrelations@narayanahealth.org
7.	Telephone	+91-8050009318
8.	Website	www.narayanahealth.org
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 2043.61 million
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Jyotish Kumar nh.esg@narayanahealth.org 8527193858
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures in this report are made on a standalone basis and conform to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The reporting boundary for the Business Responsibility and Sustainability Reporting (BRSR) excludes the Heart Centers in Karnataka, specifically in Davangere, Dharwad and Kolar, as these facilities are jointly owned. Only the manpower details from these sites are included in the report.
14.	Name of assurance Provider	Not applicable
15.	Type of assurance Obtained	Not applicable

II. Products and Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Hospital and Medical Care (Health Care Services)	Hospital Care Services through Hospitals & Clinics activities	92.02%
2	Sale of Medical Consumables & Drugs	Retail Sale of Pharmaceutical and Medical Goods	6.41%
3	Export of Medical Consumables & Drugs	Export of Medical Consumables & Drugs	1.57%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1	Hospital and Medical Care (Health Care Services)	8610	92.02%
2	Sale of Medical Consumables & Drugs	4772	6.41%
3	Export of Medical Consumables & Drugs	4649	1.57%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Healthcare Facilities	Number of offices	Total
National	Owned / Operated hospitals – 18 Heart Centres – 3 Clinics and Dialysis Center – 17	2	40
International	The Company owns and operates one hospital in Cayman Islands.	Nil	1

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	The Company has its hospitals and clinics across 11 States. **(Western Region)** Ahmedabad & Mumbai. **(Karnataka Region)** Bengaluru, Mysore, Davangere, Dharwad, Kolar, Shimoga. **(Eastern Region)** Guwahati, Jamshedpur, Kolkata, Raipur and **(Northern Region)** Jaipur, Delhi, Gurugram, Katra
International (No. of Countries)	1 Hospital at Cayman Islands

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1.57%

c. A brief on types of customers

They include patients requiring healthcare services and medical assistance.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees & workers* (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	11659	4742	41	6917	59
2.	Other than Permanent (E)	3742	1,669	45	2073	55
3.	**Total employees (D + E)**	**15401**	**6411**	**42**	**8990**	**58**

b. Differently abled Employees & workers*

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	13	11	85	2	15
2.	Other than Permanent (E)	5	4	80	1	20
3.	**Total differently abled employees (D + E)**	**18**	**15**	**83**	**3**	**17**

*The Company does not have workers category.

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25
Key Management Personnel	3	1	33

22. Turnover rate for permanent employees & workers

(Disclose trends for the past 3 years)

	FY 2023-24 (in %)			FY 2022-23 (in %)			FY 2021-22 (in %)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.51	36.86	30.48	27.53	38.63	35.31	25.03	40.25	**35.88**
Permanent Worker	Not Applicable								

V. Holding, subsidiary and associate companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

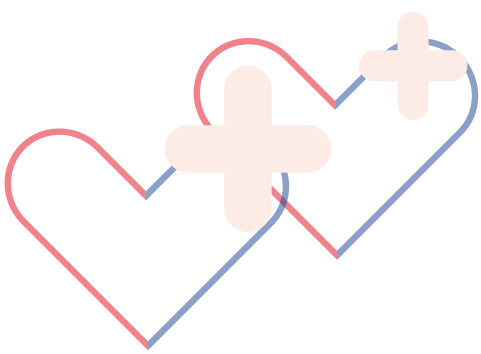
S. No	Name of the holding/subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Athma Healthtech Private Limited	Wholly owned Subsidiary	100%	N
2	NH Integrated Care Private Limited	Wholly owned Subsidiary	100%	Y
3	Narayana Hospitals Private Limited	Wholly owned Subsidiary	100%	Y
4	Narayana Hrudayalaya Surgical Hospital Private Limited	Wholly owned Subsidiary	100%	Y
5	Narayana Vaishno Devi Specialty Hospitals Private Limited	Wholly owned Subsidiary	100%	Y
6	Meridian Medical Research & Hospitals Ltd.	Subsidiary	99.13%	Y
7	Medha AI Private Limited	Wholly owned Subsidiary	100%	N
8	Samyat Healthcare Private Limited	Wholly owned Subsidiary	100%	Y
9	Narayana Health Insurance Limited	Wholly owned Subsidiary	100%	N
10	Health City Cayman Islands Ltd	Wholly owned Subsidiary	100%	Y
11	Cayman Integrated Healthcare Ltd	100% step-down subsidiary	100%	N
12	ENT in Cayman Ltd	100% step-down subsidiary	100%	N
13	NH Health Bangladesh Private Limited	Step-down subsidiary	99.99%	N
14	Narayana Holdings Private Limited	100% step-down subsidiary	100%	N
15	Narayana Health North America, LLC	Subsidiary	100%	N
16	Reya Health Inc (formerly Cura Technologies Inc.)	Associate Company	43.58%	N

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) –33,891.07 million*

(iii) Net worth (in ₹) –18,402.14 million*



*As per the standalone financial statement under Ind AS. Denotes FY 2023-24 numbers

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)*	FY 2023-24			FY 2022-2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	None	-	-	None
Investors (other than shareholders)	Yes	-	-	None	-	-	None
Shareholders	Yes	-	-	None	-	-	None
Employees and workers	Yes	7	-	None	6	-	None
Customers (Regular Complaints in Hospitals)	Yes	2745	-	Complaints received through emails, web reviews, and social media	2888	-	Complaints received through emails, web reviews, and social media
Customers (Litigations Filed by Patients)	Yes	10	10	-	14	14	-
Value Chain Partners	Yes	-	-	-	-	-	-
Others		-	-	-	-	-	-

*** Notes:**

Please refer the below link for policies:
https://www.narayanahealth.org/stakeholder-relations/company-policies

Customers reach out to us through our brand handles on Twitter, Facebook, Instagram, LinkedIn, Google Business profiles and other social media platforms. They also register their feedback through feedback@narayanahealth.org and also through the feedback page on the website: https://www.narayanahealth.org/feedback-form

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Health & Safety	Risk	Appropriate safety measures that could affect various stakeholders considering the nature of the business activities.	Obtained relevant certifications. Develop policies or a code of conduct for employees, patients, and other stakeholders	Negative: Refer to the notes to the financial statements for potential financial impacts arising from legal disputes
2	Access to Healthcare	Opportunity	Access to world-class, high-quality treatment with stringent cost optimization to underprivileged population	-	Positive: Boost revenue by broadening the scope of our operations

S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Process Safety & Quality	Risk	Ensuring safety and quality by adhering to best practices	Implement a 5-layer NHL-Governance Framework (NHGF) and achieve JCI and NABH certifications for all hospitals	Negative: The risk of revenue impact due to concerns regarding NHL's safety and service quality
4	Corporate Governance	Risk	Requirements for a listed corporate entity to comply with stringent corporate laws and governance practices.	Clearly defined policies, specific committees overseeing targeted topics, and a diverse group of individuals on the board and committees	Negative: Non-compliance with laws and regulations will result in adverse orders and a negative impact.
5	Business Conduct & Compliance	Risk	Requirements for a publicly listed corporate entity to comply with stringent corporate laws and governance practices.	Specific policies for business conduct and compliance, along with periodic training for relevant stakeholders	Negative: Potential non-compliance with various laws and regulations could result in a negative impact
6	Business Continuity	Risk	Risk to the continuity of operations in the event of a disaster scenario	Comprehensive disaster management plans outlining potential impacts and corresponding business continuity strategies	Negative: Potential disruptions to ongoing operations due to a disaster.
7	Data Security & Privacy	Risk	In the healthcare services sector, there is an elevated risk of security threats and data theft concerning patients' data	Establish a comprehensive group-wide policy overseen by the board and committees to regularly monitor and mitigate security threats	Negative: Risk of sensitive data loss affecting patient information, company operations, and procedures
8	Regulatory Issues & Compliance	Risk	Strict laws and regulations governing the operations of healthcare services.	Effective policies and procedures to promptly handle regulatory issues and ensure compliance.	Negative: The risk of adverse consequences resulting from non-compliance with healthcare regulations and other requirements.
9	Energy Efficiency	Opportunity	Energy-efficient initiatives that align with NHL's ESG goals, reducing consumption and lowering energy costs.	Key Performance Indicators (KPIs) are identified and tracked periodically.	Positive: Investing in energy-efficient projects lowers NHL's energy costs, positively impacting profitability.
10	Water Stress	Risk	Ensuring water availability for operations in regions facing water scarcity	Domestic wastewater is treated and reused for non-contact purposes such as flushing, gardening, and hospital vehicle washing. Additionally, rainwater harvesting techniques are adopted	Negative: The adverse impact of water scarcity on hospital operations, resulting in higher costs for water procurement and related activities

The NHL conducts a materiality assessment every three years via an online survey targeting selected stakeholders. The most recent assessment was completed in FY 2022-2023

Section B

Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a) Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b) Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c) Web Link of the Policies, if available	https://www.narayanahealth.org/stakeholder-relations/company-policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	N	N	Y	Y	N	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	Narayana Health adheres to national and international standards for patient safety & quality of care. Health and Safety Management activity is part of NABH & JCI Standards. The Company holds several accreditations and certifications from prestigious national and international agencies, including the National Accreditation Board for Hospital and Healthcare Providers (NABH), the National Accreditation Board for Testing and Calibration Laboratories (NABL), the Joint Commission International (JCI), and the Nursing Excellence Certification by NABH. Currently, 17 units are accredited by NABH, 9 units and the Corporate Office have JCI enterprise accreditation, 13 units are accredited by NABL, 16 units are certified by Nursing Excellence, and 3 units are certified for ISO 13485. Additionally, Narayana Health City Lab in Bangalore has achieved the CAP Accreditation certificate. **Information Security Standard:** ISO 27001:2022								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	Based on, ESG Strategy formulated for NHL & following are the Key ESG Targets. ESG Targets are categorised under three sections. The targets considered are: **i. A Healthy Planet:** • 35% Renewable Energy (Electricity) Mix by 2030 • Carbon Neutral-by 2040 • 100 % Waste-Water Recycling by 2030 • Optimization of Waste Management Process • 50% less paper use across patients by 2025 from 2023 **ii. A Healthy Society** • 25000+ doctors, nurses & paramedical trained by 2030 • 4000+ Underprivileged academically bright students, aspiring to become doctors by 2030 • Touching Lives of 20,000+ Govt. School children through cleanliness and hunger Feeding program by 2030 • Decreasing disparities in access to care-5000 BMTs by 2030 & 5000 Heart Procedures for Children every year with Treatment Cost Waiver • 560,000+ man hours-invested in associate development programs, including upskilling by 2030 • Digitalization- for enhancing patient safety & experience.								

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	iii. For Healthy Institution • Industry Leader in Clinical Governance • 100 % NABH & Enterprise Level JCI Certified Hospital by 2025 • 1,000+ publications-in Peer Reviewed indexed Journals (in 5 years ending Calendar Year 2025) • Extreme Risk Management-including organisation wide Business Continuity Planning (BCP) for world class enterprise risk management • Cyber Resilience-through robust risk management practices								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	**Performance against the ESG targets (by FY 2023~24)** • Renewable Energy (Electricity) mix sourced - 26% • 14,963 Tons of Carbon Saved • Wastewater Recycling achieved - 95% • Waste Management Process - Followed as per Guidelines • Achieved printing of 6.28 pages per patient from 11 pages per patient • 1,300+ Doctors, Nurses & Paramedical Staff trained • Supported 715+ underprivileged academically bright students appeared for NEET & MBBS scholarship • For 13 government schools supported 2300+ kids for feeding programme & for 52 government schools, 6,400+ kids supported for sanitation program, toilets redevelopments. • 75 Crore+ discount towards subsidised Cardiac Surgeries, BMT and support to under privileged patients • 2,340+ Bone Marrow Transplants (BMT's) conducted to date • Invested 3.93 Lakh man-hours in training and development • Established World Class Risk Management Practices based on Strategic, Operational, Financial, Reputational & Compliance Risk • Monitoring of 500+ KPIs, 25+ specialities for Clinical Governance • 936 publications in Peer Reviewed Indexed Journals between 2016 to 2023 • NABH:100%, NABL:100%, Nursing Excellence:95% Certified Units • JCI Enterprise accredited Hospitals & Corporate Office: 9 Nos. • Achieved ISO 27001:2022 and Implemented Enterprise Identity Administration & Governance								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

At NHL, we prioritize integrating Environmental, Social and Governance (ESG) considerations into every facet of Narayana Health's operations. Our core mission of providing accessible, high-quality healthcare aligns closely with our commitment to creating shared value for all stakeholders and driving progress in environmental and societal arenas.

Our sustainability strategy is not just an add-on but a fundamental part of our business model, ensuring resilience and continuity in the face of challenges. We have established ambitious goals with clear metrics and guidelines, leveraging globally recognized practices across our network. By embracing responsible business practices, we aim to consistently deliver quality clinical care, even amidst disruptions.

Recognizing the urgency of climate change, we take proactive steps to reduce our environmental footprint at Narayana Health. Through energy efficiency initiatives and a strategic focus on renewable energy sources, we successfully reduced our carbon emissions by over 15000 tons last year. Currently, 26% of our energy consumption (electricity) is sourced from renewable sources. Our dedication to sustainability also manifests in stringent Facility Management & Safety practices, underscored by our pioneering achievement of the JCI Enterprise Accreditation in India.

These initiatives not only underscore our commitment to sustainability and safety but also demonstrate how integrating ESG principles can generate positive economic, social, and environmental outcomes. At NHL, we remain steadfast in our pursuit of a greener, healthier future through sustainable healthcare practices, ensuring enduring benefits for our communities and beyond.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. Emmanuel Rupert Designation: Managing Director & Group CEO DIN: 07010883
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Stakeholders' Relationship Committee constituted by the Board.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half - yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the Board																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	No								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C

Principle-wise performance disclosure

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential in dicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors Key managerial personnel	2	Code of Conduct for Insider Trading and Fair Diclosure of Unpublished Price Sensitive Information. ESG Strategy Implementation	100%
Employees other than BoD and KMPs	18661	**14 Broad Topics Covered under 6 Principles** Code of Conduct and Business Ethics Digital tools (HRIS Platform, ATHMA, ITSM Tool, LMS) Ergonomics, Employee assistance programme (EAP) Occupational health & fire safety, Clinical Safety Programs, Facility management & safety (FMS), Grievance redressal and equal employment, Skill Upgradation POSH, Workplace violence, NH code of conduct ESG awareness & compliance, Disaster Management measures Data Privacy & Information Security	96.5%
Workers		Not applicable	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agency/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	-	-	-
Settlement	Nil	Nil	-	-	-
Compounding fee	Nil	Nil	-	-	-

	Non-monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agency/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	-	-
Punishment	Nil	Nil	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.**

   Not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

   Yes, the Company has a detailed Anti-Bribery policy governed by a set of principles and series of procedures. For more details, please refer to https://www.narayanahealth.org/stakeholder-relations/company-policies

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	Not Applicable	

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not applicable.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	192	211

9. **Open-ness of business. Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses* as % of total purchases	0.16%	0.12%
	b. Number of trading houses where purchases are made from	4	4
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not Applicable	Not Applicable
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in**	a. Purchases (Purchases with related parties / Total Purchases)	8.83%	3.92%
	b. Sales (Sales to related parties / Total Sales)	1.57%	1.74%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	11.33%	16.92%
	d. Investments (Investments in related parties / Total Investments made)	77.39%	94.25%

* The Company defines Trading Houses as vendors operating in India that import products from the international market and sell them to NHL without any value addition to the products.

**As per the standalone financial statements under Ind AS

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The company has maintained a Code of Conduct for its Board of Directors, committed to upholding the highest standards of corporate governance. It promotes ethical and transparent business practices while preventing potential conflicts of interest. Each year, the company requires Board members to disclose their interests and refrain from participating in discussions where they have a personal stake.

https://www.narayanahealth.org/stakeholder-relations/company-policies

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively**

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Nil	Nil	The Company is actively involved in clinical research activities sponsored by various entities, with no direct investment from NHL. Our primary focus is on the social implications of these research initiatives, which aim to address critical health issues with significant social impact. For example, oral cancer poses a major health challenge in India, particularly in rural areas where late diagnosis is common. Our research in this area emphasizes early detection using cost-effective methods that require minimal infrastructure, thereby making a substantial social difference. Additionally, we have embarked on using advanced analytics to develop innovative solutions for heart diseases, further demonstrating our commitment to impactful research that addresses pressing health concerns. The entity also supported research activities conducted by doctors within the organization, spending Rs. 13.5 lakhs in FY 24.
Capex	1.85%	1.29%	**Energy Efficiency:** (Retrofit /Upgradation initiatives) In our effort to reduce energy consumption, the company has implemented a range of energy efficiency measures. These include replacing traditional equipment like chillers, cooling towers, pumps, at various hospitals with new, efficient electric heat pumps, upgraded cooling towers, optimized chilled water lines for buildings, and LED lights across various units. **Energy Source Optimization:** (New Initiatives e.g. Renewable Source) We have implemented a long-term group captive solar agreement through a 6MWp Solar Power Purchase Agreement (PPA). This initiative will provide approximately 9 million units of low-cost renewable energy annually to NICS, MSMC, HSR, and Shivamogga Hospitals, leading to cumulative annual cost savings of up to ₹ 350 lakh. Furthermore, we have invested 26% of Class A Equity, amounting to ₹ 240 lakh, in this project.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) –

   Yes, the company operates in the healthcare services sector, where the products and services it uses are regulated by law. Therefore, we source our products and services from approved vendors who comply with various regulations.

   The company actively seeks to partner with vendors certified for social and environmental compliance, such as ISO 9001, ISO 14001, and ISO 45001.

   For high-value utilities, we conduct a Life Cycle Cost analysis to identify sustainable products with lower energy footprints. This process ensures that we achieve optimal energy efficiency and resource consumption while meeting our requirements.

   b. If yes, what percentage of inputs were sourced sustainably?

   29% of the inputs (by value) were sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Waste type	Waste management procedure in place
Plastic (including packaging)	Not applicable.
E-waste Hazardous waste Other waste (wastepaper and paper products)	All waste generated in hospitals is handed over to authorized vendors who ensure safe disposal in accordance with all relevant environmental standards and regulations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   The Company is classifed as a Bulk Consumer of imported Electrical and Electronic Equipment (EEE) intended for self or captive use, not for resale. Therefore, Extended Producer Responsibility (EPR) does not apply to the Company. Our sustainable waste management approach involves a clearly defined process for the appropriate, safe, and reliable handling, storage, and disposal of all type of waste. The disposal of various wastes is conducted through authorized vendors. Also, as a responsible consumer of plastic, we ensure proper disposal and strictly adhere to all prescribed norms for handling and disposing of plastics.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No	Results communicated in public domain (Yes/No) If yes, provide the web-link.
The Company has not conducted Life Cycle Assessment (LCA) for its services.					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/Service	Description of the risk / concern	Action Taken
Not applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	2023-24	2022-23
	Not applicable	

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	2023-24			2022-23		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not applicable					
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	4742	4742	100	4742	100	-	-	4,706	100	4742	100
Female	6917	6917	100	6917	100	6917	100	4742	-	6917	100
Total	**11659**	**11659**	**100**	**11659**	**100**	**6917**	**59**	**4742**	**41**	**11659**	**100**
Other than Permanent employees											
Male	1,669	1,669	100	1,669	100	-	-	-	-	1,669	100
Female	2073	2073	100	2073	100	2073	100	-	-	2073	100
Total	**3,742**	**3,742**	**100**	**3,742**	**100**	**2073**	**55**	**-**	**-**	**3,742**	**100**

b. Details of measures for the well-being of workers:

The Company does not have workers category.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the company	0.32%*	0.31%*

*The wellbeing measures for permanent employees include premiums paid for Group Personal Accident Insurance, Term Life Insurance, and Group Mediclaim Policies. Additionally, health and safety measures include access to Mental Health Services. These measures also encompass Maternity and Paternity benefits that exceed statutory compliance requirements.

*No wellbeing measures are extended to other than permanent employees.

2. Details of retirement benefits.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98	Not applicable	Y	98	Not applicable	Y
Gratuity	100	Not applicable	Y	100	Not applicable	Y
ESI	42	Not applicable	Y	48	Not applicable	Y
Others-Group Personal Accident & Group Term Life Insurance	100	Not applicable	Y	100	Not applicable	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises are accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, NHL has an Equal Opportunity Policy in place. The Company also upholds a Fairness at Workplace Policy, dedicated to providing an environment of fairness and equality, free from any form of discrimination. The policy promotes mutual dignity and respect among all employees and ensures diversity and inclusion, including for people with disabilities.

The web link to the policy: https://www.narayanahealth.org/stakeholder-relations/company-policies

5. Return to work and Retention rates of Permanent Employees* and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate (%)	Retention Rate (%)	Return to work rate (%)	Retention rate (%)
Male	96	100	Not applicable	
Female	97	74		
Total	97	91		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	(If Yes, then give details of the mechanism in brief)
Permanent workers	Not applicable
Other than permanent workers	
Permanent employees	Yes, the Company has a well-formulated Grievance Redressal Procedure available to all employees, encompassing all categories such as part-time, full-time, regular, temporary, ad-hoc, daily wage earners, probationers, apprentices, trainees, and consultants. This procedure aims to ensure that all NHL employees have the right to work in an environment free from discrimination, harassment, coercion, or disruptive conduct. The web link to the policy: https://www.narayanahealth.org/stakeholder-relations/company-policies
Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

The Company does not have a Union.

8. Details of training given to employees & workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	4742	4742	100	3,764	80	4,769	3,738	78	2,670	56
Female	6917	6917	100	6,214	90	7,154	6,942	97	5,340	75
Total	**11659**	**11659**	**100**	**10,099**	**87**	**11,923**	**10,680**	**90**	**8,010**	**67**
Workers	The Company does not have workers category									

*100% of our permanent employees are eligible for parental leaves

9. Details of performance and career development reviews of employees & workers

Category	FY 2023-24			FY 2022-23		
	Total (A)*	No. (B)	% (B / A)	Total (C)*	No. (D)	% (D / C)
Employees						
Male	4,242	4,242	100	4,269	4,269	100
Female	6,217	6,217	100	6,454	6,454	100
Total	**10,459**	**10,459**	**100**	**10,723**	**10,723**	**100**
Workers	The Company does not have workers category					

*100% of eligible employees have received performance and career development reviews

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, an occupational health and safety management system has been implemented, covering all clinical and facility-related activities.

The Company complies with national and international healthcare standards, incorporating health and safety management into NABH and JCI standards. Periodic Hazard Identification and Risk Assessment (HIRA) is conducted to implement control measures for each identified hazard. AERB standards are followed for radiation safety, and NACO (National AIDS Control Organisation) guidelines are adhered to for pre- and post-exposure prophylaxis (PEP).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Protecting the health, safety, and well-being of our employees is an integral part of our operations at NHL. Our approach to assessing, evaluating, eliminating, and mitigating risks includes initiatives such as facility/safety rounds and annual work site analyses like Hazard Identification and Risk Assessment (HIRA) and Hazard Vulnerability Assessment (HVA) to ensure comprehensive risk management. These assessments cover both routine and non-routine activities.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. We have an Incident Management System (IMS) for reporting work-related hazards. This digital platform enables all stakeholders to report incidents and contributes to Root Cause Analysis (RCA) to improve processes. The IMS is available on both web and mobile platforms, featuring standard categorization, automatic assignment, and an escalation process.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, employees are provided with health insurance and regular medical check-ups or vaccinations as applicable.

11. Details of safety related incidents, in the following format:

Safety incident/number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)#	Employees	0	0
	Worker	Not applicable	Not applicable
Total recordable work-related injuries	Employees	0	0
	Worker	Not applicable	Not applicable
No. of fatalities	Employees	0	0
	Worker	Not applicable	Not applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Worker	Not applicable	Not applicable

#LTIFR is tracked as a combined number for the permanent and other than permanent employees

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

NHL has implemented the following measures to ensure a safe and healthy workplace:

a) Provision of induction and refresher safety training for all employees, covering areas such as proper equipment usage, near misses, unsafe acts & unsafe conditions.

b) Establishment of procedures to protect employees in emergencies like natural disasters, fires, and hazardous material spills etc. Continuous training is conducted on these topics for all associates, including employees, contractual associates, trainees, and any other stakeholders physically associated with the organization.

c) Conducting preconstruction risk assessments to determine potential risks associated with demolition, construction, and renovation projects.

d) Implementation of safety codes to identify and develop safe practices against potential hazards, disasters, and other risks that can occur in the workplace. Mock drills are conducted for all emergency codes to check protocols, staff awareness, and equipment readiness. Over 250 mock drills are conducted annually.

e) Implementation of measures to prevent fire incidents and reduce the risk of fire outbreaks during work activities through a work permit system.

f) Compliance with occupational health and safety standards is continuously monitored and implemented. The requirements are periodically reviewed and updated whenever there are changes in existing rules and regulations or when new acts and regulations are enacted.

13. Number of complaints made by employees.

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions*	0	0	-	0	0	-
Health & safety*	0	0	-	0	0	-

*While there is no formal data tracking mechanism for monitoring complaints as required by BRSR, conditions are continuously monitored through Facility Rounds and the responsible departments & functions take specific actions in response to any adverse feedback.

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100*
Working conditions	100*

*NHL hospitals undergo periodic assessments of health and safety practices and working conditions through facility rounds conducted by respective units. Additionally, the corporate team conducts annual assessments according to a set calendar. Furthermore, third-party fire safety audits are conducted periodically to ensure compliance and safety standards are met.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Risk assessment of health and safety practices is an ongoing process, with steps taken as needed based on identified risks. Proactive measures implemented include:

a) Control measures for identified hazards based on Hazard Identification and Risk Assessment (HIRA) and Hazard Vulnerability Analysis (HVA).

b) Compliance with Atomic Energy Regulatory Board (AERB) standards for radiation safety and National AIDS Control Organisation (NACO) guidelines for pre- and post-exposure prophylaxis (PEP).

c) Strengthening of the Work Permit System to prevent potential occupational health and safety incidents.

d) Encouraging associates to report near misses, unsafe acts, and unsafe conditions to avert incidents.

e) Each of our facilities is actively involved in implementing both active and passive fire protection systems.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   Yes, we have a well-defined Term Life Benefit Program that protects the dependents of associates (permanent employees) in the event of their death due to unforeseen conditions or circumstances. Associates covered under the ESI scheme are governed by the provisions and benefits provided under the act.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The assessment of value chain partners for statutory dues deducted and deposited will be carried out on a going forward basis

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	Nil			
Workers	Not applicable			

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   No

5. **Details on assessment of value chain partners:**

Stakeholder group	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not applicable

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

Processes for identifying key stakeholder groups within the entity are guided by our defined mission, focusing on their interest in our operations and their impact on shareholders.

Stakeholders are categorized into:

a) Internal Stakeholders: These include employees, senior management, and shareholders who are directly involved in the organization's activities.

b) External Stakeholders: This group comprises customers, suppliers, investors, regulatory bodies, and the community, who although not directly involved, can significantly influence the entity.

Understanding stakeholders' roles, interests, influence, concerns, and expectations is crucial for NHL. This knowledge shapes our stakeholder engagement strategies, defining the frequency and methods of interaction. Our engagements aim to foster effective communication, address concerns, and align strategies to meet stakeholder expectations while advancing our organizational goals.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Email, direct communications, AGM, Website, newspaper publication	Quarterly investor earnings calls to discuss financial performance, and statutory meetings such as AGMs held as necessary	Reviewing financial performance and addressing investor questions and concerns
Suppliers	No	Direct communications, Email	Purpose based	Business discussions
Customers	No	Email, SMS, website	On a need-basis	Business discussions, training sessions, and workshops.
Employees	No	Email, direct communications, SMS	Purpose based	Training sessions, workshops, and redressal forums.
Communities	Yes*	Community meetings, Email, newspaper	Based on community engagement efforts.	Corporate Social Responsibility (CSR) initiatives and welfare measures.
Senior Management & Board	No	Direct communications, Email	Scheduled statutory meetings such as Board meetings, and purpose-specific meetings convened as needed	Business discussions and training sessions.

* For community health and education support programs, academically bright students from underprivileged backgrounds aspiring to become doctors and appearing for NEET, as well as children from government schools, are considered vulnerable and marginalized groups.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.**

   Stakeholder views are presented to the relevant board committee of the board for consideration, and the committees' recommendations are incorporated into the implementation process for ESG activities.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.**

   Stakeholder consultation is conducted to identify and manage environmental and social topics.

   NHL conducts a materiality assessment every three years through an online survey with selected stakeholders to capture their preferences for critical ESG topics. Based on their feedback, these insights are integrated into the organization's ESG strategy.

3. **Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   Regular interactions with vulnerable/marginalized stakeholder groups are facilitated through implementation partners involved in these projects. The CSR team conducts periodic field visits and related studies of CSR projects. Any concerns raised by stakeholders are addressed and escalated to the implementation partner if necessary.

Principle 5

Businesses should respect and promote human rights

Essential Indicators

1. **Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	11659	11426	98	11,923	8,558	72
Other than permanent	3,742	2,619	70	3,538	1,958	55
Total employees	**15401**	**14045**	**91**	**15,461**	**10,516**	**68**
Workers	The Company does not have workers category					

2. Details of minimum wages paid to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	11659	-	-	11659	100	11,923	-	-	11,923	100
Male	4742	-	-	4742	100	4,769	-	-	4,769	100
Female	6917	-	-	6917	100	7,154	-	-	7,154	100
Other than permanent	3,742	-	-	3,742	100	3,538	-	-	3,538	100
Male	1,669	-	-	1,669	100	1,683	-	-	1,683	100
Female	2073	-	-	2073	100	1,855	-	-	1,855	100
Workers	The Company does not have workers category									

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	6*	1,69,52,942	2	28,09,345
Key managerial personnel (KMP)**	2	4,20,34,950	1	2,30,93,796
Employees other than BoD & KMP***	4740	3,55,038	6916	2,94,000
Workers	Not applicable			

As on March 31, 2024

'* Remuneration to Managing Director and Group Chief Executive Officer (MD & Group CEO) has been included in both BoD & KMP.

** KMP include MD & Group CEO, Chief Financial Officer (CFO) and Company Secretary (CS).

*** Includes Permanent Employees only.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (%)	FY 2022-23 (%)
Gross wages paid to females as % of total wages*	45.59	46.02

*Includes permanent employees only

4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

While there are no specific human rights impacts associated with the services provided by the Company, any concerns or complaints regarding human rights violations during service delivery are addressed in accordance with the company's policies and procedures, as well as applicable laws.

5. Describe the internal mechanism in place to redress grievances related to human rights issues.

All employees receive training on the Business Ethics & Code of Conduct and Prevention of Sexual Harassment (POSH) to ensure their conduct aligns with the company's principles. The company has established a defined process and channels for raising employee concerns and mechanisms for addressing such issues as outlined in the Code.

6. Number of complaints on the following made by employees:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	7*	-	Action taken as per provision	6	-	Action taken as per provision
Discrimination at workplace	-	-	-	-	-	-
Child labour	-	-	-	-	-	-
Forced labour/Involuntary labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights-related issues	-	-	-	-	-	-

*As per report filed under POSH Act for the calendar year 2023

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Safety incident/number	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	7	6
Complaints on POSH as a % of female employees / workers	0.10%	0.08%
Complaints on POSH upheld	7	6

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Employees are encouraged to use the grievance procedure without fearing any repercussions. NHL ensures that no discrimination or retaliation occurs against any employee and empowers them to fully utilize the mechanisms and procedures established in the policies.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements are integrated into all our business agreements and contracts with empanelled vendors. These agreements encompass critical aspects, including the prohibition of child labor, forced labor, compliance with statutory remittances, and the prevention of discrimination and harassment in any form.

10. Assessments of the year

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)*
Child labour	100
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	Nil

*NHL units undergo regular assessments by the HR Corporate Compliance Team. We have a clearly defined code of conduct document that strictly prohibits the use of child labor, forced labor, and other related practices. These standards are deeply integrated into our HR processes, including onboarding, interview evaluations, and meeting regulatory requirements. Sexual harassment is addressed under POSH requirements, with established policies, reporting mechanisms, redressal procedures, and mandatory training for all associates. Our Code of Conduct comprehensively covers non-discrimination in the workplace.

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

There is no significant risks / concerns arising from the human rights assessments

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.**

   As part of our ongoing commitment to uphold human rights, we have revised and restructured our business processes to strengthen our grievance redressal mechanisms. These updates are aligned with evolving human rights standards and governance processes.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   Human rights due diligence is conducted in accordance with NHL's established code of conduct and business ethics policy framework, ensuring comprehensive coverage and effective resolution of human rights issues.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes,

   The premise and office of NHL are fully accessible to all visitors, including those with disabilities. We provide necessary support as mandated by the Rights of Persons with Disabilities Act, 2016, ensuring a fair and equal environment that is free from any form of discrimination during their visit.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	During the year no Assessment is carried for Value Chain Partners.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not applicable

Principle 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity-in the following format:

Parameter	UOM	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	GJ	55,717	49,146
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources ©	GJ	-	-
Total energy consumption from renewable sources (A+B+C)	GJ	**55,717**	**49,146**
From non-renewable sources			
Total electricity consumption (D)	GJ	1,58,820	1,47,626
Total fuel consumption (E)	GJ	16,487	16,028
Energy consumption through other sources (F)	GJ	0	1,501
Total energy consumption from non-renewable sources (D+E+F)	GJ	1,75,307	165,155
Total energy consumed (A+B+C+D+E+F)	GJ	**2,31,024**	**214301**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ/₹ Lakh	0.6817	0.6990
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)*	GJ/₹ Lakh	15.2700	15.4937
Energy intensity in terms of physical output (Energy intensity per Occupied Bed Days)	GJ/ Occupied Bed Days	0.2987	0.2735
Energy intensity (optional) – the relevant metric may be selected by the entity (Energy intensity per Sq. Feet built up area)	GJ/ Sq. feet built up area	0.0783	0.0720

*Revenue from operations has been adjusted according to the latest PPP conversion factors for India, as published by the IMF. The conversion factor for the year ended March 31, 2024, is 22.401, while for the year ended March 31, 2023, it is 22.167

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Energy assessments for both renewable and non-renewable sources, as well as energy efficiency, are conducted internally at NHL. A certified energy auditor within the ESG department at the corporate level oversees these initiatives. Monitoring and review of energy-related efforts occur periodically at the corporate level, with subsequent implementation of improvement activities.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable

Our organization is not classified as a designated consumer (DC) under the Government of India's Performance, Achieve, and Trade (PAT) Scheme, and as such, the PAT scheme does not apply to us.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	UOM	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres-KL)			
(i) Surface water	KL	-	-
(ii) Groundwater	KL	5,11,093	5,41,518
(iii) Third-party water	KL	4,01,211	3,92,549
(iv) Seawater / desalinated water	KL	-	-
(v) Others	KL	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	KL	**9,12,304**	**9,34,067**
Total volume of water consumption (in kilolitres)	KL	7,11,028	6,80,878
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	KL//₹ Lakh	2.0980	2.2207
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL//₹ Lakh	46.9968	49.2267
Water intensity in terms of physical output (Water intensity per Occupied Bed Days)	KL/ Occupied Bed Days	0.9193	0.8691
Water intensity in terms of physical output (Water intensity per Sq. Feet built up area)	KL/ Sq. feet built up area	0.2410	0.2288

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Water withdrawal and consumption assessments are not conducted by external agencies. We monitor and review water-related initiatives at the corporate level periodically, implementing improvement measures accordingly.

4. Provide the following details related to water discharged:

Parameter	UOM	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres-KL)			
(i) To Surface water			
- No treatment	KL	-	-
- With Tertiary treatment	KL	2,01,276	2,53,189
(ii) To Groundwater			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
(iii) To Seawater			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
(iv) Sent to third-parties			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
(v) Others			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
Total water discharged (in kilolitres)	KL	**2,01,276**	**2,53,189**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Water Discharged assessment is not carried out by any external agency. Water related initiatives are periodically monitored & reviewed at Corporate Level and subsequently improvement initiatives are implemented.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

At present, 3 hospitals of NHL has maintained Zero Liquid Discharge System. Wastewater undergoes treatment and recycling at our in-house Sewage Treatment Plants. The recycled water is used for non-contact purposes such as flushing and gardening, with any remaining treated water discharged appropriately.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	UOM	FY 2023-24	FY 2022-23
NOx	Kg	211	1044.3
SOx	Kg	115	5.4
Particulate matter (PM)	Kg	204	39.60
Persistent organic pollutants (POP)	Kg	Assessment not conducted	
Volatile organic compounds (VOC)	Kg		
Hazardous air pollutants (HAP)	Kg		
Others – ozone-depleting substances (HCFC - 22 or R-22)	Kg		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

For other than GHG emissions (NOx, SOx, particulate matter (PM)), individual hospitals conduct assessments through authorized testing agencies. No independent assessment, evaluation, or assurance conducted by an external agency for persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP), and ozone-depleting substances.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	UOM	FY 2023-24	FY 2022-23*
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Stationary & Mobile Combustion (Fuel Combustion & Vehicles movement inside organisation), Fugitive Emissions (Refrigeration, Air Conditioning, Fire Suppression)	Metric tonnes of CO2 equivalent	16367.16	16091.31
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Purchased Electricity (Grid)	Metric tonnes of CO2 equivalent	31587.51	29417.74
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/₹ Lakh	0.1415	0.1484
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/₹ Lakh	3.1697	3.2902
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Emissions per Occupied Bed Days)	Metric tonnes of CO2 equivalent/Occupied Bed Days	0.0620	0.0581
Total Scope 1 and Scope 2 emission intensity (optional) (Emissions per Sq. Feet built up area)	Metric tonnes of CO2 equivalent/Sq. feet Built up area	0.0163	0.0153

*Comparatives for Financial Year 2022-23 have been restated due to the re-computation of BRSR attributes on the basis of the approach and methodology adopted(IPCC, DFRA & CEA Guidelines)for the disclosures of Financial Year 2023-24. Emissions from Stationary, Mobile Combustion, Refrigeration, Air Conditioning, Fire Suppression have been included in Scope-1 GHG emission calculations

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

For GHG emissions, no independent assessment/evaluation/assurance has been carried out by an external agency.

8. Does the entity have any project related to reducing greenhouse gas emission? If Yes, then provide details.

Projects considered under Scope 1 Category for reducing Green House Gas Emission.

- Transitioning from old, diesel-fired boilers to modern, refrigerant-based heat pumps significantly reduces direct emissions. Heat pumps are more energy-efficient and environmentally friendly, providing an effective solution for heating needs.
- Implementing the use of battery-powered cars and carts for internal transportation of patients, staff, and visitors helps minimize emissions from hospital-owned vehicles.
- Phase wise upgrading of equipment, such as air conditioners and chillers, with environmentally friendly refrigerants.

Projects considered under Scope 2 Category for reducing Green House Gas Emission

- We have launched a strategic initiative to integrate renewable energy sources throughout our network, tailoring each project to suit local climate conditions, energy demands, feasibility, regulatory requirements, and alignment with the Renewable Power Obligation (RPO) mandated by Indian state electricity boards. As a result of these efforts, we have achieved sourcing 26% of our hospitals' energy (electricity) needs from renewable sources. This transition has directly resulted in a significant annual reduction of 14963 tonnes of carbon emissions.
- As part of our commitment to reduce energy consumption, we have implemented various energy-efficient measures. These efforts involve replacing traditional technologies like chillers, pumps, and cooling towers with more energy-efficient equipment.

9. Provide details related to waste management by the entity, in the following format:

Parameter	UOM	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)			
Plastic waste **(A)**	MT	11	0
E-waste **(B)**	MT	14	8
Bio-medical waste **(C)**	MT	1,721	1,592
Construction and demolition waste **(D)**	MT	4352*	734
Battery waste **(E)**	MT	7	0
Radioactive waste **(F)**	MT	0	0
Other Hazardous waste. Please specify, if any. **(G)** (Used Oil from DG Sets, Air and Oil Filters-Oil Containing residues, Spent Solvents-Formalin, Other Chemicals if any etc.)	MT	6	6
Other Non-hazardous waste generated **(H)** General Waste (-Tissue Papers / Disposable plates/ Medicine wrapper/ Canteen Waste etc.)	MT	2078**	1,460
Total (A+B + C + D + E + F + G + H)	MT	**8,190**	**3,800**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	KG/₹ Lakh	24.16	12.3939
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	KG/₹ Lakh	541.32	274.73
Waste intensity in terms of physical output (Waste Consumed-KG / Occupied bed days)	KG/ Occupied Bed Days	10.5887	4.8503
Waste intensity (optional) – the relevant metric may be selected by the entity (Waste intensity per Sq. Feet built up area)	KG/ Sq. feet Built up area	2.7761	1.2768
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	MT	0	0
(ii) Re-used	MT	0	0
(iii) Other recovery operations	MT	0	0
Total	MT	**0**	**0**

Parameter	UOM	FY 2023-24	FY 2022-23
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	MT	0	0
(ii) Landfilling	MT	0	0
(iii) Other disposal operations (Disposal to Authorized Vendors)	MT	8190	3,800
Total	MT	**8190**	**3,800**

For FY 2023~24

*An increase in Construction & Demolition waste due to ongoing renovation & expansion activities across the NHL

**An increase in the generation of Other Non-hazardous waste due to additional reporting of Wet Waste

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Waste generation and disposal assessments have not been carried out by any external agency. However, waste generation, segregation, collection, pre-treatment, storage, and disposal activities are periodically monitored and reviewed at the corporate level to ensure compliance with applicable laws. Based on these reviews, improvement initiatives are subsequently implemented.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our Environmental and Social Governance (ESG) Policy encompasses waste management practices. This policy ensures proper segregation and aggregation of wastes, facilitating the correct collation and disposal of hazardous and biomedical wastes in compliance with applicable regulations. It also promotes minimizing the use of hazardous chemicals whenever possible.

E-waste, lead waste, and metal scraps generated at the hospital are collected on-site and disposed of through authorized recyclers and dismantlers. Food waste from hospital wards and the canteen is processed using in-house organic waste composters, with the resulting compost used for hospital landscaping. In facilities without an in-house composter, food waste is handed over to authorized vendors.

All types of waste generated in the hospitals are segregated, collected, stored, transported, and disposed of through authorized vendors in accordance with applicable laws. Detailed records of waste generation, treatment, and disposal are maintained daily. Additionally, regular waste audits are conducted to ensure proper segregation at the source, on-site storage, treatment, and disposal of waste.

For more details, please refer the policy https://www.narayanahealth.org/stakeholder-relations/company-policies

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	SRCC Children's Hospital, 1, 1A, Keshavrao Khadye Marg, Haji Ali, Haji Ali Government Colony, Mahalakshmi, Mumbai, Maharashtra 400034 (Coastal regulation zones)	Hospital, Healthcare Industry	Y

12. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Expansion of Hospital Project -Narayana Health City	S.O. 1533(E)	14.09.2006	Yes	Local, National Newspaper, Town Panchayat & Local Municipal Authorities	https://parivesh.nic.in/newupgrade/#/organisation/dashboard

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances:

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if an
Yes, NHL is compliant with the applicable environmental laws, regulations, and guidelines in India. The entity has not faced any fines, penalties, or actions under any applicable environmental laws, regulations, or guidelines				

Leadership Indicators

1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) **Name of the area:** There are 4 Water Stress Zones that include five hospitals. Bommasandra Industrial Area, Anekul Taluk (Karnataka), Bangalore-South (Karnataka), Ahmedabad City (Gujarat), Gurgaon (Haryana)

(ii) **Nature of operations:** Hospital

(iii) Water withdrawal, consumption and discharge:

Parameter	UOM	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	-	-
(ii) Groundwater	KL	55490	57974
(iii) Third party water	KL	358019	353804
(iv) Seawater / desalinated water	KL		-
(v) Others	KL		-
Total volume of water withdrawal (in kilolitres)	KL	**413509**	**411788**
Total volume of water consumption (in kilolitres)	KL	**393748**	**357872**
Water intensity per rupee of turnover (Water consumption /Turnover)	KL/₹ Lakh	1.16	1.17
Water intensity per Occupied Bed/Day (Water consumed KL / Occupied bed days)	KL/Occupied bed days	0.51	0.45
Water intensity per Sq. Feet built up area (Water consumed KL / Sq. feet built up area)	KL// Sq. feet built up area	0.13	0.12
Water discharge by destination and level of treatment (in kilolitres)			
(i) Into Surface water			
- No treatment	KL	-	-
- With Tertiary treatment	KL	19761	53916

Parameter	UOM	FY 2023-24	FY 2022-23
(ii) Into Groundwater			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
(iii) Into Seawater			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
(iv) Sent to third-parties			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	Kl	-	-
(v) Others			
- No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
Total water discharged (in kilolitres)	KL	**19761**	**53916**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Water withdrawal, consumption, and discharge assessments in areas of water stress are not conducted by any external agency. However, water-related initiatives are periodically monitored and reviewed at the corporate level, and subsequent improvement initiatives are implemented.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	UOM	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Currently, NHL does not engage in Scope 3 baseline calculation activities.	
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/₹ Lakh		
Total Scope 3 emission intensity in terms of physical output (Emissions per Occupied Bed Days)	Metric tonnes of CO2 equivalent/ Occupied Bed Days		
(Emissions per Sq. Feet built up area)	Metric tonnes of CO2 equivalent/Sq. feet Built up area		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

For Scope 3 emissions, no independent assessment/evaluation/assurance has been carried out by an external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

SRCC Children's Hospital Mumbai unit is covered under ecologically sensitive areas & falls under coastal regulation zones. There is no direct & indirect impact on biodiversity.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Enhancing Energy Efficiency: (Retrofit / Upgradation initiatives)	In our efforts to reduce our energy consumption, we have adopted various distinct energy-efficient measures. These measures include • The entity has implemented multiple initiatives aimed at reducing emissions and enhancing environmental sustainability. These efforts include transitioning from old, diesel-fired boilers to modern, refrigerant-based heat pumps, which offer improved energy efficiency and environmental friendliness for heating needs. Moreover, traditional technologies like chillers, pumps, and cooling towers are being replaced with more energy-efficient equipment. Additionally, the entity has introducing battery-powered cars and carts for internal transportation of patients, staff, and visitors, thereby reducing emissions from hospital-owned vehicles. Furthermore, there is an ongoing phased upgrade of equipment such as air conditioners and chillers to utilize environmentally friendly refrigerants, further supporting these sustainability endeavors. • Energy efficiency evaluations and lifecycle cost assessments are conducted for new technology upgrades or replacements as necessary. • An energy monitoring system is implemented to oversee and enhance efficient energy management.	Witnessing the positive outcomes in response to our energy efficiency initiatives, achieved saving of 4.42 million units resulting in saving of approx. ₹ 327 Lakhs.
2	Energy Source Optimization: (New Initiatives e.g. Renewable Source)	• To fulfil our commitment to environmental stewardship, we are prioritizing robust investments in renewable energy. This includes integrating sources such as solar, wind, and hydropower to achieve reduced dependency on fossil fuels, lower energy costs, and improved public health outcomes. Our renewable energy projects are customized for each site based on local climate conditions, energy requirements, viability assessments, regulatory permissions, and compliance with state electricity board Renewable Power Obligations (RPO) mandated by the Indian government. • NHL Hospitals operating in the Karnataka region have taken a significant step towards conserving natural resources by developing a solar project within a solar park under a captive model, thereby advancing sustainable development.	Across our hospitals, we have successfully incorporated renewable energy (electricity) sources to account for 26% of our energy supply. The Health City campus in Bengaluru, along with facilities in HSR and Shimoga, have met over 85% of its total power requirements through renewable energy sources, such as solar, wind, and hydro power
3	Water initiatives	• Water-saving fixtures, such as low-flow aerators installed in faucets and showers, aim to reduce water consumption effectively. • Recycling alternative water sources, such as treated wastewater, for effective reuse within hospitals is practiced for suitable non-contact purposes like flushing, gardening, and green belt development. • The hospital reuses RO rejected water for various in-house purposes. • Periodic detection and rectification of leaks are conducted as part of regular maintenance.	Optimizing water usage and sustaining water-saving initiatives
4	Waste Management	• Biomedical waste (BMW), hazardous waste, and non-hazardous waste generated in the hospital are segregated at the source, collected, treated, stored, and disposed of to authorized vendors in accordance with applicable laws.	Effective waste management practices safeguard public health by preventing the spread of disease and protecting the environment and community well-being

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

NH recognises the significance of a risk management framework that identifies, analyses, evaluates, monitors, and mitigates risks and potential threats that may impede the achievement of our sustainable growth. We continue to focus on establishing a robust Enterprise Risk Management (ERM) framework for the organisation. A three-tiered approach (Corporate, Regional, and Unit Level) helps us to prioritize the resolution of strategic, operational, financial, reputational, and compliance risks at appropriate levels in the organization. The critical risks at the organisational level are periodically presented to the Audit, Risk & Compliance Committee and their inputs sought to further strengthen the process.

The Executive Leadership team guided by the Risk & Audit Committee reviews and updates the Enterprise Risk Management Policy and Framework to ensure continued suitability to the everchanging dynamics of the risk milieu. Standard Operating Procedures have been evolved to mitigate the major disaster and business continuity risks and are under active implementation across the enterprise.

https://www.narayanahealth.org/stakeholder-relations/company-policies

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Value chain Assessment not carried for adverse impact to environment

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Value chain partners not assessed for environmental impacts

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: One

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Healthcare Providers – India ("AHPI")	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	anti-competitive	Corrective action taken
There have been no reported cases of anti-competitive conduct, and no actions have been taken or are pending against the Company.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Narayana Hrudayalaya Limited and its Promoter Dr. Devi Prasad Shetty have been regularly representing to bring changes in various aspects of healthcare including representations made through AHPI for the following initiatives:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
1	Medical Education Reforms:	Medical Education Reforms have been made through continuous efforts towards generating more opportunities for creating specialists, a cadre of nurses and nursing assistants.	Yes	Quarterly	www.healthcare-ssc.in
2	Creation of Guidelines for introduction of Technology in Healthcare	NH has been working with the Indian Government, NHA and NMC to introduce technology in healthcare and create guidelines for HIS, EMR, Healthcare Exchange, etc	Yes	Need based	www.ahpi.in https://nha.gov.in
3	Heath Sector reforms	NHL is also a part of the High-Level Group on Health Sector constituted by the 15th Finance Commission, Government of India, and chairs the Academics Committee of Health Sector Skills Council	Yes	HSSC – Quarterly	www.healthcare-ssc.in
4	Medical Courses for intermediate health workers	We have also initiated the creation of courses for intermediate health workers to bridge the gaps in healthcare delivery.	Yes	HSSC - Quarterly	www.healthcare-ssc.in
5	Government Governance Committees	Narayana Healthcare is a member of the XI CAG audit advisory Board	Yes	Half yearly	https://cag.gov.in
6	Health Insurance	As a member of Health Insurance Consultative Committee (HICC) formed by the Chairman, Insurance Regulatory Development Authority of India (IRDAI) for wider coverage of population, complete cashless transactions and technology enablement in health insurance administration.	Yes	Ongoing project. Half yearly	https://irdai.gov.in

Principle 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not applicable					

2. **Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

Grievances from local communities are monitored through the periodic monitoring & review mechanism as part of our CSR activities under the CSR Policy. For any suggestions/complaints or grievances, can be reached at nh.esg@narayanahealth.org

https://www.narayanahealth.org/stakeholder-relations/company-policies

The CSR team at the corporate office addresses these grievances during periodic field visits and while conducting impact studies of various CSR projects.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24 (%)	FY 2022-23 (%)
Directly sourced from MSMEs/ small producers	32	30
Directly from within India	98.40	97.65

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

	FY 2023-24* (%)	FY 2022-23* (%)
Rural	0	0
Semi-Urban	1.81	1.66
Urban	11.91	12.86
Metropolitan	86.28	85.48

(Place categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

*Permanent employees have been considered

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

NHL conducts CSR initiatives across 22 designated aspirational districts in ten states: Karnataka, Rajasthan, Jharkhand, West Bengal, Uttar Pradesh, Bihar, Chhattisgarh, Gujarat, Maharashtra, and Odisha. These districts include Yadgir, Raichur, Kalaburagi, Gadag, Karauli, Dholpur, Jaisalmer, Barmer, Hazaribagh, Ranchi, Latehar, Lohardaga, Nadia, Dakshin Dinajpur, Balarampur, Begusarai, Muzaffarpur, Korba, Dohad, Nandurbar, Kalahandi, and Koraput.

NHL operates the Udaan project, aimed at supporting financially disadvantaged students who aspire to become doctors. The initiative covers college scholarship fees and provides assistance for NEET coaching centers, empowering these students to pursue their educational goals.

S. No.	State	Aspiration district	Nos. of students supported	Amount spent (in ₹ Lacs)
1	Karnataka	Yadgir	12	3.95
2		Raichur	17	5.54
3		Kalaburagai	13	4.36
4		Gadag	4	1.96
5	Rajasthan	Karauli	1	0.25
6		Dholpur	1	0.25
7		Jaisalmer	1	0.25
8		Barmer	1	0.25
9	Jharkhand	Hazaribagh	1	0.56
10		Ranchi	1	0.35
11		Latehar	1	0.56
12		Lohardaga	1	0.56
13	West Bengal	Nadia	1	0.76
14		Dakshin Dinajpur	1	0.56
15	Uttar Pradesh	Balarampur	1	0.25
16	Bihar	Begusarai	1	0.56
17		Muzaffarpur	2	0.91
18	Chhattisgarh	Korba	1	0.56
19	Gujarat	Dohad	1	0.56
20	Maharashtra	Nandurbar	1	0.56
21	Odisha	Kalahandi	1	0.56
22		Koraput	1	0.25
		Total	**65**	**24.37**

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No):

No, the company does not have a preferential procurement policy that gives preference to purchasing from suppliers comprising marginalized or vulnerable groups. The company operates within the healthcare sector where products and services are regulated by statutes. Therefore, we procure products and services from vendors who are empanelled and governed by various statutory regulations.

(b) From which marginalized /vulnerable groups do you procure?

Not applicable

(c) What percentage of total procurement (by value) does it constitute?

Not applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

We do not possess any intellectual properties such as patents based on traditional knowledge in the current financial year. We maintain trademarks for our logo and name exclusively.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not applicable

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education Program - UDAAN	715	100
2	Feeding Program	2,028	100
3	Education Support Programme	1,500	100
4	Wash Initiatives (Sanitation & Hygiene)	5,200	100

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Grievance Redressal Mechanism:

The system for managing consumer complaints and feedback incorporates both structured and unstructured channels. Structured feedback, like Post Service E triggers, follows a defined process. Unstructured feedback, which comes through emails, the website, phone calls, call centers, and social media, is also addressed.

All grievances, regardless of their nature, are routed through a ticketing system with specific assignments and Service Level Agreements (SLAs). Designated team members handle the responses, ensuring resolutions are delivered within the agreed-upon timelines. Any breaches of SLAs are carefully monitored and analyzed to drive future improvements.

Feedback Mechanism:

The voice of our customers is our top priority. We use post-service E triggers to collect feedback, ensuring that patients are contacted and all feedback is addressed within 48 hours, provided no clinical intervention is needed. Constructive feedback is analyzed and responded to for effective resolution, making our services more patient-centric. Corrective and preventive actions (CAPA) are implemented to improve systems, procedures, and services.

Team members are assigned to monitor responses and resolution times, comparing them against benchmarks to identify variations.

Feedback can also be submitted via email at feedback@narayanahealth.org or through the feedback page on our **website**: https://www.narayanahealth.org/feedback-form.

2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:

	As a % to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Receive during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	-
Advertising	0	0		0	0	-
Cyber-security	0	0		0	0	-
Delivery of essential services	0	0		0	0	-
Restrictive trade practices	0	0		0	0	-
Unfair trade practices	0	0		0	0	-
Other (Customer Complaints)	2745	0		2888	0	-

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for Recall
Voluntary Recalls	Not applicable	Not applicable
Forced Recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

The company has a privacy policy available on its website: https://www.narayanahealth.org/privacy-policy.

Additionally, the company maintains an internal Information Security Policy committed to protecting the confidentiality, integrity, and availability of information.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

Nil

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches-**Nil**

b. Percentage of data breaches involving personally identifiable information of customers-**Nil**

c. Impact, if any, of the data breaches-**Not Applicable**

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed.**

   All information about our services can be found on the websites provided in the given link.

   https://www.narayanahealth.org/about-us

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The hospital's nursing teams implement the Care Companion Program, which educates family members of patients on how to effectively attend to their loved ones. This program offers comprehensive guidance on the do's and don'ts of patient care, specifically tailored for those with little or no prior medical knowledge.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential service.**

   The organization notifies its consumers of any disruptions or discontinuations of essential services through the appropriate communication and operations teams

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

   Not applicable, as the company deals in healthcare services.

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, we regularly conduct Customer Satisfaction Surveys across all locations of our organization. We track Customer Satisfaction Score (CSAT), Net Promoter Score (NPS), and Google Scores to continuously improve the patient experience.

   This year, based on feedback from over 100,000 patients, our group-level patient feedback on Google has surpassed a rating of 4.8/5, and we have achieved an NPS of 78%.

Annexure X

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,
The Members,
NARAYANA HRUDAYALAYA LIMITED
CIN: L85110KA2000PLC027497
No. 258/A, Bommasandra Industrial Area,
Anekal Taluk, Bengaluru - 560 099

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by "**NARAYANA HRUDAYALAYA LIMITED**" (**CIN: L85110KA2000PLC027497**) having its registered office at No.258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru – 560 099 (herein after referred to as "**Company**"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, declaration of compliance provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

1. The Companies Act, 2013, (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
   b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   d) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;
   e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
   f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
   g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. Other laws specifically applicable to the Company:
   i. Clinical Establishments (Registration & Regulations) Act, 2010.
   ii. Karnataka Private Medical Establishments Act, 2007.
   iii. Drugs and Cosmetics Act, 1940 and Rules 1945.
   iv. Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 (Ethics Regulations).
   v. National Medical Commission Act, 2019
   vi. Indian Medical Degree Act, 1916
   vii. Indian Nursing Council Act, 1947
   viii. Atomic Energy Act, 1962 and Rules thereunder.
   ix. Narcotic Drugs and Psychotropic Substance Act, 1985 and the rules thereunder.
   x. Medical Termination of Pregnancy Act, 1971 and the rules and regulations thereunder.
   xi. Pre-Natal Diagnostic Techniques (Regulations & Preventions of Misuse) Act, 1994.

xii. Transplantation of Human Organs Act, 1994.

xiii. Registration of Births and Deaths Act, 1969.

xiv. Water (Prevention and Control of Pollution) Act, 1974.

xv. Air (Prevention and Control of Pollution) Act, 1981.

xvi. Bio-medical Waste (Management and Handling) Rules, 1998.

xvii. Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.

xviii. Pre-conception and Prenatal Diagnostic Techniques (Prohibition of Sex Selection) Rules, 1996.

xix. The Information Technology Act, 2000

xx. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

xxi. The Safety Code for Medical Diagnostic X-Ray Equipment and Installations, 2001 ("X-Ray Safety Code")

xxii. Indian Boilers Act, 1923 ("Boilers Act")

xxiii. Various State laws wherein the Company has its establishments.

xxiv. State Fire Safety Acts

xxv. Gas Cylinder Rules, 2016

xxvi. Food Safety and Standards Rules, 2011 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011

xxvii. Prohibition of Smoking Act, 2008

xxviii. Mental Healthcare Act, 2017

xxix. National Building Code, 2016

xxx. Blood Bank Regulations under Drugs and Cosmetics Act, 1940 & NACO Guidelines.

xxxi. The National Commission for Allied and Healthcare Professions Act, 2021

xxxii. The Dentists Act, 1948

xxxiii. The Pharmacy Act, 1948

xxxiv. Pharmacy Council of India (Pharmacy Practice Regulations, 2015 and 2021)

xxxv. Epidemic Diseases Act, 2020

xxxvi. Excise Permit (For Storage of Spirit) under Central Excise Act, 1956

xxxvii. Legal Metrology Act, 2009 and Rules, 2011

xxxviii. Registration of Foreigners Act, 1939 and the Registration of Foreigners Rules, 1992

We have relied on the representation made by the Company and its Officers for the systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, Rules and Regulations to the Company.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India notified as applicable to Companies pursuant to Section 118(10) of the Companies Act 2013.

b) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

c) Tripartite Agreements signed with National Securities Depositories Limited and Central Securities Depositories (India) Limited.

d) Various circulars, notifications, guidelines issued by the Ministry of Corporate Affairs, SEBI and notifications issued by various State Governments and Central Government from time to time.

During the period under review, based on the representation made, legal opinion furnished by the Company, the Company has largely complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

WE FURTHER REPORT THAT:

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

ii. Adequate notice is given to all Directors to schedule the Board and other Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

iii. All decisions were taken with the approval of majority Directors in each such meetings of the Board and committees of the Board and no dissenting views have been recorded.

We further report that, based on the review of the compliance mechanism adopted by the Company regarding compliance with the applicable laws and its adherence, there are adequate systems and processes in the Company commensurate with the size and nature of operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has reported following events/activities having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

I. Formation and Investment in Subsidiaries/Entities:

a. The Company has incorporated a Wholly owned subsidiary named "Narayana Health Insurance

Limited" on 24/05/2023 with an equity Investment of Rs. 100.05 Crores during the Financial Year.

b. The Company has incorporated a Wholly owned subsidiary named "Samyat Healthcare Private Limited" on 04/07/2023.

c. The Company has incorporated a Wholly owned subsidiary named "Medha AI Private Limited" on 15/12/2023.

d. The Company has subscribed in Compulsorily Convertible Preference Shares of "Enlight Now Healthcare Private Limited" to the extent of Rs. 41.07 Lakhs during the year.

e. The Company has invested in equity shares of "Isharays Energy One Private Limited" to the tune of Rs. 2.40 Crores during the Financial Year.

f. The Company has invested in Optionally Convertible Debentures of "NH Integrated Care Private Limited" to the tune of Rs.50 Crores during the Financial Year.

g. The Company has formed "Narayana Clinical Research India Foundation", a Company limited by Guarantee under Section 8 of the Companies Act, 2013.

II. Liquidation/Closure of Subsidiaries:

a. Voluntary liquidation of Narayana Institute for Advance Research Private Limited ("NIARPL"), WOS, under Section 59 of the Insolvency and Bankruptcy Code, 2016 vide order of National Company Law Tribunal (NCLT), Bangaluru Bench dated September 15, 2023 in C.P.(IB)No.53/BB/2023.

b. Strike off of Narayana Health Institutions Private Limited ("NHIPL"), WOS, under Section 248(2) of the Companies Act, 2013 vide Form No. STK – 7/ 000098/2023 dated 20/09/2023.

III. Approval of members were taken at the Annual General Meeting held on 04/08/2023 for the following:

a. Reappointment of Dr. Devi Prasad Shetty as Whole-time Director of the Company for a term of five years effective from August 29, 2023.

b. **Issue of Debt Securities:**

Issue of debt securities, secured or unsecured, including redeemable Non-Convertible Debentures ("Debt Securities") not exceeding INR 300 Crores during the period of one year from the date of Annual General Meeting in one or more series/ tranches on private placement basis.

IV. Retirement/ Appointment of Directors:

a. Mr. Muthuraman Balasubramanian, Mr. Arun Seth, Mr. Subramanya Bangalore Nagappa and Mr. Dinesh Krishna Swamy, Independent Directors of the Company retired from the position of Independent Directorship with effect from August 7, 2023 after completing two consecutive terms as Independent Directors.

b. Dr. Nachiket Madhusudhan Mor (DIN: 00043646) and Mr. Shankar Arunachalam (DIN: 00203948) were appointed as an Additional Director - Independent effective from 08/02/2023 for a period of five consecutive years, not liable to retire by rotation and approval of shareholders taken trough postal Ballot through remote e-voting on May 1, 2023.

c. Mr. Naveen Tewari (DIN: 00677638) was appointed as an Additional Director - Independent effective from 29/03/2023 for a period of five consecutive years, not liable to retire by rotation and approval of shareholders taken trough postal Ballot through remote e-voting on May 1, 2023.

We opine that, with respect to the above, necessary compliances under the provisions of the Companies Act, 2013 and SEBI regulations were made.

We further report that, during the audit period, the Company has allotted 30,000 (Thirty Thousand) Unsecured, Redeemable, Non-convertible Debentures of Rs.1,00,000/-(Rupees One Lakh Only) each aggregating to Rs.3,00,00,00,000/- (Rupees Three Hundred Crores Only) on private placement basis. The same has been listed at Bombay Stock Exchange on March 19, 2024.

This report shall be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

For **GANAPATHI & MOHAN**
Company Secretaries

CS. G M GANAPATHI
Partner
FCS. 5659; C.P: 4520
Peer review No: 1571/2021
(FRN: P2002KR057100)
UDIN: F005659F000445879

Place: Bengaluru
Date:24/05/2024

Annexure - I

To,
The Members,
NARAYANA HRUDAYALAYA LIMITED
CIN: L85110KA2000PLC027497
No. 258/A, Bommasandra Industrial Area,
Anekal Taluk, Bengaluru - 560 099

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

7. The audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by or obtained from the Company electronically.

8. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws, the correctness and appropriateness of financial records, cost records and books of accounts of the Company has not been reviewed in this audit, since the same has been subject to review by the statutory financial auditor and other designated professionals.

For **GANAPATHI & MOHAN**
Company Secretaries

CS. G M GANAPATHI
Partner
FCS. 5659; C.P: 4520
Peer review No: 1571/2021
(FRN: P2002KR057100)
UDIN: F005659F000445879

Place: Bengaluru
Date:24/05/2024

Annexure XI

SECRETARIAL COMPLIANCE REPORT OF NARAYANA HRUDAYALAYA LIMITED (CIN: L85110KA2000PLC027497)

For the financial year ended March 31, 2024

(Pursuant to Rule 3(b) of SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019)

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **NARAYANA HRUDAYALAYA LIMITED** (hereinafter referred as 'the listed entity') having its Registered Office at No. 258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru – 560 099. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined:

(a) all the documents and records made available to us and explanation provided by **NARAYANA HRUDAYALAYA LIMITED** ("the listed entity"),

(b) the filings/ submissions made by the listed entity to the Stock Exchanges,

(c) website of the listed entity,

(d) other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include :-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

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

(d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

(f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

(h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and circulars/ guidelines issued thereunder;and based on the above examination, We hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder:

Sr. No	Compliance Requirement (Regulations/ circulars guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of action	Details of Violation	Fine Amount	Observations/ remarks of the practicing Company Secretary	Management response	Re-marks
NIL										

b) The listed entity need not take any actions to comply as there is no observation made in previous reports::

Sr. No	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No	Deviations	Action taken by	Type of action	Details of Violation	Fine Amount	Observations/ remarks of the practicing Company Secretary	Management response	Re-marks
NIL										

I. We hereby report that, during the Review Period, the compliance status of the listed entity with the following requirements;

S. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS*
01.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	Nil
02.	**Adoption and timely updation of the Policies:**		
	• All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entities.	Yes	Nil
	• All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI.	Yes	Nil
03.	**Maintenance and disclosures on Website:**		
	• The Listed entity is maintaining a functional website.	Yes	Nil
	• Timely dissemination of the documents/ information under a separate section on the website.	Yes	Nil
	• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes	Nil

S. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS*
04.	**Disqualification of Director:**		
	None of the Director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	Nil
05.	**Details related to Subsidiaries of listed entities have been examined w.r.t.:**		
	(a) Identification of material subsidiary companies.	Yes	Nil
	(b) Disclosure requirements of material as well as other subsidiaries.	Yes	Nil
06.	**Preservation of Documents:**		
	The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
07.	**Performance Evaluation:**		
	The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	Nil
08.	**Related Party Transactions:**		
	(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or	Yes	Nil
	(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	Nil
09.	**Disclosure of events or information:**		
	The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	**Prohibition of Insider Trading:**		
	The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	Nil
11.	**Actions taken by SEBI or Stock Exchange(s), if any:**		
	No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or)	No	Nil
	The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.		

S. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS*
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of Section V-D of Chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	Nil
13.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	No	Nil

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **GANAPATHI & MOHAN**
Company Secretaries

CS. G M GANAPATHI
Partner
FCS. 5659; C.P: 4520
Peer review No: 1571/2021
(FRN: P2002KR057100)
UDIN: F005659F000446154

Place: Bengaluru
Date:24/05/2024

Standalone Financial Statements

Independent Auditor's Report

To The Members of **Narayana Hrudayalaya Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Narayana Hrudayalaya Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of Material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	As stated in Note 12, the Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables. The management has adopted a simplified approach of using lifetime ECL model based on its historically observed default and delay rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables and the rates as per the provision matrix. Based on the provision matrix, the Company has recorded an allowance aggregating to ₹ 355.10 Million as included in Note 12 of the standalone financial statements.	Principal audit procedures performed included the following: 1. We tested the design and implementation and operating effectiveness of management's controls over (a) development of provision matrix for the allowance for credit losses (b) completeness and accuracy of information used in estimation of the probability of default and delay (c) computation of the expected credit loss allowances as at the reporting date. 2. Verified the appropriateness of the ECL provision matrix determined by the management by validating the accuracy and completeness of the historically observed default and delay rates, and the mathematical accuracy of the ECL provision matrix, duly considering the adjustments for forward looking estimates, if any. Further, the classification of the customers and the computation of ageing has been validated on a test check basis.

Sr. No.	Key Audit Matter	Auditor's Response
	We identified allowance for credit losses as a key audit matter because the assessment of expected credit loss on trade receivables involve significant judgement by the management to estimate the timing and amount of realisation of these receivables basis the past history, customer profiles and consideration of other internal and external sources of information.	3. Recomputed the expected credit loss allowance as at the reporting period considering the aforesaid provision matrix and compared the amounts so recomputed with the amounts recorded by the Management to determine if there were any material difference individually or in the aggregate.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, for example, Corporate Overview, Key Highlights, Director' Report, Report on Corporate Governance, Management, Management Discussion & Analysis Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IndAS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for not complying with the requirement of the audit trail as stated in (h)(vi) below.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 47 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 47 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. As stated in note 15 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that in respect of two software,

the audit trail feature was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for which the audit trail feature was enabled and operating.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Monisha Parikh
(Partner)
(Membership No. 47840)
UDIN: 24047840BKFIXT1720

Place: Bengaluru
Date: May 24, 2024
MP/EKP/SM/NM/SA/2024

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 standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Narayana Hrudayalaya Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 standalone 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Monisha Parikh
(Partner)
(Membership No. 47840)
UDIN: 24047840BKFIXT1720

Place: Bengaluru
Date: May 24, 2024
MP/EKP/SM/NM/SA/2024

Annexure B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company, and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we state that -

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) The Company has a program of verification of property, plant and equipment, capital work in progress and right of use assets to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i) (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(i) (d) The Company has not revalued any of its property, Plant and Equipment including Right of Use Assets and intangible assets during the year.

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder, and hence reporting under clause 3(i)(e) of the Order is not applicable.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(ii) (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on basis of security of current assets, and hence reporting under clause 3(ii)(b)of the Order is not applicable.

(iii) (a) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, in respect of which:

(A) The Company has provided loans or advances in the nature of loans, stood guarantee, or provided security during the year and details of which are given below:

Amount in Mio

(B) Particulars	Loans	Advance in nature of loans	Guarantees
Aggregate amount granted / provided during the year:			
Subsidiaries	325	NA	Nil
Others	Nil	NA	Nil
Balance Outstanding as at the balance sheet date in respect of above cases			
Subsidiaries	110	NA	8100
Others	Nil	NA	Nil

The Company has not provided any security to any other entity during the year.

(iii) (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(iii) (c) The Company has granted loans or provided advances in the nature of loan are payable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.

(iii) (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(iii) (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii) (f) The Company has granted Loans or advances in the nature of loans which are repayable on demand details of which are given below:

Particulars	Related Parties (₹ In Million)
Aggregate of loans / advances in nature of loans	
- Repayable on demand	325
Total loans	325
Percentage of loans to the total loans	100%

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of services rendered. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(vii) (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ In Million)	Period to which the Amount Relates	Forum where Dispute is Pending
Income tax Act, 1961	Income Tax	2.66	FY 2011-12	Commissioner of Income tax (Appeals)
		10.96	FY 2012-13	
		4.47	FY 2013-14	
		14.04 ^	FY 2015-16	
		30.67	FY 2016-17	
		48.69	FY 2017-18	
		51.44	FY 2019-20	

Name of Statute	Nature of Dues	Amount (₹ In Million)	Period to which the Amount Relates	Forum where Dispute is Pending
Customs Act, 1962	Customs Duty	1.74	FY 2012-13	Customs, Excise and Service Tax Appellate Tribunal
The Central Goods and Service tax Act, 2017	Goods and Service Tax	0.04	July 2017 to March 2018	The Commissioner of GST (Appeal)

^ Net of ₹ 0.30 Mio paid under Protest.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not defaulted in the repayment of borrowings or in the payment of interest thereon during the year.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, or joint ventures, or associate companies.

(x) (a) In our opinion, money raised by way of initial public offer/ further public offer (including debt instruments) by the Company during the year have not yet been utilized.

(x) (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

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

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) The Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 31, 2023 and the internal audit report issued after the balance sheet date covering the period from January 2023 to March 2024 for the period under audit.

(xv) During the year, the Company has not entered into any non-cash transactions with any of its directors, or directors of the company, subsidiary companies, associate companies or persons connected with such directors and hence provisions of Section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clauses 3(xvi)(a),(b),and(c) of the Order is not applicable.

(xvi) The Group does not have any Core Investment Company (CIC) as part of the Group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

Monisha Parikh
(Partner)
(Membership No. 47840)
UDIN: 24047840BKFIXT1720

Place: Bengaluru
Date: May 24, 2024
MP/EKP/SM/NM/SA/2024

Standalone Balance Sheet

as at 31 March 2024

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	12,223.67	10,779.60
Capital work-in-progress	4	337.98	317.60
Right of use assets	5	1,161.76	1,098.08
Goodwill	4 & 42	220.59	220.59
Intangible assets	4 & 42	1,191.39	1,478.79
Financial assets			
i) Investments	6	7,898.63	6,389.59
ii) Loans	7	861.02	820.00
iii) Other financial assets	8	570.96	584.82
Income tax assets (net)	9	12.36	289.36
Other non-current assets	10	2,667.39	390.02
Total non-current assets		**27,145.75**	**22,368.45**
Current assets			
Inventories	11	554.92	322.07
Financial assets			
i) Investments	6	2,307.47	390.62
ii) Trade receivables	12	1,898.85	1,768.35
iii) Cash and cash equivalents	13	1,009.98	702.52
iv) Bank balances other than (iii) above	13	1,314.72	1,274.35
v) Loans	7	110.00	167.00
vi) Other financial assets	8	319.23	484.42
Other current assets	10	266.70	269.46
Total current assets		**7,781.87**	**5,378.79**
TOTAL ASSETS		**34,927.62**	**27,747.24**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	2,043.61	2,043.61
Other equity	15	16,358.53	12,643.82
Total equity		**18,402.14**	**14,687.43**
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	16	7,935.36	4,593.81
ii) Lease liabilities	17	787.73	775.63
iii) Other financial liabilities	18	119.80	120.81
Provisions	19	379.48	310.87
Deferred tax liabilities (net)	38	380.29	789.46
Other non-current liabilities	20	258.11	187.36
Total non-current liabilities		**9,860.77**	**6,777.94**
Current liabilities			
Financial liabilities			
i) Borrowings	16	1,276.75	837.06
ii) Lease liabilities	17	108.00	235.40
iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		278.31	243.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,749.53	3,878.42
iv) Other financial liabilities	18	69.42	62.99
Other current liabilities	20	595.62	651.47
Current tax liabilities (net)		202.52	-
Provisions	19	384.56	372.83
Total current liabilities		**6,664.71**	**6,281.87**
TOTAL EQUITY AND LIABILITIES		**34,927.62**	**27,747.24**

Material accounting policies 3

The accompanying notes form an integral part of these standalone financial statements.

As per our report attached

for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME			
Revenue from operations	22	32,657.02	29,652.29
Other income	23	1,234.05	1,007.99
Total income (A)		**33,891.07**	**30,660.28**
EXPENSES			
Purchase of medical consumables, drugs and surgical instruments		7,897.53	7,147.51
Changes in inventories of medical consumables, drugs and surgical instruments - (Increase)/Decrease	24	(232.85)	(33.54)
Employee benefits expense	25	6,235.66	5,660.01
Professional fees to doctors		6,823.93	6,167.79
Other expenses	26	5,975.78	5,934.62
Expenses before finance costs, depreciation and amortisation and exceptional items (B)		**26,700.05**	**24,876.39**
Earnings before finance costs, depreciation and amortisation, exceptional items and tax (A- B)		**7,191.02**	**5,783.89**
Finance costs (C)	27	542.12	446.28
Depreciation and amortisation expense (D)	28	1,614.42	1,392.36
Total expenses (E) = (B+C+D)		**28,856.59**	**26,715.03**
Profit/ (loss) before exceptional items and tax (F) = (A-E)		**5,034.48**	**3,945.25**
Exceptional items (G)		-	-
Profit/ (loss) before tax (H) = (F+G)		**5,034.48**	**3,945.25**
Tax expense:			
Current tax	38		
Current year		1,190.71	1,197.31
Deferred tax charge / (credit)		(401.40)	91.55
Total tax expense (I)		**789.31**	**1288.86**
Net Profit/ (loss) for the year (J) = (H-I)		**4,245.17**	**2656.39**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains / (losses) of defined benefit plans		(26.21)	(54.05)
Income tax effect		6.60	18.89
Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/ (losses) in cash flow hedge		(4.66)	26.36
Income tax effect		1.17	(9.21)
Other comprehensive income for the year, net of income tax (K)		**(23.10)**	**(18.01)**
Total comprehensive income/ (loss) for the year (J+K)		**4222.07**	**2638.38**
Earnings/ (loss) per share	37		
Basic (₹)		20.90	13.08
Diluted (₹)		20.90	13.08
Material accounting policies	3		

The accompanying notes form an integral part of these standalone financial statements.
As per our report attached

for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(a) Equity share capital

(₹ in million except no. of shares)

Particulars	No. of Shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid up		
Balance as at 1 April 2022	**20,43,60,804**	**2,043.61**
Changes in equity share capital during 2022-23 (refer note 14)	-	-
Balance as at 31 March 2023	**20,43,60,804**	**2,043.61**
Changes in equity share capital during 2023-24 (refer note 14)		
Balance as at 31 March 2024	**20,43,60,804**	**2,043.61**

(b) Other equity

(₹ in million)

Particulars	Reserves and Surplus						Items of OCI		Total other equity
	Capital Reserve	Securities Premium	Treasury Shares	Share options outstanding (refer note 39)	General Reserve	Retained earnings	Effective portion of Cash flow hedge reserve	Re-measurement of defined benefit plans	
Balance at 1 April 2022	**1.54**	**5,033.85**	**(14.05)**	**30.19**	**250.00**	**4,947.44**	**(6.72)**	**(34.99)**	**10,207.26**
Profit for the year	-	-	-	-	-	2,656.39	-	-	2,656.39
Other comprehensive income (OCI) (net of tax)	-	-	-	-	-	-	17.15	(35.16)	(18.01)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,656.39**	**17.15**	**(35.16)**	**2,638.38**
Transaction recorded directly in equity									
Exercise of share options	-	23.90	1.14	(23.90)	-	-	-	-	1.14
Dividends	-	-	-	-	-	(202.96)	-	-	(202.96)
Balance as at 31 March 2023	**1.54**	**5,057.75**	**(12.91)**	**6.29**	**250.00**	**7,400.87**	**10.43**	**(70.15)**	**12,643.82**

Standalone Statement of changes in equity

for the year ended 31 March 2024

(₹ in million)

Particulars	Reserves and Surplus						Items of OCI		Total other equity
	Capital Reserve	Securities Premium	Treasury Shares	Share options outstanding (refer note 39)	General Reserve	Retained earnings	Effective portion of Cash flow hedge reserve	Re-measurement of defined benefit plans	
Profit for the year	-	-	-	-	-	4,245.17	-	-	4,245.17
Other comprehensive income (OCI) (net of tax)	-	-	-	-	-	-	(3.49)	(19.61)	(23.10)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**4,245.17**	**(3.49)**	**(19.61)**	**4,222.07**
Transaction recorded directly in equity									
Exercise of share options	-	6.30	0.30	(6.29)	-	-	-	-	0.30
Dividends	-	-	-	-	-	(507.67)	-	-	(507.67)
Balance as at 31 March 2024	**1.54**	**5,064.05**	**(12.61)**	**-**	**250.00**	**11,138.37**	**6.94**	**(89.76)**	**16,358.53**

The accompanying notes form an integral part of these standalone financial statements.
As per our report attached

for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Standalone Statement of Cash Flows

for the year ended 31 March 2024

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Profit after tax	4,245.17	2,656.39
Adjustments :		
Income tax charge /(credit)	789.31	1,288.86
Depreciation and amortisation (Refer Note 28)	1,614.42	1,392.36
Provision/(Reversal) for loss allowance	(19.67)	88.72
Provision/(Reversal) for doubtful advances	(3.27)	5.21
Bad receivables written off	26.12	3.87
Provisions no longer required written back	(30.25)	(6.60)
Interest income	(137.80)	(84.92)
Interest income from financial asset at amortised cost	(33.50)	(30.14)
Finance costs (Refer Note 27)	542.12	446.28
Guarantee commission income	(0.11)	(3.86)
Government grant income	(56.04)	(51.72)
Gain on derecognition of financial liability	(6.17)	(158.57)
Loss on disposal of assets	29.42	60.25
Dividend received from subsidiary	(757.57)	(510.65)
Profit on sale of investment	(61.77)	(5.15)
Unrealised foreign exchange (gain)/loss (net)	4.38	55.65
Operating cash flow before working capital changes	**6,144.79**	**5,145.98**
Changes in trade receivables	(132.10)	(104.10)
Changes in inventories	(232.85)	(28.57)
Changes in loans, other financial assets and other assets	225.97	(159.38)
Changes in trade payables, other financial liabilities and other liabilities	73.71	1,005.90
Changes in provision	60.73	72.82
Cash generated from operations	**6,140.25**	**5,932.65**
Income taxes (paid) / refund received (net)	(718.96)	(770.08)
Net cash generated from operating activities (A)	**5,421.29**	**5,162.57**
Cash flow from investing activities		
Acquisition of Property, plant and equipment (including capital work-in-progress, Intangible assets and Intangible assets under development, capital advances)	(5,052.65)	(2,448.15)
Proceeds from sale of property, plant and equipment	30.91	4.48
Proceeds from liquidation of Investments	-	57.60
Payment made towards other non current investment	(28.69)	-
Investment in equity shares of subsidiaries	(1,001.50)	(1.00)
Loan given to subsidiaries	(374.00)	(130.00)
Investment in Optionally Convertible Debenture(OCD)	(500.00)	(800.00)
Payment made towards acquisition (Refer Note 42)	0.00	(2,000.00)
Loan repaid by subsidiaries	264.00	55.00
Purchase of mutual fund	(11,200.00)	(2,120.00)
Proceeds from sale of mutual fund	9,344.94	1,894.54
Investment in bank deposits	(761.51)	(2,055.59)
Proceeds from bank deposits	770.79	760.00
Dividend received from subsidiary	757.57	510.65
Interest received	143.78	60.22
Net cash (used in) investing activities (B)	**(7,606.36)**	**(6,212.25)**

Standalone Statement of Cash Flows

for the year ended 31 March 2024

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from financing activities		
Proceeds from long-term borrowings	1,718.99	2,303.05
Repayment of long-term borrowings	(1,067.01)	(771.57)
Proceeds from issue of Non Covertible Debentures(NCD)	3,000.63	-
Dividend paid on equity share	(507.67)	(202.96)
Proceeds from exercise of share options	0.30	1.14
Interest and other borrowing costs	(454.90)	(311.93)
Payment of lease liabilities (Refer Note 36)	(317.70)	(370.00)
Net cash from financing activities (C)	**2,372.64**	**647.73**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**187.57**	**(401.95)**
Cash and cash equivalents at the beginning of the year (refer note 13)*	702.52	1,104.47
Cash and cash equivalents at the end of the year (refer note 13)*	**890.09**	**702.52**

* Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Material accounting policies 3

Reconciliation of liabilities from financing activities for the year ended 31 March 2024

(₹ in million)

Particulars	As at 1 April 2023	Proceeds	Repayment	Non cash changes		As at 31 March 2024
				Fair value/ other changes	Foreign exchange	
Borrowings (including current maturities of long term borrowings with banks)	5,430.87	4,719.62	(1,067.01)	-	8.74	9,092.22
Lease liabilities	1,011.03	-	(317.70)	202.40	-	895.73
Total liabilities from financing activities	**6,441.90**	**4,719.62**	**(1,384.71)**	**202.40**	**8.74**	**9,987.95**

Reconciliation of liabilities from financing activities for the year ended 31 March 2023

(₹ in million)

Particulars	As at 1 April 2022	Proceeds	Repayment	Non cash changes		As at 31 March 2023
				Fair value/ other changes	Foreign exchange	
Borrowings (including current maturities of long term borrowings with banks)	3,822.45	2,303.05	(771.57)	-	76.94	5,430.87
Lease liabilities	1,503.36	-	(370.00)	(122.33)	-	1,011.03
Total liabilities from financing activities	**5,325.81**	**2,303.05**	**(1,141.57)**	**(122.33)**	**76.94**	**6,441.90**

The accompanying notes form an integral part of these standalone financial statements.
As per our report attached

for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Notes

to the standalone financial statements for the year ended 31 March 2024

1. Company overview

Narayana Hrudayalaya Limited ('the Company') was incorporated on 19 July 2000 under the Companies Act, 1956. The Company headquartered in Bengaluru is primarily engaged in the business of rendering medical and healthcare services. Its registered office is at 258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru 560099, Karnataka. The Company was rebranded as 'Narayana Health' in 2013. It has a network of multispecialty and superspeciality hospitals spread across multiple locations. The Company owns and operates certain hospitals and also enters into management agreements with hospitals under which the Company acquires the operating control of the hospitals.

2. Basis of preparation and presentation of the financial statements

2.1. Statement of compliance

The standalone financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises of Indian Accounting Standards (IndAS) as specified in Sec 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ('the Rules') and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable the Company and other provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 24 May 2024.

Details of the material accounting policies are included in Note 3

2.2. Basis of preparation

The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and the Standalone Statement of Changes in Equity, are presented in the format prescribed under Division III of the Act, as amended from time to time, for companies that are required to comply with Ind AS. The Standalone Statement of Cash Flows has been presented as per the requirements of Ind AS 7 – Statement of Cash Flows.

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts are presented in ₹ in million, except share data and per share data, unless otherwise stated.

2.3. Basis of measurement

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

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

2.4. Use of estimates and judgments

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Judgments

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

Note 36 - Leases

Note 29 and 30 – Assessment of contingent liabilities and commitments

Note 43 - Financial instruments

Note 39 - Share based payments

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31 March 2024 is included in the following notes:

Note 38- recognition of deferred tax assets

Note 34 - measurement of defined benefit obligation; key actuarial assumptions

Note 29- recognition and measurement of contingencies; key assumptions about the likelihood and magnitude of outflow of resources.

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Note 4 - useful life of property, plant and equipment and intangible assets

Note 6 to 8, 12, 13 and 43 - recognition of impairment of financial assets

2.5. Measurement of fair values

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

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

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

– Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes:

Note 43 – financial instruments;

Note 39 – share based payment arrangement;

3. Material accounting policies

3.1. Financial instruments

a. Recognition and initial measurement

Trade receivables issued are initially measured (initial recognition method) at their transaction price when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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

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

Financial assets: Business model assessment

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

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- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value,

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and subsequently carried at amortized cost using the effective interest rate method.

Derivative financial instruments

Hedge accounting

The Company uses derivative financial instruments to manage risks associated with interest rate fluctuations relating to foreign currency loan taken by the company.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss

Cash flow hedge:

The Company has designated derivative financial instruments taken for interest rate as 'cash flow' hedges relating to foreign currency loan taken by the company.

The use of derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cashflow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognised in profit & loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

c. Derecognition

Financial assets

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

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

Financial liabilities

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

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

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company has a legally enforceable right to set off the amounts and it intends

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either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.2. Inventories

The inventories of medical consumables, drugs and surgical instruments are valued at lower of cost and net realizable value. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the net realizable value is the selling price. The comparison of cost and net realizable value is made on an item by item basis. 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 Goods and Service Tax wherever applicable, applying the first in first out method.

3.3. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.4. Treasury Shares

The Company has created an Employee Benefit Trust (EBT) for providing share based payment to its employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares. Own equity instruments that are acquired (treasury shares) are recognized at cost and deducted from equity. When the treasury shares are issued to the employees by EBT, the amount received is recognized as an increase in other equity and the resultant is transferred to securities premium.

3.5. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalents as they form an integral part of an entity's cash management

3.6. Revenue recognition

Revenue from operations

The Company recognizes revenue from medical and healthcare services to patients, on sale of medical consumables and drugs within the hospital premises and on providing services towards patient amenities.

Revenue is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized upon transfer of control of promised products or services to customers/patients in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Sales and Service Income exclude Goods and Service Tax (GST) and are net of trade / volume discounts, where applicable

'Unbilled revenue' represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date. 'Unearned revenue' comprises billings in excess of earnings.

Other healthcare services

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

Interest

Interest income is recorded using the effective interest rate (EIR) which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

Dividend income is recognised when the Company's right to receive dividend is established.

3.7. Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment are measured at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment losses, if any. The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly

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attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Cost includes expenditures directly attributable to the acquisition of the asset.

Depreciation and amortization

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. Freehold land is not depreciated. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Block of assets	Useful life
Building	60 years
Electrical installation	10 years
Medical equipment	13 years
Office equipment	5 years
Other equipment including air conditioners	15 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted appropriately.

The Company believes that the useful life as given above best represent the useful life of the assets based on the internal technical assessment and these useful lives are as prescribed under Part C of Schedule II of the Companies Act, 2013 except vehicles where useful life considered by management is lower.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognized as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

3.8. Business Combination, other intangible assets and Goodwill

Business combination

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 assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, 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 and Ind AS 19 respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling 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. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds 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 interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly

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depending on whether there exists clear evidence of the underlying reason for classifying the business combination.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of financial instrument is classified as equity, then its not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets that are acquired separately are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

The estimated useful lives of intangibles are as follows:

Block of assets	Useful life
Computer software	3 years
Non Compete and Non Solicit	5 years
Customer Relationship	5 years

Amortisation method

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

Useful life and residual values are reviewed at the end of each financial year.

Internally generated intangible assets

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation

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

The estimated useful lives of intangibles are as follows:

Block of assets	Useful life
Computer software	10 years

Goodwill

Goodwill is recognized and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the company's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the

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cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit pro-rata on the basis of carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in determination of the profit or loss on disposal.

Transaction costs incurred in connection with a business combination are expensed as incurred.

3.9. Investment in subsidiaries

Investment in subsidiaries is measured at cost.

3.10. Government grants

Grants from the Government are recognised when there is reasonable assurance that:

(i) the Company will comply with the conditions attached to them; and

(ii) the grant will be received

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense.

Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred income.

The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset

3.11. Employee benefits

Short term employee benefits

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

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed periodically by an independent qualified actuary using the projected unit credit method.

The gratuity scheme is administered by a third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined liability (assets) for the period by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the statement of profit and loss. The Company recognizes gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it

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in future service periods or receive cash compensation on any leave accumulated in excess of forty five days or on termination of employment. Since the employee has unconditional right to avail the leave, the benefit is classified as a short term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Employee Stock Option Plan (ESOP)

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

3.12. Borrowing cost

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

3.13. Leases

The Company's lease asset classes primarily consist of leases for land & buildings and equipment. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

3.14. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

3.15. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognized in profit and loss except to

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the extent that is relates to an item recognized directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted by the reporting dates.

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

Deferred tax

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

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

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

Minimum Alternative tax

According to Section 115JAA of the Income tax Act, 1961, Minimum Alternative Tax (MAT') paid over and above the normal Income tax in a subject year is eligible for carry forward for fifteen succeeding assessment year for set-off against normal Income tax liability. The MAT credit asset is assessed against the entity's normal income tax during the specified period.

3.16. Foreign exchange transactions and translations

Transactions in foreign currencies are recorded at prevailing rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of profit or loss.

3.17. Impairment

a. Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost;

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at fair value through other comprehensive income (FVTOCI) are credit-impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or

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– the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative, qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

b. Impairment of non-financial assets

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of

Notes

to the standalone financial statements for the year ended 31 March 2024

a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

3.18. Segment Reporting

Operating results are regularly reviewed by the Chief Operating Decision Maker ('CODM') who makes decisions about resources to be allocated to the segment and assess its performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.19. Non-current assets or disposal groups held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification held for sale and subsequent gain and losses on re- measurement are recognized in the statement of profit and loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

3.20. Provisions and contingencies

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

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

3.21. Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the securities premium account.

3.22. Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees.

3.23. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.24. Recent pronoucements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes

to the standalone financial statements for the year ended 31 March 2024

4 (i) Property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development

(₹ in million)

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Depreciation	Deletions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Tangible assets										
(i) Owned										
Freehold land (a) (b) (d)	1,612.99	-	-	1,612.99	-	-	-	-	1,612.99	1,612.99
Building	3,509.94	291.00	12.89	3,788.05	517.54	70.58	0.01	588.11	3,199.94	2,992.40
Electrical installation	883.73	69.50	5.30	947.93	697.81	39.33	3.73	733.41	214.52	185.92
Medical equipments	7,783.94	1,704.35	327.08	9,161.21	4,122.49	566.56	269.10	4,419.95	4,741.26	3,661.45
Office equipments	244.58	44.32	6.41	282.49	182.57	26.82	5.87	203.52	78.97	62.01
Other equipment including air conditioners	1,815.38	233.48	34.18	2,014.68	905.61	120.66	23.92	1,002.35	1,012.33	909.77
Furniture and fixtures	961.01	134.06	42.24	1,052.83	708.90	62.37	19.29	751.98	300.85	252.11
Computers	455.49	70.39	25.57	500.31	319.01	79.63	18.77	379.87	120.44	136.48
Vehicles	40.34	4.22	1.19	43.37	25.82	4.53	1.19	29.16	14.21	14.52
(ii) Leasehold										
Leasehold improvements	341.88	31.38	9.87	363.39	130.61	17.52	2.84	145.29	218.10	211.27
Building (c)	1,131.12	1.49	8.07	1,124.54	390.44	28.50	4.46	414.48	710.06	740.68
Total tangible assets (A)	**18,780.40**	**2,584.19**	**472.80**	**20,891.79**	**8,000.80**	**1,016.50**	**349.18**	**8,668.12**	**12,223.67**	**10,779.60**
Capital work-in-progress (B)	**317.60**	**801.50**	**781.12**	**337.98**	**-**	**-**	**-**	**-**	**337.98**	**317.60**
Intangible assets										
(i)Acquired										
Computer software	295.44	30.24	0.69	324.99	289.39	7.58	0.46	296.51	28.48	6.05
Non Compete and Non Solicit	1,165.52			1,165.52	116.55	232.78		349.33	816.19	1,048.97
Customer Relationship	236.40			236.40	23.64	47.22		70.86	165.54	212.76
(ii) Internally generated										
Computer software	298.33			298.33	87.32	29.83		117.15	181.18	211.01
(iii) Others										
Goodwill	220.59			220.59	-			-	220.59	220.59
Total intangible assets (C)	**2,216.28**	**30.24**	**0.69**	**2,245.83**	**516.90**	**317.41**	**0.46**	**833.85**	**1,411.98**	**1,699.38**
Intangible assets under development (D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand total (A+B+C+D)	**21,314.28**	**3,415.93**	**1,254.61**	**23,475.60**	**8,517.70**	**1,333.91**	**349.64**	**9,501.97**	**13,973.63**	**12,796.58**
Previous year	**17,473.06**	**4,955.77**	**1,114.55**	**21,314.28**	**7,751.04**	**1,114.20**	**347.54**	**8,517.70**	**12,796.58**	**9,722.02**

Note no 4(iii), (iv)&(v) to be referred here

Notes

to the standalone financial statements for the year ended 31 March 2024

4 (ii) Property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development

(₹ in million)

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 1 April 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Depreciation	Deletions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Tangible assets										
(i) Owned										
Freehold land (a) (b) (d)	787.43	825.56	-	1,612.99	-	-	-	-	1,612.99	787.43
Building	3,231.94	278.00	-	3,509.94	453.61	63.93	-	517.54	2,992.40	2,778.33
Electrical installation	833.29	80.01	29.57	883.73	673.44	44.53	20.16	697.81	185.92	159.85
Medical equipments	7,069.92	883.25	169.23	7,783.94	3,724.86	515.82	118.19	4,122.49	3,661.45	3,345.06
Office equipments	212.95	39.03	7.40	244.58	162.96	25.99	6.38	182.57	62.01	49.99
Other equipment including air conditioners	1,681.98	226.27	92.87	1,815.38	856.01	109.56	59.96	905.61	909.77	825.97
Furniture and fixtures	932.80	74.09	45.88	961.01	676.71	65.86	33.67	708.90	252.11	256.09
Computers	388.72	120.38	53.61	455.49	309.91	61.06	51.96	319.01	136.48	78.81
Vehicles	29.01	11.33	-	40.34	22.80	3.02	-	25.82	14.52	6.21
(ii) Leasehold										
Leasehold improvements	346.79	38.22	43.13	341.88	137.51	17.51	24.41	130.61	211.27	209.28
Building (c)	1,173.02	0.75	42.65	1,131.12	386.61	32.46	28.63	390.44	740.68	786.41
Total tangible assets (A)	**16,687.85**	**2,576.89**	**484.34**	**18,780.40**	**7,404.42**	**939.74**	**343.36**	**8,000.80**	**10,779.60**	**9,283.43**
Capital work-in-progress (B)	**191.25**	**708.97**	**582.62**	**317.60**	**-**	**-**	**-**	**-**	**317.60**	**191.25**
Intangible assets										
(i) Acquired										
Computer software	295.63	5.26	5.45	295.44	285.48	8.09	4.18	289.39	6.05	10.15
Non Compete and Non Solicit		1,165.52	-	1,165.52	-	116.55	-	116.55	1,048.97	-
Customer Relationship	-	236.40	-	236.40	-	23.64	-	23.64	212.76	-
(ii) Internally generated										
Computer software	256.19	42.14	-	298.33	61.14	26.18	-	87.32	211.01	195.05
(iii) Others										
Goodwill	-	220.59	-	220.59	-	-	-	-	220.59	-
Total intangible assets (C)	**551.82**	**1,669.91**	**5.45**	**2,216.28**	**346.62**	**174.46**	**4.18**	**516.90**	**1,699.38**	**205.20**
Intangible assets under development (D)	**42.14**	**-**	**42.14**	**-**	**-**	**-**	**-**	**-**	**-**	**42.14**
Grand total (A+B+C+D)	**17,473.06**	**4,955.77**	**1,114.55**	**21,314.28**	**7,751.04**	**1,114.20**	**347.54**	**8,517.70**	**12,796.58**	**9,722.02**
Previous year	**16,232.73**	**2,198.41**	**958.08**	**17,473.06**	**7,112.01**	**910.90**	**271.87**	**7,751.04**	**9,722.02**	**9,120.72**

Note no 4(iii), (iv)&(v) to be referred here

Notes

to the standalone financial statements for the year ended 31 March 2024

4 (iii) Capital work in Progress(CWIP) and Intangible assets under development (IAUD) ageing schedule

(₹ in million)

Particulars	Amount in CWIP and IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As at March 31, 2024	307.58	27.51	2.36	0.53	**337.98**
As at March 31, 2023	285.45	29.37	1.11	1.67	**317.60**

As on the date of balance sheet, there are no capital work-in-progress and intangible assets under development projects whose completion is overdue or has exceeded the cost based on approved plan.

4 (iv) Goodwill

Goodwill from business acquisition has been allocated to Cash Generating Units (CGU) as given below :

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Orthopaedic and Trauma Hospital (refer note 42)	220.59	220.59
Total	**220.59**	**220.59**

(i) The carrying value of Goodwill relates to the acquisition of Orthopaedic and Trauma Hospital during the previous year (refer note 42). The recoverable amount of the underlying CGU, i.e., Orthopaedic and Trauma Hospital, is based on its value in use, estimated on present value of the projected future cash flows. Following key assumptions were considered in performing impairment assessment:

(₹ in million)

Key assumptions	As at 31 March 2023
Annual growth rate	12.00%
Discount rate	15.55%

The values assigned to the key assumptions given in the table above represent management's assessment of future trends and based on historical data from both external and internal sources. Discount rate reflects the current market assessment of the risks specific to a Cash Generating Unit (CGU). The discount rate is estimated based on the capital asset pricing method for the CGU. The cash flow projections included specific estimates developed using internal forecasts. The planning horizon reflects the assumptions for short-to-midterm market developments. The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to materially exceed the aggregate recoverable amount of the cash generating unit.

4 (v) Notes

(a) includes land in possession and occupation of the Company to the extent of 9 acre 25 guntas out of total 17 acres 44 guntas in Bangalore allotted by Karnataka Industrial Areas Development Board ('KIADB') to the Company on lease cum sale basis for which the Company is yet to execute the sale deed as at 31 March 2024.

(b) During the year 2021-22, the Company has purchased a land to the extent of 14 khatha 22 chatak 47 sq ft land including building structure at South 24-Parganas, Thana: Purba Jadabpur, Corporation: Kolkata municipal corporation, Mukundapur, Road Zone: (E.M. Bye pass -- R.N. Tagore Hospital) Premises No: 1491 and 1563, Ward No: 109 from three individuals namely Mr.Uttam kundu, Mr.Manoj Kumar Jaiswal and Mr. Suji Kumar Jaiswal for which the Company executed the sale deed on 31 October 2021.

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(c) Represents the cost of construction of building on land obtained on lease at Kolkata, Ahmedabad, Jaipur and Jamshedpur.

(d) During the year 2022-23, the Company has purchased a land measuring 1.0347 Hectares in Survey No. 323/2, 323/6 (Old Sy. No. 323/3), 324, 323/4(Old Sy. No. 323/2), 326/3, 326/4, 326/5, 326/6 and 326/8 at the said district as per the sale deed executed on 8 September 2022.

(e) As at 31 March 2024, property, plant and equipments with a carrying amount of ₹ 8,097.49 million (previous year: ₹ 6,763.42 million) are subject to first charge to secure bank loans.

(f) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Notes

to the standalone financial statements for the year ended 31 March 2024

5 (i) Right of use assets

(₹ in million)

Category of ROU asset	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2023	Additions	Deletions	As at 31 March 2024	As at 1 April 2023	Depreciation	Deletions/ Adjustment	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Land	198.77	-	-	198.77	24.82	2.05	-	26.87	171.90	173.95
Building	1,225.25	260.39	59.97	1,425.67	456.98	149.35	38.23	568.10	857.57	768.27
Equipment	664.89	105.54	-	770.43	532.90	121.16	-	654.06	116.37	131.99
Furniture	55.68	-	-	55.68	31.81	7.95	-	39.76	15.92	23.87
Grand Total	**2,144.59**	**365.93**	**59.97**	**2,450.55**	**1,046.51**	**280.51**	**38.23**	**1,288.79**	**1,161.76**	**1,098.08**

(₹ in million)

Category of ROU asset	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2022	Additions	Deletions	As at 31 March 2023	As at 1 April 2022	Depreciation	Deletions/ Adjustment	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Land	198.77	-	-	198.77	22.77	2.05	-	24.82	173.95	176.00
Building	1,387.56	30.68	192.99	1,225.25	408.19	134.79	86.00	456.98	768.27	979.37
Equipment	660.33	4.56	-	664.89	399.53	133.37	-	532.90	131.99	260.80
Furniture	55.68	-	-	55.68	23.86	7.95	-	31.81	23.87	31.82
Grand total	**2,302.34**	**35.24**	**192.99**	**2,144.59**	**854.35**	**278.16**	**86.00**	**1,046.51**	**1,098.08**	**1,447.99**

Refer note 36 for disclosures related to ROU assets and liabilities.

Notes

to the standalone financial statements for the year ended 31 March 2024

6 a) Non-current investments

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Unquoted equity instruments		
Investment in equity shares		
In subsidiary companys:		
Narayana Institute for Advanced Research Private Limited (NIARPL)**	-	-
[Nil (previous year : 1,038,382) equity shares of ₹ 10 each fully paid up along with a premium of ₹ 45.47 per equity share]		
Narayana Hrudayalaya Surgical Hospital Private Limited	1,493.66	1,493.66
[24,425,900 (previous year : 24,425,900) equity shares of ₹ 10 each fully paid up along with a premium of ₹ 145.00 on 1,677,100 shares in current year (₹ 420.56 per equity share on 702,704 equity shares, ₹ 116.99 on 1,182,296 equity shares, ₹ 95.94 on 999,500 equity shares, ₹101.79 on 1,705,900 equity shares, ₹ 164.62 on 625,000 shares, ₹ 164.62 on 386,000 shares, ₹ 152.00 on 897,400, and 16,250,000 shares at par in earlier years]		
Narayana Hospitals Private Limited	532.61	532.61
[53,261,437 (previous year : 53,261,437) equity shares of ₹ 10 each fully paid up]		
Narayana Health Institutions Private Limited***		
[Nil (previous year : 1,104,035) equity shares of ₹ 10 each fully paid up] {Net of provision for other than temporary diminution ₹ 11.04 million (previous year : ₹ 11.04 million)}	-	-
Health City Cayman Islands Limited (erstwhile Narayana Cayman Holdings Ltd)	3,193.18	3,193.18
[50,996.084 (previous year: 50,996.084) equity shares of USD 0.01 each fully paid up with a premium of USD 999.99 per share]*		
Meridian Medical Research & Hospital Limited	1,137.50	1,137.50
[29,024,467 (previous year 29,024,467) equity shares of ₹ 10 each fully paid up with a premium. Premium of ₹ 28.75 per share on 16,717,070 equity shares, ₹ 28 per shares on 9,188,577 equity shares, ₹ 28.51 per share on 1,835,000 shares, ₹ 34.19 per share on 1,026,300 and ₹ 87.08 per share on 257,520 equity shares)]		
Narayana Vaishno Devi Specialty Hospitals Private Limited	-	-
[999,795 (previous year : 999,795) equity shares of ₹ 10 each fully paid up]		
{Net of provision for other than temporary diminution ₹ 10 million (previous year : ₹ 10 million)}		
Athma Healthtech Private Limited	0.50	0.50
[50,000 (previous year: 50,000) equity shares of ₹ 10 each fully paid up]		
Narayana Hrudayalaya Integrated Care Pvt Ltd	0.50	0.50
[50,000 (previous year: 50,000) equity shares of ₹ 10 each fully paid up]		
Narayana Health Insurance Limited	1,000.50	-
[100,050,000 (previous year: Nil) equity shares of ₹ 10 each fully paid up]		
Samyat Healthcare Private Limited	0.50	-
[50,000 (previous year: Nil) equity shares of ₹ 10 each fully paid up]		
Medha AI Private Limited	0.50	-
[50,000(previous year: Nil) equity shares of ₹ 10 each fully paid up]		

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to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Others		
Deemed investment on account of employee stock options issued to employees of subsidiaries		
- Health City Cayman Islands Limited	0.47	0.47
- Meridian Medical Research & Hospital Limited	1.42	1.42
Redkenko Health Tech Pvt Ltd [39 Series A CCCPS ₹ 5.08 million (previous year: 5.08 million)]	5.66	5.08
Narayana Health North America LLC-[Capital contribution of USD 5,000 (previous year-5,000)]	0.37	0.37
Enlight Now Healthcare Private Limited	4.11	-
Isharays Energy One Private	24.00	-
Investment in Optionally Convertible Debentures (OCD) in NHIC****	500.00	-
Atria Wind Power (Chitradurga) Pvt Limited	0.03	0.03
[100 (previous year : 100) equity shares of ₹ 100 each fully paid up with a premium of ₹ 151 per share on 100 equity shares]		
Fair Value of guarantee in subsidiaries (refer note 33)	3.12	24.27
	7,898.63	**6,389.59**
Aggregate value of unquoted investments	7,934.25	6,425.21
Aggregate amount of impairment in value of investments	35.62	35.62
Net investments	**7,898.63**	**6,389.59**

* Transfer/ sale of shares is subject to approval of Exim Bank, as loan is obtained to make investment in this subsidiary.

**NIARPL stands dissolved pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on September 15, 2023

**** The Company has subscribed to 50 million Optionally Convertible Debentures ('OCD') of ₹10 each amounting to ₹ 500 million issued by NHIC pursuant to the Optionally Convertible Debenture Subscription Agreement between the parties.

***The application filed by NHIPL for removal of its name from the Register of Companies under Section 248 of the Companies Act, 2013 was approved by the RoC, Bengaluru on September 20, 2023 and the name of the said Company was struck off and dissolved with effect from the said date.

b) Current investments

Investments in Mutual Funds (quoted)

(₹ in million)

Name of the Fund	As at 31 March 2024		As at 31 March 2023	
	No of units	Amount	No of units	Amount
Bandhan Overnight Fund Direct Plan - Growth	-	-	10,03,79,907.00	120.01
Axis Overnight Fund- Direct Plan- Growth Option	3,99,061.42	504.03	-	-
ICICI Overnight Fund- Direct Plan- Growth Option	11,64,649.72	1,503.01	-	-
SBI Overnight Fund- Direct Plan- Growth Option	77,146.40	300.43	-	-
HDFC Overnight Fund - Direct Plan - Growth Option	-	-	81,301.81	270.61
	16,40,857.54	**2,307.47**	**10,04,61,208.81**	**390.62**

Notes

to the standalone financial statements for the year ended 31 March 2024

7 Loans

(Unsecured, considered good unless otherwise stated)

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
To parties other than related parties		
Unsecured loan*	861.02	820.00
	861.02	**820.00**
(b) Current		
To related parties (refer note 31)		
Unsecured loan	110.00	167.00
	110.00	**167.00**

*'The Company has subscribed to 8 million Optionally Convertible Debentures ('OCD') of ₹ 100 each amounting to ₹ 800 million issued by Shiva and Shiva Orthopaedic Hospital Private Limited pursuant to the Optionally Convertible Debenture Subscription Agreement dated September 5, 2022 between the parties. In case the Issuer fails to redeem all the outstanding Company's OCD, the Company shall have the right (but not the obligation) to convert the outstanding OCDs into Equity Shares of the Issuer, and upon exercise of such right by the Company, the outstanding OCDs shall be converted into equity shares at such determined value from the date of remittance of such loan amount till the date of conversion.

8 Other financial assets

(Unsecured, considered good unless otherwise stated)

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
With parties other than related parties		
Security deposits	224.13	211.35
Bank deposits (due to mature after 12 months from the reporting date)	2.92	52.57
Interest accrued on bank deposits	0.30	0.17
Derivatives designated and effective as hedging instruments carried at fair value		
Interest Rate Swap	12.58	20.42
Forward Contract Derivative	4.12	-
To related parties (refer note 31)		
Security deposits	326.91	300.31
	570.96	**584.82**
(b) Current		
With parties other than related parties		
Security deposits	58.54	35.88
Interest accrued on bank deposits	9.77	7.63
Interest accrued on security deposits	5.69	5.72
Unbilled revenue	151.33	235.08
With related parties (refer note 31)		
Interest accrued on unsecured loans	0.85	16.90
Receivable from NHIC on account of slump sale	-	99.12
Due for reimbursement of expenses	93.05	84.09
	319.23	**484.42**

Notes

to the standalone financial statements for the year ended 31 March 2024

9 Income tax assets (net)

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Advance income tax and tax deducted at source (net of provisions)	-	277.00
Income-tax paid under protest	12.36	12.36
	12.36	**289.36**

10 Other assets

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
With parties other than related parties		
(Unsecured, considered good unless otherwise stated)		
Capital advances	2,589.08	159.98
Prepaid rent	-	92.09
Prepaid expenses	71.62	44.58
(Unsecured, considered doubtful)		
Prepaid rent	19.24	19.24
Less: provision for prepaid rent	(19.24)	(19.24)
Prepaid rent (net)	-	-
With related parties (refer note 31c)		
Prepaid rent and expenses	-	85.92
Prepaid expenses	6.69	7.45
	2,667.39	**390.02**
(b) Current		
With parties other than related parties		
(Unsecured, considered good unless otherwise stated)		
Security deposits	20.48	28.66
Advance to vendors	76.86	58.16
Other loans and advances	11.47	5.37
Prepaid rent	-	9.30
Prepaid expenses	157.01	140.18
Other assets	0.88	3.68
(Unsecured, considered doubtful)		
Prepaid rent	0.24	0.24
Less: provision for prepaid rent	(0.24)	(0.24)
Prepaid rent (net)	-	-
With related parties (refer note 31c)		
Prepaid rent and expenses	-	24.11
	266.70	**269.46**

11 Inventories

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(Valued at lower of cost and net realisable value)		
Medical consumables, drugs and surgical instruments	584.37	340.53
Less: Provision for slow and non moving inventories	(29.45)	(18.46)
Net Total Inventory	**554.92**	**322.07**

Notes

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12 Trade receivables

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	2,253.95	2,145.46
Less: Allowance for expected credit losses	(355.10)	(377.11)
Net trade receivables	**1,898.85**	**1,768.35**
Of the above, trade receivables from related parties are as below:		
Trade receivable (refer note 31c)	257.29	215.37
Expected credit loss allowance	(23.15)	(27.39)
Net trade receivables from related parties	**234.14**	**187.98**

Trade receivables ageing schedule

(₹ in million)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good							
As at March 31, 2024	1,561.41	316.65	190.76	105.64	43.33	36.16	2,253.95
As at March 31, 2023	1,516.00	320.99	119.47	125.00	33.00	31.00	2,145.46

The Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At each reporting period, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

For the year ended March 31, 2024

Category	Ageing		
	Within due date	Due date to 1 year	More than 1 year
Employee State Insurance(ESI)/Central Government Health Scheme (CGHS)/SCHEMES	3.53%	24.20%	64.20%-100%
Others	0.27%	13.86%	65.51%-100%

For the year ended March 31, 2023

Category	Ageing		
	Within due date	Due date to 1 year	More than 1 year
Employee State Insurance(ESI)/Central Government Health Scheme (CGHS)/SCHEMES	3.89%	26.90%	74.6%-100%
Others	0.65%	14.43%	55.77%-100%

The Company's exposure to credit risk and currency risks, and loss allowances are disclosed in note 43.

Notes

to the standalone financial statements for the year ended 31 March 2024

13 Cash and bank balances

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Cash and cash equivalents		
Cash on hand	43.47	40.68
Balance with banks		
- In current accounts	437.39	661.84
- In deposit accounts (due to mature within 3 months of the acquisition date)	529.12	-
	1,009.98	**702.52**
(b) Bank balances other than above		
- In deposit accounts (due to mature within 12 months of the reporting date) *	1,314.72	1,274.35
	1,314.72	**1,274.35**

* The deposits amounting to ₹193.43 millions are restrictive as it relates to deposits against the guarantees.

For the purpose of the statement of cash flows, cash and cash equivalent comprise the following:

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Cash on hand	43.47	40.68
Balance with banks		
- In current accounts	437.39	661.84
- In deposit accounts (due to mature within 3 months of the acquistion date)	529.12	-
	1,009.98	**702.52**
Less: Bank overdraft used for cash management purposes	(119.89)	-
Cash and cash equivalents in the statement of cash flows	**890.09**	**702.52**

14 Equity share capital

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Authorised		
309,000,000 (previous year : 309,000,000) equity shares of ₹ 10 each	3,090.00	3,090.00
71,000,000 (previous year : 71,000,000) preference shares of ₹ 10 each	710.00	710.00
Issued, subscribed and paid up		
204,360,804 (previous year : 204,360,804) equity shares of ₹ 10 each, fully paid up	2,043.61	2,043.61
	2,043.61	**2,043.61**

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

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	20,43,60,804	2,043.61	20,43,60,804	2,043.61
Issued during the year	-	-		
At the end of the year	**20,43,60,804**	**2,043.61**	**20,43,60,804**	**2,043.61**

Notes

to the standalone financial statements for the year ended 31 March 2024

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

The Company has equity shares having a nominal value of ₹ 10 each. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

The Company has authorized preference shares having a nominal value of ₹ 10 each. Preference shares are non-convertible, non-cumulative, non-participating and carry preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013.

(iii) Equity shareholder holding more than 5 percent of equity shares along with the number of equity shares held at the beginning and at the end of the year are as given below:

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Dr. Devi Prasad Shetty	2,38,28,411	11.66%	2,38,28,411	11.66%
Mrs. Shakuntala Shetty	6,20,83,095	30.38%	6,20,83,095	30.38%
	8,59,11,506	**42.04%**	**8,59,11,506**	**42.04%**

(iv) Shareholding of promoters:

(₹ in million)

Promoter Name	As at 31 March 2024		% Change during the year
	Number of shares	% of total shares	
Mrs. Shakuntala Shetty	6,20,83,095	30.38%	-
Dr. Devi Prasad Shetty	2,38,28,411	11.66%	-
Mr.Viren Shetty	1,02,18,040	5.00%	-
Dr. Varun Shetty	1,02,18,040	5.00%	-
Dr. Anesh Shetty	1,02,18,040	5.00%	-
Ms.Ameya Shetty	1,02,18,040	5.00%	-
Narayana Health Academy Pvt Ltd	37,02,064	1.81%	-
	13,04,85,730	**63.85%**	

(₹ in million)

Promoter Name	As at 31st March 2023		% Change during the year
	Number of shares	% of total shares	
Mrs. Shakuntala Shetty	6,20,83,095	30.38%	-
Dr. Devi Prasad Shetty	2,38,28,411	11.66%	-16.00%
Mr.Viren Shetty	1,02,18,040	5.00%	4.00%
Dr. Varun Shetty	1,02,18,040	5.00%	4.00%
Dr. Anesh Shetty	1,02,18,040	5.00%	4.00%
Ms.Ameya Shetty	1,02,18,040	5.00%	4.00%
Narayana Health Academy Pvt Ltd	37,02,064	1.81%	-
	13,04,85,730	**63.85%**	

Notes

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15 Other equity

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(i) Reserves and Surplus		
Securities premium		
At the commencement of the year	5,057.75	5,033.85
Movement during the year	6.30	23.90
At the end of the year	**5,064.05**	**5,057.75**
Capital reserve	1.54	1.54
Treasury Shares		
At the commencement of the year	(12.91)	(14.05)
Movement during the year	0.30	1.14
At the end of the year	**(12.61)**	**(12.91)**
General reserve	250.00	250.00
Share options outstanding		
At the commencement of the year	6.29	30.19
Less: Exercised during the year	(6.29)	(23.90)
At the end of the year	**-**	**6.29**
Retained earnings		
At the commencement of the year	7,400.87	4,947.44
Add: Net profit/(loss) after tax transferred from statement of profit and loss	4,245.17	2,656.39
Add: Dividend received on Treasury Shares	3.23	1.40
Less: Dividends Paid	(510.90)	(204.36)
At the end of the year	**11,138.37**	**7,400.87**
(ii) Other Comprehensive Income		
Effective portion of Cash flow hedge reserve		
At the commencement of the year	10.43	(6.72)
Movement during the year	(3.49)	17.15
At the end of the year	**6.94**	**10.43**
Re-measurement of defined benefit plans		
At the commencement of the year	(70.15)	(34.99)
Movement during the year	(19.61)	(35.16)
At the end of the year	**(89.76)**	**(70.15)**
	16,358.53	**12,643.82**

Capital reserve

Capital reserve was created at the time of acquisition of hospital in Barasat.

Securities premium

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

Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from other equity.

Share options outstanding

The Company has established share based payment for eligible employees of the Company, its subsidiaries or an associate. Also refer note 39 for further details on these plans.

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to the standalone financial statements for the year ended 31 March 2024

General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

Cash flow hedge reserve

Company has entered into a interest rate swap agreement, This cash flow hedge reserve reflects the fluctuations of the fair value of such swap.

Proposed Dividend

The Board of Directors have recommended a dividend of ₹ 4 per share, for the year ended 31 March, 2024, for approval of shareholders of the Company at the ensuing Annual General Meeting (AGM). The payment of said dividend will be made within the statutorily prescribed time of 30 days from the date of approval by the Shareholders at the ensuing AGM.

16 Borrowings

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
(i) Secured		
Term loans		
From banks (refer note I)	4,935.36	4,593.81
(ii) Unsecured		
Non Convertible Debenture*	3,000.00	-
Total non-current borrowings	**7,935.36**	**4,593.81**
(b) Current		
(i) Secured		
Working capital Loan	119.89	-
Current maturities of long-term borrowings with banks	1,156.86	837.06
Total current borrowings	**1,276.75**	**837.06**

*During the year ended March 31, 2024, the Company has issued 30,000 rated, listed, unsecured, redeemable non-convertible debentures (NCDs) aggregating to ₹3,000 million on a private placement basis carrying a coupon rate of 8.25% p.a. payable annually and the NCDs are redeemable at the end of 5th year from the date of allotment (March 19, 2024). As at March 31, 2024, the NCDs are disclosed under non-current borrowings and the Company has complied with the disclosure requirements under Regulation 52 of the SEBI (Listing Obligations and Disclosure) Requirements, 2015.

I Term loans from banks :

Sl No.	Details of repayment terms, interest and maturity	Nature of security
(i)	Term loan from HSBC Bank : INR 76.00 million (previous year : INR 81.00 million). It is repayable in 4 (previous year 8 quarterly instalments) quarterly instalments from reporting date after moratorium period of 18 months from date of 1st disbursement. Date of 1st disbursement is 12 March 2018. Interest is charged at 8.73% p.a. (previous year: 8.5% p.a)	Movable Fixed Assets acquired out of the loan and equitable mortage over land and building of the Jaipur hospital.
(ii)	Term loan from HSBC Bank : INR 26.00 million (previous year : INR 152.00 million). It is repayable in 2 (previous year 4 quarterly instalments) quarterly instalments from June 2020. Interest is charged at 8.73% p.a. (previous year: 8.5%)	

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Sl No.	Details of repayment terms, interest and maturity	Nature of security
(iii)	Term loan from EXIM Bank: INR 1,200 million (previous year : 1,200 million). Payable in 20 (previous year nil) Quarterly equal instalments starting from 01 Dec 2024). Interest is charged at 8.17% P.a, (prevoius year: 8.14% p.a.)	Exclusive charge on the Company's immovable properties being land, buildings and structures attached or permanently fastened thereon at the location having S.No: 2/4,2/5,2/7,2/8,3, 23/1C,23/1D,26,27,28,29 with an aggregate extent of 7 Acres 1.85 Guntas situate at Kittiganahalli village, Attibele hobli, Anekal Taluk, Bangalore, Karnataka and Moveable Fixed Assets. - Further EXIM bank to issue paripassu to HDFC Bank for INR 1600 Millon, as agreed with bank.
(iv)	Foreign currency loan taken from EXIM Bank : INR 447 million ($ 5.35 million) (previous year: INR 734 million ($ 8.92 million)). Repayable in 6 quarterly instalments from the reporting date (previous year: 10 quarterly instalments from 31st Dec 2018). Interest is linked to the O/N SOFR) + 242 base points which is 7.78%.. (previous year: Libor (6 month) + 200 base points).	Exclusive charge on the Company's immovable properties being land, buildings and structures attached or permanently fastened thereon at the location having S.No: 2/4,2/5,2/7,2/8,3, 23/1C,23/1D,26,27,28,29 with an aggregate extent of 7 Acres 1.85 Guntas situate at Kittiganahalli village, Attibele hobli, Anekal Taluk, Bangalore, Karnataka.- Further EXIM bank to issue paripassu to HDFC Bank for INR 1600 Millon, as agreed with bank.
(v)	*Term loan from SBI: INR 258 million (previous year: INR 330 million). Repayable in 36 monthly instalments from the reporting date (previous year 48 monthly instalments from 31st March 2019) Interest is charged at 8.20% p.a.(previous year: 8.5% p.a.)	
(vi)	*Term loan from SBI: INR 223 million (previous year: INR 303 million). Repayable in 54 monthly instalments from 31st October 20 (previous year : 66 monthly instalments) Interest is charged at 8.20% p.a.(previous year: 8.5% p.a..)	Movable Fixed Assets and exclusively charge on land and building located #78, Jessor Road, Mouzahariharpur, Ward #5 Barassat Kolkata. Land measuring 2.474acre title deed # 2760/2014
(vii)	*Term loan from SBI: INR 796 million (previous year: INR 956 million). Repayable in 13 (previous year 17 quarterly instalments) from the reporting date after 2 years Moratorium from date October 2017. Interest is charged at 8.20% p.a.(previous year: 8.5% p.a).	
(viii)	*Term loan from HDFC BANK INR 1,368 Million (previous year: INR1,560 million). Repayable in 18 (previous year 22) quarterly installments from Dec-22. Interest is charged at 7.55% p.a.(previous year: 7.73%).	Fresh TL- Sparsh Property Mortgaged and Paripassu of MSH property from EXIM Bank
(ix)	Term loan from HSBC Bank : INR 451 million (previous year : INR -150 Million). It is repayable in 28 (previous year 32 quarterly instalments) quarterly instalments from June-23. Date of 1st disbursement is 14 March 2023. Interest is charged at 8.27% p.a. (previous year: 8.09% p.a)	Movable Fixed Assets acquired out of the loan and equitable mortage over land and building of the Jaipur hospital.

Notes

to the standalone financial statements for the year ended 31 March 2024

Sl No.	Details of repayment terms, interest and maturity	Nature of security
(x)	Term loan from HSBC Bank : INR 1,000 million (previous year : INR NIL). It is repayable in 28 (previous year NIL quarterly instalments) quarterly instalments from April-25. Date of 1st disbursement is 30th Jan.2024. Interest is charged at 8.37% p.a. (previous year: NIL p.a)	Specific Moveable Fixed Assets.
(xi)	*Term loan from HDFC BANK INR 246 Million (previous year: NIL). Repayable in 30 (previous year NIL) quarterly installments from Nov-23. Interest is charged at 8.37% p.a.(previous year: NIL).	Specific Moveable Fixed Assets.

* Promotors % of holding should not be reduced below 51% during the tenure of loan.

Debenture/ Bond	Nature of Security
NCD Raise for INR 3,000 Million (Previous year : NIL) Bullet Repayment. Fixed Interest Rate at 8.25%p.a.(Previous Year: NIL)	Unsecured

Working Capital :	Nature of Security
Over Draft from HSBC : INR 120 Million (previous year:NIL) repayable On Demand.	Specific Movable Fixed Assets
Over Draft from ICICI : INR 0.002 Million (previous year:NIL) repayable On Demand.	FD backed OD facility

17 Lease liabilities

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Opening Lease liability	1,011.03	1,503.36
Additions/(Reversal) during the period	123.48	(232.07)
Finance cost accrued during the period	78.92	109.74
Lease payment	(317.70)	(370.00)
Closing Lease liability	**895.73**	**1,011.03**
Less: Current lease liability	(108.00)	(235.40)
	787.73	**775.63**
(b) Current		
Lease liability	108.00	235.40
	108.00	**235.40**

18 Other financial liabilities

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Payable towards share purchased for ESOP Trust	12.61	12.91
Liability towards asset replacement cost	104.85	104.85
Liability for financial guarantee	2.31	1.86
Creditors for capital goods	0.03	1.19
	119.80	**120.81**

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(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(b) Current		
To parties other than related parties		
Interest accrued and not due on borrowings	29.07	20.77
Creditors for capital goods	19.82	24.57
Other financial liabilities	20.45	15.17
Liability for financial guarantee	0.08	2.48
	69.42	**62.99**

*The Company's exposure to liquidity risk and currency risk are disclosed in note 43.

19 Provisions (refer note 34)

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Provision for employee benefits		
Gratuity	379.48	310.87
	379.48	**310.87**
(b) Current		
Provision for employee benefits		
Gratuity	126.08	131.78
Compensated absences	258.48	241.05
	384.56	**372.83**
Current Tax Liabilities(net)		
Advance income tax and tax deducted at source (net of provisions)	202.52	-
	202.52	**-**

20 Other liabilities

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Unearned revenue	10.19	11.44
Deferred government grant*	58.70	68.68
Deferred government grant for EPCG Licence **	161.15	76.37
Deferred grant-others***	25.56	28.36
Payable to Gratuity Trust	2.51	2.51
	258.11	**187.36**
(b) Current		
To parties other than related parties		
Contract Liabilities	211.65	283.76
Unearned revenue	1.28	1.28
Deferred government grant*	9.94	13.01
Deferred government grant for EPCG Licence **	18.78	34.41
Deferred grant-others***	2.89	3.28
Balances due to statutory/ government authorities	231.71	197.07
Others	13.88	22.97
To related parties (refer note 31)		
Other payables	105.49	95.69
	595.62	**651.47**

Notes

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Summary of the government grant received by the Company :-

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Opening Balance	224.11	190.50
Add: Grants during the year	108.95	85.33
Less: Released to profit and loss	56.04	51.72
Closing Balance	**277.02**	**224.11**
Non Current	245.41	173.41
Current	31.61	50.70

*During the financial year 2013-14, the Company had received capital grant from the Assam Government amounting to ₹ 220.00 million for purchase of fixed assets for operating the hospital in Assam. The Company has recognized this grant as deferred income at fair value which is being amortised over the useful life of the fixed assets in proportion in which the related depreciation is recognized.(Refer note 40)

**During the financial year 2017-18, 2018-19, 2022-23, 2023-24 the Company had received capital grant in the form of EPCG licence from Government of India amounting to ₹ 6.10 million, ₹ 89.65 million , ₹ 85.33 million and ₹ 108.95 million respectively, for import of capital goods subject to fulfilment of export obligation in next 6 years. The Company has recognized this grant as deferred government liability for EPCG licence at fair value. The company will recognize deferred grant income in the statement of profit and loss as per Ind AS.

*** During the financial year 2021-22, the Company has received capital grants from various corporates amounting to ₹ 38.48 million for purchase of medical equipment's as agreed. The Company has recognized this grant as deferred income at fair value which is being amortised over the useful life of the Property, plant and equipment in proportion in which the related depreciation is recognized.

21 Trade payables

(₹ in million)

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 35)	278.31	243.70
Total outstanding dues of creditors other than micro and small enterprises	3,749.53	3,878.42
	4,027.84	**4,122.12**

*Payables to related parties (refer note 31c)

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 43.

Trade payables ageing schedule

Particulars	Outstanding for the following period from due date of payments					Total
	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024						
a) Undisputed-MSME		269.42	7.93	0.50	0.46	278.31
b) Undisputed -Others	1,971.60	1,675.14	47.48	10.22	45.09	3,749.53
c) Disputed- MSME	-	-	-	-	-	-
d) Disputed -others	-	-	-	-	-	-
Total	**1,971.60**	**1,944.56**	**55.41**	**10.72**	**45.55**	**4,027.84**
As at March 31, 2023						
a) Undisputed-MSME	6.86	235.40	0.49	0.36	0.59	243.70
b) Undisputed -Others	2,206.84	1,548.69	49.33	46.68	26.88	3,878.42
c) Disputed- MSME	-	-	-	-	-	-
d) Disputed -others	-	-	-	-	-	-
Total	**2,213.70**	**1,784.09**	**49.82**	**47.04**	**27.47**	**4,122.12**

*Includes provision for expenses.

Notes

to the standalone financial statements for the year ended 31 March 2024

22 Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from medical and healthcare services	31,069.10	28,292.76
Sale of medical consumables and drugs	1,324.97	1,167.57
Other operating revenue:		
Teleradiology income	30.25	27.72
Income from patient amenities	-	24.84
Income from IT for healthcare services	107.12	38.14
Other healthcare services	125.58	101.26
	32,657.02	**29,652.29**

Refer notes below

(₹ in million)

(i) Category of Customer	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash*	20,789.55	19,290.90
Credit	11,867.47	10,361.39
	32,657.02	**29,652.29**

*Includes receipts through digital/electronic mode

(₹ in million)

(ii) Nature of treatment	For the year ended 31 March 2024	For the year ended 31 March 2023
In-patient	25,162.66	22,928.23
Out-patient	5,906.44	5,364.53
Sale of medical consumables and drugs	1,324.97	1,167.57
Others	262.95	191.97
	32,657.02	**29,652.29**

(iii) The revenue from rendering Medical & Healthcare services and sale of medical consumables and drugs satisfies 'at a point in time' recognition criteria as prescribed by Ind AS 115

(iv) Transaction price allocated to the remaining performance obligations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract Liabilities	211.65	283.76
	211.65	**283.76**

(v) Reconciliation of revenue recognised with contract price:

Revenue from operations (including other operating income)

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract Price (as reflected in the invoice rasied on customer as per the terms of the contract with customer)	34,157.40	30,983.77
Reduction in the form of discounts	(1,500.38)	(1,331.48)
Revenue Recognised in statement of profit and loss	**32,657.02**	**29,652.29**

Notes

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(vi) Use of Practical expedients

Transaction price allocated to the remaining performance obligations

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

23 Other income

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Dividend received	757.57	510.65
Export incentive	1.03	48.90
Interest income on		
- Bank deposits	70.21	29.37
- Unsecured loan	8.02	9.68
- Income tax refund	18.40	25.83
- Optionally convertible debenture	41.17	20.00
- Others	-	0.04
Interest income from financial asset at amortised cost	33.50	30.14
Grant income	56.04	51.72
Guarantee commission	0.11	3.86
Foreign exchange gain, (net)	18.05	-
Profit on sale of investment	61.77	5.15
Provisions no longer required written back	30.25	6.60
Income from derecognition of finance lease	6.17	158.57
Miscellaneous income	131.76	107.48
	1,234.05	**1,007.99**

24 Changes in inventories of medical consumables, drugs and surgical instruments- (Increase)/ Decrease

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	322.07	288.53
Inventory at the end of the year	554.92	322.07
Changes in inventory	**(232.85)**	**(33.54)**

25 Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	5,683.84	5,150.53
Contribution to provident and other funds (refer note 34)	355.41	361.12
Share based payment to employees (refer note 39)	-	-
Staff welfare expenses	196.41	148.36
	6,235.66	**5,660.01**

Notes

to the standalone financial statements for the year ended 31 March 2024

26 Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Hospital operating expenses		
Rent	486.33	416.14
Patient welfare expenses	286.54	286.83
Power and fuel	625.22	556.75
Hospital general expenses	268.18	262.26
House keeping expenses	829.53	845.54
Medical gas charges	96.74	91.58
Biomedical wastage expenses	26.72	25.03
Repairs and maintenance		
- Hospital equipments	449.17	470.10
- Buildings	96.63	169.76
- Others	664.79	635.37
Total (A)	**3,829.85**	**3,759.36**
Administrative expenses		
Travel and conveyance	185.35	192.69
Security charges	233.68	230.11
Printing and stationery	172.53	162.62
Rent	54.64	75.87
Advertisement and publicity	603.27	443.82
Legal and professional fees (refer note (i) below)	139.77	174.03
Business promotion	358.33	359.17
Telephone and communication	82.76	64.31
Bank charges	106.32	105.45
Insurance	47.86	51.94
Corporate social responsibility (refer note (ii) below)	33.80	14.41
Rates and taxes	50.38	68.84
Books and periodicals	25.59	25.89
Provision for loss allowance & Doubtful advances	(22.94)	93.93
Bad receivables written off	26.12	3.87
Loss on disposal of assets	29.42	60.25
Foreign exchange loss, (net)	-	18.16
Miscellaneous expenses	19.05	29.90
Total (B)	**2,145.93**	**2,175.26**
Total (A+B)	**5,975.78**	**5,934.62**

(i) Payment to auditors*

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
As an auditor		
(i) Audit fee	6.20	6.20
(ii) Limited review	1.80	1.80
(iii) Other attest services	0.30	0.50
In other capacity:		
(iv) Reimbursement of expenses	0.20	0.20
	8.50	**8.70**

*excluding GST

Notes

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(ii) Corporate social responsibility

Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule VII of the Companies Act, 2013.

The Company's CSR activities primarily focuses on programs that aims to make a positive difference in the lives of the people by engaging in activities that eliminates or alleviates pain and suffering to the under privileged sections of the society by Promoting healthcare facilities for the upliftment of people at large and creating a positive impact by addressing issues of accessibility and affordability. Promoting educational facilities to help and assist in unfolding the creative potentials and talents of the children and amateurs.

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Amount required to be spent by the Company during the year	34.02	14.34
b) Amount of expenditure incurred on purpose other than construction/ acquisition of any asset	33.80	14.41
c) Excess spend of prior years set off during the year	0.45	-
d) Shortfall/(Excess) at the end of the year [(d)=(a)-(b)-(c)]	(0.23)	(0.07)
e) Total of previous years shortfall	-	-
f) Reason for shortfall	NA	NA
g) Nature of CSR Activities	Promoting healthcare facilities for the upliftment of people at large, Promoting educational facilities to deserved children and amateurs	
h) Details of related party transactions	NA	NA
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

27 Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities measured at amortised cost		
- term loans from banks	433.20	320.63
- bank overdraft	0.06	0.45
- others	29.94	11.62
Interest expense on lease liabilities (refer note 17a)	78.92	109.74
Unwinding of asset replacement cost	-	3.84
	542.12	**446.28**

28 Depreciation and amortisation expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 4)	1,016.50	939.74
Depreciation of right of use assets (refer note 5)	280.51	278.16
Amortisation of intangible assets (refer note 4)	317.41	174.46
	1,614.42	**1,392.36**

Notes

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29 Contingent liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debts in respect of:-		
a) Customs Duty (refer note A below)	1.74	1.74
b) Income tax (refer note B below)	30.19	30.19
c) Goods and Service Tax (refer note C below)	22.71	18.75

Guarantees:

The Company has issued corporate guarantee to its subsidiaries amounting to ₹ 810.00 million (previous year ₹ 7,305.13 million) (refer note 45) and total loan outstanding as on 31 March 2024 is ₹ 5,127.58 million (previous year : ₹ 2,157.17 million). Within the overall limits of the Corporate guarantee, the Company has also committed towards making additional capital contribution in certain subsidiaries, as applicable under the relevant loan agreements.

Note:

A. For financial year 2012-13, the Company has received a notice proposing levy of customs duty on import of 'Surgical Microscopes' along with accessories classifying it under CTH 9018 9000 of Customs Tariff Act 1975. Against the demand of ₹ 1.74 million , the Company has deposited ₹ 1.33 million with the department and filed an appeal before the Commissioner of Customs (Appeals), which is pending as at 31 March 2024.

B. Income Tax

a) For assessment year 2012-13 the Company had received an assessment order under section 143(3) of the Income Tax Act, 1961 on 31st March 2015. The company may have an additional liability of ₹ 12.59 million on account of differential tax provision. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)). CIT(A) had issued an order in favour of the Company. The department then filed an appeal with the Income Tax Appellate Tribunal (ITAT) against the order of CIT(A). ITAT had issued an order in favour of the Company and referred to Assessing officer. The assessing officer issued revised assessment order u/s.143(3) r.w.s 254 on 27/09/2022 for disallowing of unpaid leave encashment of ₹ 8.19 million. The company may have an additional liability of ₹ 2.57 million as per the assessment order received however while issuing the assessment order the assessing officer has not given benefit of MAT credit of ₹ 1.58 million. The company has filed rectification on 07/10/2023 against the assessment order.

b) For assessment year 2013-14 the Company had received an assessment order under section 143(3) of the Income Tax Act, 1961 on 25 March 2016. The company may have an additional liability of ₹ 6.69 million on account of differential tax provision. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)) which is pending as at 31 March 2024.

c) For assessment year 2016-17 the company had received a notice 142(1) of the Income tax act, 1961 on 28 Mar 2018 asking company to submit certain documents on 6 April 2018. Company has replied on 6 April 2018, 24 July 2018, 29 August 2018, 7 December 2018. The department has issued a assessment order u/s 143(3) on 29 December 2018 demanding a sum of ₹ 1.06 million. Against this demand, the Company had paid ₹ 0.3 million under protest on 11 February 2019 and filed an appeal with the Commissioner of Income Tax (Appeals) (CIT(A)), which is pending as at 31 March 2024.

d) For assessment year 2017-18 the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961 on 27 December 2019. The company may have an additional liability of ₹ 20.93 million on account of differential tax provision. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)), which is pending as at 31 March 2024.

e) For assessment year 2018-19 the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961 on 24 May 2021. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)), which is pending as at 31 March 2024.The department while issuing computation of total income for supporting to Assessemnt order not given effect of 35 AD, the company has

Notes

to the standalone financial statements for the year ended 31 March 2024

filed a request letter to assessing officer to rectify the mistake, the assessing officer considering the request letter, issued rectification assessement order on 17/03/2023. The company has also received notice u/s. 263 for revision assessment on 14/12/2023 from Principal Commission of Income Tax (PCIT) for asking us give the details of 35 AD deduction claimed for Gurugram unit & Mumbai unit and share issue expenses, The PCIT issued order u/s. 263 on 29/03/2024 and directed the AO to recheck & issue the assessment order, its pending with assessing officer.

f) For assessment year 2020-21 the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961 on 23/09/2022. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)), which is pending as at 31 March 2024.

C. Goods and Services Tax(GST)

i) For the period July 2017 to March 2018 the company has received assessment order from the GST authority of West Bengal state under section 73(5) under GST Act, 2017. As per the order the company may have additional liability ₹ 18.75 million on account of differential tax provisions. The company has filed an appeal against the assessment order issued by department before the first appellate authority on 5th July 2023 which is pending as at 31 March 2024.

ii) For the Financial year 2018-19, the company has received assessment order from the GST authority Karnataka state under section 73(9) under GST Act, 2017. As per the order the company may have additional liability ₹ 3.96 million on account of differential tax provisions. The company has decided to file an appeal against the order.

D. Based on the advise of its legal counsel, the Company believes that other disputes, lawsuits and claims, including commercial matters, which arise from time to time in the ordinary course of business and are outstanding as at 31 March 2024 will not have any material adverse effect on its financial statements for the year ended 31 March 2024.

30 Commitments

Estimated amounts of contracts remaining to be executed on capital account (net of advances) and other commitments and not provided for, amounts to ₹ 1,017.18 million (previous year: ₹ 1,465.65 million).

31 Related party disclosures

(a) Details of related parties

Nature of relationship	Name of related parties
Subsidiaries	Narayana Institute for Advanced Research Private Limited (NIARPL) dissolution w.e.f.15th September,2023 **
	Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)
	Narayana Hospitals Private Limited (NHPL)
	Narayana Health Institutions Private Limited (NHIPL) strike off w.e.f.20th September 2023*
	Meridian Medical Research & Hospital Limited (MMRHL)
	Narayana Vaishno Devi Specialty Hospitals Private Limited (NVDSHPL)
	Narayana Holdings Private Limited (NHDPL)
	Narayana Health North America LLC (NHNA)
	Health City Cayman Islands Ltd (HCCI)
	ENT in Cayman Ltd. (EICL) w.e.f March 3, 2023
	Athma Healthtech Private Limited (AHPL) w.e.f June 2, 2022
	NH Integrated Care Private Limited (NHIC) w.e.f 10th January, 2023
	Cayman Integrated Healthcare Limited (CIHL) w.e.f 28th September 2022
	Narayana Health Insurance Limited (NHIL) w.e.f. 24th May, 2023
	Samyat Healthcare Private Limited (SHPL) w.e.f. 4th July, 2023
	Medha AI Private Limited w.e.f. 15th December, 2023
	NH Health Bangladesh Private Limited (Subsidiary of NHDPL) (NHHBPL)

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to the standalone financial statements for the year ended 31 March 2024

Nature of relationship	Name of related parties
Key Management Personnel (KMP)	Dr. Devi Prasad Shetty- Chairman
	Dr. Emmanuel Rupert - Managing Director
	Mr. Viren Prasad Shetty - Whole-time Director
	Ms. Sandhya Jayaraman - Chief Financial Officer
	Mr. Sridhar S -Company Secretary
Relatives of KMP	Dr. Varun Shetty
	Dr. Anesh Shetty
	Dr. Vivek Shetty
	Ms. Ameya Shetty
	Mrs. Neha Shetty
	Mrs. Sanchita Shetty
	Mrs. Sonali Shetty
	Ms. Aanya Shetty
	Ms. Annika Shetty
	Mrs. Shakuntala Shetty
Associate of subsidiaries	Reya Health Inc(formerly known as Cura Technologies Inc)
	ISO Healthcare (dissolution w.e.f., April 3, 2024) ***
Enterprises under control or joint control of KMP and their relatives	Amaryllis Healthcare Private Limited
	Hrudayalaya Pharmacy
	Charmakki Infrastructures
	Thrombosis Research Institute(TRI)
	Narayana Health Enterprises
	Narayana Hrudayalaya Foundation (NHF)
	Mazumdar Shaw Medical Foundation (MSMF)
	Narayana Health Academy Private Limited(NHAPL)
	Asia Heart Foundation (AHF)
Enterprises where control of Company exists	Narayana Hrudayalaya Private Limited Employees Group Gratuity Trust

*The application filed by NHIPL for removal of its name from the Register of Companies under Section 248 of the Companies Act, 2013 was approved by the RoC, Bengaluru on September 20, 2023 and the name of the said Company was struck off and dissolved with effect from the said date.

**NIARPL stands dissolved pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on September 15, 2023

***ISO Healthcare, Mauritius, the associate Company has been dissolved effective April 3, 2024 as per the gazette notification

(b) Transactions with related party during the year ended 31 March 2024

(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Unsecured loan given					
NHSHPL	30.00	-	-	-	30.00
	(130.00)	(-)	(-)	(-)	(130.00)
SHPL	15.00	-	-	-	15.00
	-	(-)	(-)	(-)	(-)
NHIC	280.00	-	-	-	280.00
	-	(-)	(-)	(-)	-
NHIL	19.00	-	-	-	19.00
	-	(-)	(-)	(-)	-
TOTAL	**344.00**	**-**	**-**	**-**	**344.00**
	(130.00)	**(-)**	**(-)**	**(-)**	**(130.00)**

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to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Repayment of unsecured loan given by NHL					
NHSHPL	177.00	-	-	-	177.00
	(55.00)	(-)	(-)	(-)	(55.00)
NHIC	205.00	-	-	-	205.00
	-	(-)	(-)	(-)	-
NHIL	19.00	-	-	-	19.00
	-	(-)	(-)	(-)	-
TOTAL	**401.00**	**-**	**-**	**-**	**401.00**
	(55.00)	**(-)**	**(-)**	**(-)**	**(55.00)**
Interest income on security deposit					
NHPL	14.44	-	-	-	14.44
	(13.30)	(-)	(-)	(-)	(13.30)
Charmakki Infrastructures	-	-	-	12.16	12.16
	(-)	(-)	(-)	(11.07)	(11.07)
TOTAL	**14.44**	**-**	**-**	**12.16**	**26.60**
	(13.30)	**(-)**	**(-)**	**(11.07)**	**(24.37)**
Dividend Received from Subsidiaries					
HCCI	757.57	-	-	-	757.57
	(510.65)	(-)	(-)	(-)	(510.65)
Sale of medical consumables and drugs and Services					
HCCI	335.83	-	-	-	335.83
	(329.75)	(-)	(-)	(-)	(329.75)
MMRHL	1.39	-	-	-	1.39
	(4.01)	(-)	(-)	(-)	(4.01)
NHSHPL	3.64	-	-	-	3.64
	(5.01)	(-)	(-)	(-)	(5.01)
NHIC	3.02	-	-	-	3.02
	(-)	(-)	(-)	(-)	(-)
NVDSHPL	0.60	-	-	-	0.60
	(0.86)	(-)	(-)	(-)	(0.86)
TOTAL	**344.48**	**-**	**-**	**-**	**344.48**
	(339.63)	**(-)**	**(-)**	**(-)**	**(339.63)**
Call Centre Income					
NHSHPL	6.26	-	-	-	6.26
	(6.61)	(-)	(-)	(-)	(6.61)
Lab outsourcing expense					
NHSHPL	13.45	-	-	-	13.45
	(10.95)	(-)	(-)	(-)	(10.95)
NHIC	16.71	-	-	-	16.71
	(-)	(-)	(-)	(-)	(-)
MSMF	-	-	-	3.73	3.73
	(-)	(-)	(-)	(3.88)	(3.88)
Total	**30.16**	**-**	**-**	**3.73**	**33.89**
	(10.95)	**(-)**	**(-)**	**(3.88)**	**(14.83)**

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(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Rent expenses					
NHPL	10.62	-	-	-	10.62
	(10.62)	(-)	(-)	(-)	(10.62)
Charmakki Infrastructures	-	-	-	7.89	7.89
	(-)	(-)	(-)	(7.48)	(7.48)
AHF	-	-	-	3.68	3.68
	(-)	(-)	(-)	(3.12)	(3.12)
MSMF	-	-	-	29.50	29.50
	(-)	(-)	(-)	(29.50)	(29.50)
NHF	-	-	-	3.16	3.16
	(-)	(-)	(-)	(3.16)	(3.16)
TOTAL	**10.62**	**-**	**-**	**44.23**	**54.85**
	(10.62)	**(-)**	**(-)**	**(43.26)**	**(53.88)**
Reimbursement of expenses					
NHPL	6.44	-	-	-	6.44
	(5.80)	(-)	(-)	(-)	(5.80)
NVDSHPL	2.61	-	-	-	2.61
	(0.57)	(-)	(-)	(-)	(0.57)
HCCI	35.33	-	-	-	35.33
	(28.93)	(-)	(-)	(-)	(28.93)
AHF	-	-	-	0.05	0.05
	-	(-)	(-)	(0.05)	(0.05)
NHSHPL	206.65	-	-	-	206.65
	(54.83)	(-)	(-)	(-)	(54.83)
Hrudayalaya Pharmacy	-	-	-	0.01	0.01
	-	(-)	(-)	(0.01)	(0.01)
NHF	-	-	-	0.09	0.09
	(-)	(-)	(-)	(6.08)	(6.08)
MMRHL	2.81	-	-	-	2.81
	(1.90)	(-)	(-)	(-)	(1.90)
AHPL	3.71	-	-	-	3.71
	(0.83)	(-)	(-)	(-)	(0.83)
NHIC	10.00	-	-	-	10.00
	(12.49)	(-)	(-)	(-)	(12.49)
NHIL	13.45	-	-	-	13.45
	(-)	(-)	(-)	(-)	(-)
SHPL	1.01	-	-	-	1.01
	(-)	(-)	(-)	(-)	(-)
Narayana Health Enterprises	-	-	-	0.61	0.61
	-	(-)	(-)	(-)	(-)
NHEBT ESOP Trust	-	0.57	-	-	0.57
	-	(0.13)	(-)	(-)	(0.13)
TOTAL	**282.01**	**0.57**	**-**	**0.76**	**283.34**
	(105.35)	**(0.13)**	**(-)**	**(6.14)**	**(111.62)**

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to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Revenue from healthcare services					
NHF	-	-	-	0.36	0.36
	(-)	(-)	(-)	(0.27)	(0.27)
MMRHL	23.34	-	-	-	23.34
	(18.06)	(-)	(-)	(-)	(18.06)
HCCI	6.99	-	-	-	6.99
	(-)	(-)	(-)	(-)	(-)
NHSHPL	1.76	-	-	-	1.76
	(-)	(-)	(-)	(-)	(-)
NHIC	0.81	-	-	-	0.81
	(-)	(-)	(-)	(-)	(-)
MSMF	5.50	-	-	-	5.50
	(6.27)	(-)	(-)	(-)	(6.27)
TOTAL	**38.40**	**-**	**-**	**0.36**	**38.76**
	(24.33)	**(-)**	**(-)**	**(0.27)**	**(24.60)**
Revenue sharing Income					
AHPL	3.42	-	-	-	3.42
	(-)	(-)	(-)	(-)	(-)
Advance on Account of Discount Entitlement					
NHF	-	-	-	1.32	1.32
	(-)	(-)	(-)	(1.32)	(1.32)
AHF	-	-	-	1.44	1.44
	(-)	(-)	(-)	(1.42)	(1.42)
TOTAL	**-**	**-**	**-**	**2.76**	**2.76**
	(-)	**(-)**	**(-)**	**(2.74)**	**(2.74)**
Advance given for payment to employees					
HCCI	0.58	-	-	-	0.58
	(1.41)	(-)	(-)	(-)	(1.41)
Rental income net of tax					
NHSHPL	4.97	-	-	-	4.97
	(5.36)	(-)	(-)	(-)	(5.36)
AHPL	0.54	-	-	-	0.54
	(0.42)	(-)	(-)	(-)	(0.42)
NHIL	0.06	-	-	-	0.06
	(-)	(-)	(-)	(-)	(-)
SHPL	0.25	-	-	-	0.25
	(-)	(-)	(-)	(-)	(-)
NHIC	0.70	-	-	-	0.70
	(-)	(-)	(-)	(-)	(-)
Total	**6.52**	**-**	**-**	**-**	**6.52**
	(5.78)	**(-)**	**(-)**	**(-)**	**(5.78)**
Rental income of laptop					
HCCI	0.42	-	-	-	0.42
	(-)	(-)	(-)	(-)	(-)

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(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Slump Sale					
NHIC	-	-	-	-	-
	(99.12)	(-)	(-)	(-)	(99.12)
Interest income					
NHIC	5.37	-	-	-	5.37
	(-)	(-)	(-)	(-)	(-)
SHPL	0.24	-	-	-	0.24
	(-)	(-)	(-)	(-)	(-)
NHIL	0.30	-	-	-	0.30
	(-)	(-)	(-)	(-)	(-)
NHSHPL	2.09	-	-	-	2.09
	(9.68)	(-)	(-)	(-)	(9.68)
TOTAL	**8.00**	**-**	**-**	**-**	**8.00**
	(9.68)	**(-)**	**(-)**	**(-)**	**(9.68)**
Purchase of fixed assets					
MMRHL	-	-	-	-	-
	(3.94)	(-)	(-)	(-)	(3.94)
Sale of fixed assets					
MMRHL	0.20	-	-	-	0.20
	(0.78)	(-)	(-)	(-)	(0.78)
NHSHPL	6.81	-	-	-	6.81
	(-)	(-)	(-)	(-)	(-)
HCCI	1.15	-	-	-	1.15
	(-)	(-)	(-)	(-)	(-)
NHIC	0.25	-	-	-	0.25
	(-)	(-)	(-)	(-)	(-)
NVDSHPL	-	-	-	-	-
	(0.03)	(-)	(-)	(-)	(0.03)
TOTAL	**8.41**	**-**	**-**	**-**	**8.41**
	(0.81)	**(-)**	**(-)**	**(-)**	**(0.81)**
Guarantee commission					
HCCI	5.77	-	-	-	5.77
	(3.14)	(-)	(-)	(-)	(3.14)
MMRHL	-	-	-	-	-
	(0.46)	(-)	(-)	(-)	(0.46)
NHSHPL	0.11	-	-	-	0.11
	(0.26)	(-)	(-)	(-)	(0.26)
TOTAL	**5.88**	**-**	**-**	**-**	**5.88**
	(3.86)	**(-)**	**(-)**	**(-)**	**(3.86)**
Software license fees					
HCCI	11.92	-	-	-	11.92
	(11.59)	(-)	(-)	(-)	(11.59)
Purchase of medical stores and Consumables					
Hrudayalaya Pharmacy	-	-	-	-	-
	(-)	(-)	(-)	(0.09)	(0.09)

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Amaryllis Healthcare Private Limited	-	-	-	125.77	125.77
	(-)	(-)	(-)	(151.28)	(151.28)
MMRHL	1.65	-	-	-	1.65
	(2.01)	(-)	(-)	-	(2.01)
NHSHPL	0.68	-	-	-	0.68
	(1.77)	(-)	(-)	(-)	(1.77)
SHPL	434.72	-	-	-	434.72
	(-)	(-)	(-)	(-)	(-)
NVDSHPL	0.06	-	-	-	0.06
	(1.21)	(-)	(-)	(-)	(1.21)
TOTAL	**437.11**	**-**	**-**	**125.77**	**562.88**
	(4.99)	**(-)**	**(-)**	**(151.37)**	**(156.36)**
Healthcare Services availed from Subsidiaries					
MMRHL	2.37	-	-	-	2.37
	(4.39)	(-)	(-)	(-)	(4.39)
Hospital General Expenses					
Amaryllis Healthcare Private Limited	-	-	-	43.37	43.37
	(-)	(-)	(-)	(33.58)	(33.58)
Guarantees given					
HCCI	-	-	-	-	-
	(508.74)	(-)	(-)	(-)	(508.74)
TOTAL	**-**	**-**	**-**	**-**	**-**
	(508.74)	**(-)**	**(-)**	**(-)**	**(508.74)**
Release of guarantee given					
HCCI	6,495.14	-	-	-	6,495.14
	(-)	(-)	(-)	(-)	(-)
MMRHL	-	-	-	-	-
	(820.70)	(-)	(-)	(-)	(820.70)
TOTAL	**6,495.14**	**-**	**-**	**-**	**6,495.14**
	(820.70)	**(-)**	**(-)**	**(-)**	**(820.70)**
IT Cost & FTE Manpower					
HCCI	116.29	-	-	-	116.29
	(37.37)	(-)	(-)	(-)	(37.37)
Short-term employee benefits*					
Dr. Devi Prasad Shetty	-	145.53	-	-	145.53
	(-)	(119.27)	(-)	(-)	(119.27)
Dr. Emmanuel Rupert	-	75.14			75.14
	(-)	(94.67)	(-)	(-)	(94.67)
Mr. Viren Prasad Shetty	-	33.15	-	-	33.15
	(-)	(27.60)	(-)	(-)	(27.60)
Ms. Sandhya J	-	26.01	-	-	26.01
	(-)	(25.61)	(-)	(-)	(25.61)
Mr. Sridhar S	-	10.32	-	-	10.32
	(-)	(6.62)	(-)	(-)	(6.62)

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Transactions	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Dr. Varun Shetty	-	-	10.64	-	10.64
	(-)	(-)	(8.29)	(-)	(8.29)
Dr. Vivek Shetty	-		6.54	-	6.54
	(-)		(7.27)	(-)	(7.27)
TOTAL	**-**	**290.15**	**17.18**	**-**	**307.33**
	-	**(273.77)**	**(15.56)**	**-**	**(289.33)**
Other Professional Fees					
Dr. Varun Shetty	-	-	13.36	-	13.36
	(-)	(-)	(10.37)	(-)	(10.37)
Dr. Vivek Shetty	-	-	3.27	-	3.27
	(-)	(-)	(1.97)	(-)	(1.97)
Rent					
Dr. Emmanuel Rupert	-	0.22	-	-	0.22
	(-)	(-)	(-)	(-)	(-)
Share based payments					
Dr. Emmanuel Rupert	-	0.30	-	-	0.30
	(-)	(1.14)	(-)	(-)	(1.14)

Figures in brackets are for the previous year.

Notes:

Compensation to KMP is bifurcated into short-term employee benefits, long-term benefits and share based payments. The remuneration to KMP does not include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Company as a whole.

*The amounts are determined as per section 17(2) of the Income tax Act, 1961 read with the related Rules.

c) The balances receivable from and payable to related parties

(₹ in million)

Balances	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Other financial assets (Current)- Due for reimbursement of expense					
NHPL	(1.88)	-	-	-	(1.88)
	(5.88)	(-)	(-)	(-)	(5.88)
NVDSHPL	4.06	-	-	-	4.06
	(3.93)	(-)	(-)	(-)	(3.93)
HCCI	28.98	-	-	-	28.98
	(19.82)	(-)	(-)	(-)	(19.82)
NHF	-	-	-	1.29	1.29
	(-)	(-)	(-)	(1.30)	(1.30)
NHSHPL	53.71	-	-	-	53.71
	(50.33)	(-)	(-)	(-)	(50.33)

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Balances	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
MMRHL	0.84	-	-	-	0.84
	(1.18)	(-)	(-)	(-)	(1.18)
Hrudayalaya Pharmacy	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
NHIC	1.26	-	-	-	1.26
	(111.60)	(-)	(-)	(-)	(111.60)
Narayana Health Enterprises	-	-	-	0.61	0.61
	(-)	(-)	(-)	(-)	-
SHPL	(1.09)	-	-	-	(1.09)
	(-)	(-)	(-)	(-)	(-)
NHIL	0.03	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)
AHF	-	-	-	1.06	1.06
	(-)	(-)	(-)	(-)	(-)
AHPL	4.15	-	-	-	4.15
	(0.80)	(-)	(-)	(-)	(0.80)
NHEBT ESOP Trust	0.03	-	-	-	0.03
	(0.13)	(-)	(-)	(-)	(0.13)
TOTAL	**90.09**	**-**	**-**	**2.96**	**93.05**
	(181.91)	**(-)**	**(-)**	**(1.30)**	**(183.21)**
Financial assets- loans (Current)- Unsecured Loan					
NHIC	75.00	-	-	-	75.00
	(-)	(-)	(-)	(-)	(-)
SHPL	15.00	-	-	-	15.00
	(-)	(-)	(-)	(-)	(-)
NHSHPL	20.00	-	-	-	20.00
	(167.00)	(-)	(-)	(-)	(167.00)
TOTAL	**110.00**	**-**	**-**	**-**	**110.00**
	(167.00)	**(-)**	**(-)**	**(-)**	**(167.00)**
Other financial liabilities - (Current) Creditors for capital goods					
NIARPL	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Other non-current assets - Prepaid expense					
AHF	-	-	-	6.69	6.69
	(-)	(-)	(-)	(7.45)	(7.45)
Other non-current assets - Right to use asset					
NHPL	85.03	-	-	-	85.03
	-	(-)	(-)	(-)	(-)
Charmakki Infrastructures	-	-	-	0.84	0.84
	(-)	(-)	(-)	(-)	(-)
TOTAL	**85.03**	**-**	**-**	**0.84**	**85.87**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Other non-current assets - Prepaid rent					
NHPL	-	-	-	-	-
	(85.08)	(-)	(-)	(-)	(85.08)

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Balances	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
Charmakki Infrastructures	-	-	-	-	-
	(-)	(-)	(-)	(0.84)	(0.84)
TOTAL	**-**	**-**	**-**	**-**	**-**
	(85.08)	**(-)**	**(-)**	**(0.84)**	**(85.92)**
Other current assets - Prepaid rent					
NHPL	-	-	-	-	-
	(17.12)	(-)	(-)	(-)	(17.12)
Charmakki Infrastructures	-	-	-	-	-
	(-)	(-)	(-)	(6.99)	(6.99)
TOTAL	**-**	**-**	**-**	**-**	**-**
	(17.12)	**(-)**	**(-)**	**(6.99)**	**(24.11)**
Financial assets- loans (non current)- Security deposit					
NHPL	188.39	-	-	-	188.39
	(173.96)	(-)	(-)	(-)	(173.96)
Charmakki Infrastructures	-	-	-	138.52	138.52
	(-)	(-)	(-)	(126.35)	(126.35)
Trade payables					
NHPL	14.48	-	-	-	14.48
	(7.19)	(-)	(-)	(-)	(7.19)
Amaryllis Healthcare Private Limited	-	-	-	5.19	5.19
	(-)	(-)	(-)	(11.65)	(11.65)
MSMF	-	-	-	0.59	0.59
	(-)	(-)	(-)	(14.14)	(14.14)
MMRHL	1.15	-	-	-	1.15
	(3.78)	(-)	(-)	(-)	(3.78)
NHSHPL	13.64	-	-	-	13.64
	(12.70)	(-)	(-)	(-)	(12.70)
SHPL	353.40	-	-	-	353.40
	(-)	(-)	(-)	(-)	(-)
NVDSHPL	0.01	-	-	-	0.01
	(0.55)	(-)	(-)	(-)	(0.55)
TOTAL	**382.68**	**-**	**-**	**5.79**	**388.47**
	(24.22)	**(-)**	**(-)**	**(25.79)**	**(50.01)**
Trade receivables(Gross)					
HCCI	205.47	-	-	-	205.47
	(184.36)	(-)	(-)	(-)	(184.36)
NHF	-	-	-	0.02	0.02
	(-)	(-)	(-)	(0.02)	(0.02)
NHSHPL	41.09	-	-	-	41.09
	(27.07)	(-)	(-)	(-)	(27.07)
MSMF	-	-	-	0.60	0.60
	(-)	(-)	(-)	(0.49)	(0.49)
MMRHL	2.09	-	-	-	2.09
	(1.62)	(-)	(-)	(-)	(1.62)
NHIC	4.02	-	-	-	4.02
	(-)	(-)	(-)	(-)	(-)

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Balances	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises under control or joint control of KMP and their relatives	Total
NVDSHPL	0.28	-	-	-	0.28
	(1.42)	(-)	(-)	(-)	(1.42)
NHIL	0.02	-	-	-	0.02
	(-)	(-)	(-)	(-)	(-)
SHPL	0.15	-	-	-	0.15
	(-)	(-)	(-)	(-)	(-)
AHPL	3.55	-	-	-	3.55
	(0.39)	(-)	(-)	(-)	(0.39)
TOTAL	**256.67**	**-**	**-**	**0.62**	**257.29**
	(214.86)	**(-)**	**(-)**	**(0.51)**	**(215.37)**
Other liabilities (current) - Other payables					
AHF	-	-	-	105.49	105.49
	(-)	(-)	(-)	(95.69)	(95.69)
Other financial assets (current) - Interest accrued on unsecured loan					
NHSHPL	0.47	-	-	-	0.47
	(16.90)	(-)	(-)	(-)	(16.90)
NHIC	0.16	-	-	-	0.16
	(-)	(-)	(-)	(-)	-
SHPL	0.22	-	-	-	0.22
	(-)	(-)	(-)	(-)	-
TOTAL	**0.85**	**-**	**-**	**-**	**0.85**
	(16.90)	**(-)**	**(-)**	**(-)**	**(16.90)**
Share based payments					
Dr. Emmanuel Rupert	-	-	-	-	-
	(-)	(1.14)	(-)	(-)	(1.14)
Guarantees outstanding					
NHSHPL	810.00	-	-	-	810.00
	(810.00)	(-)	(-)	(-)	(810.00)
HCCI	-	-	-	-	-
	(6,495.14)	(-)	(-)	(-)	(6,495.14)
TOTAL	**810.00**	**-**	**-**	**-**	**810.00**
	(7,305.14)	**(-)**	**(-)**	**(-)**	**(7,305.14)**

Note:

(a) No amount in respect of related parties have been written off/back during the year.

(b) Related party relationships have been identified by the Management and relied upon by the auditors.

(c) The terms and conditions of the transactions with related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with other than related entities on an arm's length basis.

Notes

to the standalone financial statements for the year ended 31 March 2024

32 Segment information

Operating segments

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore 'Medical and Healthcare Related Services'. Accordingly, there are no additional disclosures to be provided under Ind AS 108, other than those already provided in the financial statements.

Entity wide disclosures -Information about geographical areas

Geographical information analyses the company's revenue and non current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

(i) Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	32,309.27	29,328.98
Rest of the world (Cayman Islands)	347.75	323.31
	32,657.02	**29,652.29**

(ii) Non current assets *

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
India	17,802.78	14,284.68
Cayman	-	-
	17,802.78	**14,284.68**

*Non-current assets exclude financial instruments, deferred tax assets

33 Investments, loans, guarantees and security

(a) The Company has made investment in the following Companies:

(₹ in million)

Entity	As at 31 March 2023 (net of impairment)	Allotment / Purchases during the year	Impairment / write off	As at 31 March 2024
Investment in equity instruments				
Narayana Institute for Advanced Research Private Limited(NIARPL)**	-	-	-	-
Narayana Hrudayalaya Surgical Hospital Private Limited	1,493.66	-	-	1,493.66
Narayana Hospitals Private Limited	532.61	-	-	532.61
Health City Cayman Islands Ltd	3,193.18	-	-	3,193.18
Meridian Medical Research & Hospital Limited	1,137.50	-	-	1,137.50

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Entity	As at 31 March 2023 (net of impairment)	Allotment / Purchases during the year	Impairment / write off	As at 31 March 2024
Narayana Vaishno Devi Specialty Hospitals Private Limited	-	-	-	-
Narayana Health Institutions Private Limited(NHIPL)***	-	-	-	-
Atria Wind Power (Chitradurga) Pvt Ltd	0.03	-	-	0.03
Athma Healthtech Private Limited	0.50	-	-	0.50
Narayana Health Insurance Limited	-	1,000.50	-	1,000.50
Samyat Healthcare Private Limited	-	0.50	-	0.50
Medha AI Private Limited	-	0.50	-	0.50
Narayana Hrudayalaya Integrated Care Pvt Ltd	0.50		-	0.50
Others				
Fair Value of guarantee in subsidiaries*	24.27	-	(21.15)	3.12
Enlight Now Healthcare Private Limited	-	4.11	-	4.11
Isharays Energy One Private	-	24.00	-	24.00
Redkenko Health Tech Pvt Ltd	5.08	0.58	-	5.66
Narayana Health North America LLC	0.37	-	-	0.37
Investment in OCD in NHIC	-	500.00	-	500.00
Deemed Investment	1.89	-	-	1.89
	6,389.59	**1,530.19**	**(21.15)**	**7,898.63**

*Pertains to guarantees provided by company to its subsidiaries which has been eliminated on consolidation. This transaction has been recorded in accordance with the applicable accounting standard and has no implication under any statute.

**NIARPL stands dissolved pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on September 15, 2023

***The application filed by NHIPL for removal of its name from the Register of Companies under Section 248 of the Companies Act, 2013 was approved by the RoC, Bengaluru on September 20, 2023 and the name of the said Company was struck off and dissolved with effect from the said date.

(b) The Company has given unsecured loans to the following entities:

(₹ in million)

Entity	As at 31 March 2023	Movement	As at 31 March 2024	Purpose of loans
Subsidiaries				
Narayana Hrudayalaya Surgical Hospital Private Limited	167.00	(57.00)	110.00	Financial assistance
	167.00	**(57.00)**	**110.00**	

Notes

to the standalone financial statements for the year ended 31 March 2024

(c) The Company has provided guarantees to the following entities:

(₹ in million)

Entity	As at 31 March 2023	Movement	As at 31 March 2024	Purpose of guarantees
Health City Cayman Islands Ltd *	6,495.14	(6,495.14)	-	Corporate guarantee given to First Caribbean International Bank to give term loan to Health City Cayman Islands Limited (refer note 45).
Narayana Hrudayalaya Surgical Hospital Private Limited	460.00	-	460.00	Corporate guarantee given to Yes Bank for giving term loan/ working capital loan to Narayana Hrudayalaya Surgical Hospital Private Limited.
Narayana Hrudayalaya Surgical Hospital Private Limited	350.00	-	350.00	Corporate guarantee given to The Hongkong and Shanghai Banking Corporation Ltd to give term loan to Narayana Hrudayalaya Surgical Hospital Private Limited.
	7,305.14	**(6,495.14)**	**810.00**	

* During the year the Company has closed guarantee given to First Caribbean International Bank amounting to $79 million (₹ 6,495.14 millions).

34 Employee benefits

Defined contribution plan

The Company makes contributions towards provident fund and employee state insurance to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance for the year aggregated to ₹ 272.85 million (previous year: ₹ 291.32 million)

Defined benefit plan

The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The gratuity fund is administered by a trust formed for this purpose and is managed by Kotak Life Insurance. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss. The Company accrues gratuity as per the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date.

Notes

to the standalone financial statements for the year ended 31 March 2024

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's Standalone financial statements as at balance sheet date:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligations liability	534.08	466.22
Plan assets	(28.52)	(23.58)
Net defined benefit liability	**505.56**	**442.64**
Liability for compensated absences	258.48	241.05
Total employee benefit liability	**764.04**	**683.69**
Non-current	379.48	310.86
Current	384.56	372.83

B. Reconciliation of net defined benefit (assets) /liability

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

i) Reconciliation of present values of defined benefit obligation

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation as at 1st April	466.22	378.58
Benefits paid		
- by the Fund	(40.06)	(37.18)
- by the Company	-	-
Current Service Cost	55.92	52.54
Interest cost	28.36	17.92
Acquisition / Divesture	(2.62)	0.26
Actuarial (gains)/ losses recognised in other comprehensive income		
- changes in demographic assumptions	(4.46)	(0.29)
- changes in financial assumptions	5.38	(20.32)
- experience adjustments	25.34	74.71
Defined benefit obligations as at 31 March	**534.08**	**466.22**

ii) Reconciliation of fair values of plan assets

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets at beginning of the year	**23.58**	**11.85**
Contributions paid into the plan	43.33	48.21
Interest income	1.72	0.66
Benefits paid	(40.06)	(37.18)
Actuarial (gains)/ losses recognised in other comprehensive income	(0.05)	0.04
Plan assets at the end of the year	**28.52**	**23.58**
Net defined benefit liability	**505.56**	**442.64**

Notes

to the standalone financial statements for the year ended 31 March 2024

C. i) Expense recognised in statement of profit and loss

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	55.92	52.54
Interest cost	28.36	17.92
Interest income	(1.72)	(0.66)
	82.56	**69.80**

ii) Remeasurements recognised in other comprehensive income

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial (gain)/ loss on defined benefit obligation	26.26	54.10
Return on plan assets excluding interest income	0.05	(0.04)
	26.31	**54.06**

D. Plan Assets

Plan assets comprises of the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Government securities & debt instruments	28.52	23.58

The nature of assets allocation of plan assets is in government securities and debt instruments of high credit rating.

E. Defined benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

(₹ in million)

Principal actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Attrition rate	Up to Level 6 = 36%, Level 7and above = 13%	Up to Level 6 = 36%, Level 7and above = 27%
Discount rate	7.16%	7.30%
Expected rate of return on plan assets	0.07	0.06
Mortality table	IALM 2012-2014	IALM 2012-2014
Future salary increases	First year 8.00%, thereafter 6.20%	First year 7.90%, thereafter 6%

Assumptions regarding future mortality are based on published statistics and mortality tables.

As of 31 March 2024, the plan assets have been invested in insurer managed funds and the expected contributions to the fund during the year ending 31 March 2025, is approximately ₹ 93.42 million (31 March 2023: ₹ 155.35 million).

Notes

to the standalone financial statements for the year ended 31 March 2024

Maturity profile of defined benefit obligation

(₹ in million)

Particulars	Amount
1st following year	154.60
2nd following year	112.35
3rd following year	90.98
4th following year	69.61
5th following year	51.19
Year 6 to 10	135.38
Above 10 years	83.11

At 31 March 2024, the average past service was 4.88 years (previous year: 4.64 years) and average expected future working life was 3 years (previous year 2.81 years).

ii) Sensitivity analysis

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

(₹ in million)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(8.28)	8.39	(5.43)	5.58
Future salary increases (0.5% movement)	8.93	(8.92)	6.38	(6.29)
Attrition rate (0.5% movement)	(0.15)	(0.07)	(2.36)	0.20
Mortality rate (10% movement)	(0.06)	(0.14)	0.02	(0.02)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

35 Due to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	269.06	237.62
- Interest	9.25	6.08
The amount of interest paid by the buyer as per the MSMED Act, along with the amount of payments made to micro and small suppliers beyond the appointed day during the accounting year;	-	-

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	9.25	6.08
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditureunder the section 23 of MSMED Act 2006.	-	-

36 Leases

The Company has adopted Ind AS 116 'Leases', effective annual reporting period beginning April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has applied the standard to its leases, using the modified retrospective approach, with the cumulative effect of initially applying the Standard, recognized on the date of initial application (April 1, 2019). Comparative information has not been restated.

Accordingly, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases

The Company has not applied the requirements of Ind AS 116 for leases of low value assets

The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease

(i) The following is the break-up of current and non-current lease liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	108.00	235.40
Non-current lease liabilities	787.73	775.63
	895.73	**1,011.03**

(ii) The following is the movement in the lease liabilities during the year ended

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	1,011.03	1,503.36
Addition / (Deletions)*	123.48	(232.07)
Finance cost accrued during the year	78.92	109.74
Payment of lease liabilities	(317.70)	(370.00)
	895.73	**1,011.03**

*includes lease modification relating to one hospital resulting in reversal of lease liability amounting to ₹ 28.17 million (previous year ₹ 245.06 million).

Notes

to the standalone financial statements for the year ended 31 March 2024

(iii) The table below provides details regarding the contractual maturities of rental payments as of 31 March 2024

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Contractual rental payments	190.63	184.33	383.02	776.20	1,534.18
	190.63	**184.33**	**383.02**	**776.20**	**1,534.18**

Rental expense recorded for short-term leases was ₹ 540.97 million(previous year ₹ 492.01 million) for the year ended March 31, 2024.

The table below provides details regarding the contractual maturities of rental payments as of 31 March 2023

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Contractual rental payments	313.77	162.88	350.93	830.57	1,658.15
	313.77	**162.88**	**350.93**	**830.57**	**1,658.15**

37 Earnings/ (loss) per share (EPS)

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 March 2024 was based on profit/(loss) attributable to equity shareholders of ₹ 4,245.17 million (previous year: ₹ 2,656.39 million) and weighted average number of equity shares outstanding 203,069,835 (previous year: 203,069,835).

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 March 2024 was based on profit/(loss) attributable to equity shareholders of ₹ 4,245.17 million (previous year: (₹ 2,656.36 million) and weighted average number of equity shares outstanding after adjustment for effects of all the dilutive potential equity shares.

(₹ in million)

Earnings	As at 31 March 2024	As at 31 March 2023
Profit/ (loss) after tax	4,245.17	2,656.39

Weighted average number of equity shares (basic)

(₹ in million)

Shares	As at 31 March 2024	As at 31 March 2023
Total no of shares outstanding	20,43,60,804	20,43,60,804
Effect of Treasury shares	(12,60,969)	(12,90,969)
Weighted average number of equity shares for the year	**20,30,99,835**	**20,30,69,835**

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to the standalone financial statements for the year ended 31 March 2024

Weighted average number of equity shares (diluted)

(₹ in million)

Shares	As at 31 March 2024	As at 31 March 2023
Weighted average number of equity shares(basic)	20,30,99,835	20,30,69,835
Weighted average number of equity shares from assumed exercise of share options	-	29,579
Weighted average number of equity shares (diluted) for the year	**20,30,99,835**	**20,30,99,414**
Basic earnings/ (loss) per share (₹)	20.90	13.08
Diluted earnings/ (loss) per share(₹)	20.90	13.08

(Nominal value per share ₹ 10)

38 Income tax

(a) Amount recognised in statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
- Current year*	1,190.71	1,197.31
Deferred tax charge/ (credit), net		
Origination and reversal of temporary differences	(401.40)	91.55
Tax expense for the year	**789.31**	**1,288.86**

*Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The provision for tax for the year ended 31 March 2024 & 31 March 2023 have been made duly taking into consideration the requirements under Appendix C to Ind AS 12, including the Management's assessment of the probability of acceptance of the Company's tax positions by the taxation / appellate authorities.

(b) Amount recognised in other comprehensive income

(₹ in million)

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified subsequently to profit or loss						
Re-measurement on defined benefit plans	(26.21)	6.60	(19.61)	(54.05)	18.89	(35.16)
Items that will be reclassified subsequently to profit or loss						
The effective portion of gains /(loss) on hedging instruments in a cash flow hedge	(4.66)	1.17	(3.49)	26.36	(9.21)	17.15
	(30.87)	**7.77**	**(23.10)**	**(27.69)**	**9.68**	**(18.01)**

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(c) Reconciliation of effective tax rate

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	**5,034.48**	**3,945.25**
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 34.94%)	1,267.18	1,378.47
Tax effect of:		
Deduction under Section 80M	(128.53)	(71.40)
Deduction under Section 80JJA	-	(9.68)
Deferred Tax-Impact of change in tax rate	(359.06)	-
Others	9.72	(8.52)
	789.31	**1,288.86**

(d) Recognised deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the followings:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
Provision for doubtful receivables	89.38	126.57
Provision for gratuity	128.54	156.46
Provision for compensated absences	65.06	84.23
Provision for slow and non moving inventory	7.41	6.45
Impact on account of adoption of Ind AS 116	118.08	151.51
On land indexation of freehold land	18.91	18.91
On account of MSE principal repayment	67.72	-
Others	6.32	13.86
Total deferred tax asset	**501.42**	**557.99**
Deferred tax liability		
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(861.67)	(1,331.24)
Others	(20.04)	(16.21)
Total deferred tax liability	**(881.71)**	**(1,347.45)**
Deferred tax liability (net)	**(380.29)**	**(789.46)**

During the year ended March 31, 2024, the Company has elected to exercise the option permitted under 115BAA of the Income tax Act 1961. Accordingly, the Company had recognised Current tax expense at concessional rate of 25.17%. Consequently, the deferred tax liability carried in the books of the Company has also been re-measured at the aforesaid rate as at March 31, 2024.

(ii) Movement in temporary differences

(₹ in million)

Particulars	Balances as at 1 April 2023	Adjustment to retained earnings	Recognised in Profit and loss during 2023-24 & MAT credit utilisation	Recognise in OCI during 2023-24	Balances as at 31 March 2024
Provision for doubtful receivables	126.57	-	(37.19)	-	89.38
Provision for gratuity	156.46	-	(34.52)	6.60	128.54
Provision for compensated absences	84.23	-	(19.17)	-	65.06

Notes

to the standalone financial statements for the year ended 31 March 2024

(₹ in million)

Particulars	Balances as at 1 April 2023	Adjustment to retained earnings	Recognised in Profit and loss during 2023-24 & MAT credit utilisation	Recognise in OCI during 2023-24	Balances as at 31 March 2024
Provision for slow and non moving inventory	6.45	-	0.96	-	7.41
Impact on account of adoption of Ind AS 116	151.51		(33.43)	-	118.08
On land indexation of freehold land	18.91	-	-	-	18.91
On Account of MSE principal repayment	-		67.72	-	67.72
Others	(2.35)	-	(12.54)	1.17	(13.72)
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(1,331.24)	-	469.57	-	(861.67)
	(789.46)	**-**	**401.40**	**7.77**	**(380.29)**

39 Share based payments

During the year ended 31 March 2016, the Company introduced the NH ESOP 2015 ("NH ESOP") for the benefit of the employees of the Company, its subsidiaries and associates, as approved by the Board of Directors in its meeting held on 12 September 2015. NH ESOP 2015 provides for the creation and issue of 2,040,000 share options that would eventually convert into equity shares of ₹ 10 each in the hands of the employees of the Company, its subsidiaries and associate. The options are to be granted to the eligible employees as per the eligibility criteria as determined by the Nomination and Remuneration Committee at its sole discretion. In case of plan one, the share options vest in a graded manner over a period of four years and are exercisable in one or more tranches within a period of four years from the date of first vesting, failing which the options shall lapse. In case of plan two, The share options vest in a graded manner over a period of two and half years and are exercisable in one or more tranches within a period of Three years from the date of first vesting, failing which the options shall lapse.

Pursuant to NH ESOP, the Company granted 988,787 share options till 31 March 2024. The Stock compensation cost is computed under the Fair value method. For the year ended 31 March 2024, the Company has recorded stock compensation expenses of ₹ NIL (previous year: ₹ NIL) and liability as on 31 March 2024 is ₹ NIL (previous year: ₹ 6.29 million).

The activity in this stock option plan is summarized below:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Outstanding as at the beginning of the year (Nos.)	30,000	1,43,917
Option granted during the year (Nos.)	-	-
Forfeited during the year(Nos.)	-	-
Exercised during the year(Nos.)	(30,000)	(1,13,917)
Expired during the year(Nos.)	-	-
Outstanding at the end of the year(Nos.)	-	30,000
Weighted average share price at the date of exercise (₹)	232.59	232.59

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Plan-1:- The weighted average remaining contractual life for the stock options outstanding as at 31 March 2024 is nil years (previous year: nil years). The exercise price for the stock options outstanding as at 31 March 2024 is ₹ 10 (previous year : ₹ 10).

Plan-2:- The weighted average remaining contractual life for the stock options outstanding as at 31 March 2024 is nil years (previous year: 0.5 years). The exercise price for the stock options outstanding as at 31 March 2024 is ₹ 10 (previous year : ₹ 10).

Fair value presentation

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

Particulars	As at 31 March 2024	As at 31 March 2023
No. of options granted (Nos.)	Plan - 1 - 805,670 Plan - 2 -183,117	Plan - 1 - 805,670 Plan - 2 -183,117
Date of grant	1 October 2015 - 805,670 25 March 2019 - 183,117	1 October 2015 - 805,670 25 March 2019 - 183,117
Vesting period (years)	for 805,670 options - 4 years for 183,117 options- 2.52 years	for 805,670 options - 4 years for 183,117 options- 2.52 years
Expected life of option (years)	for 805,670 options - 5 years for 183,117 options- 4.52 years	for 805,670 options - 5 years for 183,117 options- 4.52 years
Expected volatility	for 805,670 options - 35% for 183,117 options - 24.70%	for 805,670 options - 35% for 183,117 options - 24.70%
Risk free rate	for 805,670 options - 7.63% for 183,117 options - 6.90%	for 805,670 options - 7.63% for 183,117 options - 6.90%
Expected dividends expressed as a dividend yield	for 805,670 options - 0% for 183,117 options - 0%	for 805,670 options - 0% for 183,117 options - 0%
Weighted-average fair values of options per share (₹)	for 805,670 options - 208.73 for 183,117 options - 209.81	for 805,670 options - 208.73 for 183,117 options - 209.81

40 Service Concessionaire Arrangement

The Company had entered into an agreement with National Rural Health Mission, Assam (NRHM) on 16 August 2012 ("effective date") to set up a super specialty hospital in Guwahati and to operate and manage such hospital for a period of 30 years. As per the agreement, NRHM will provide ₹ 220.00 million in three instalments over a period of 1 year during execution of the project besides the existing hospital building on as is where is basis. The Company has received ₹ 220.00 million as it met all the conditions relating to the grants. As per the terms of the agreement, the Company has entered into lease agreement with NRHM for existing building and land for a lease period of 30 years.

Also, as per the agreement not less than 50% of the hospitals beds shall be charged at 1.85% below the National Accreditation Board for Hospitals and Healthcare Providers (NABH) accredited hospital rates applicable. All the surgical, observational and other procedures for which super speciality rates are available in Central Government Health Scheme (CGHS) schedule, such rates quoted in CGHS schedule shall apply and for which it is not available, NABH accredited hospital rates shall apply.

The Company has established a super-speciality hospital providing all the necessary services and for that it has to bear all the expenses in setting up the facilities mentioned in the agreement and thereafter run the hospitals on a day to day basis.

The term of the agreement is to commence on the effective date and will continue until the expiration of 30 years on 15th August 2042. Thereafter, this agreement shall be renewed for such additional periods and on such terms and conditions as may be mutually agreed to by the parties to the agreement. The agreement can be terminated by the both the parties by mutual written agreement or if the other party breach or fail to perform any of its covenants or agreement or if any representation or warranty of the other party under this agreement shall have become untrue.

Notes

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41 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of 31 March 2024 and 31 March 2023 was as follows:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Total equity attributable to the equity shareholders of the Company	18,402.14	14,687.43
As a percentage of total capital	67%	73%
Long-term borrowings	7,935.36	4,593.81
Short-term borrowings	1,276.75	837.06
Total borrowings	**9,212.11**	**5,430.87**
As a percentage of total capital	33%	27%
Total capital (Equity and Borrowings)	**27,614.25**	**20,118.30**

42 Acquisition of Orthopaedic and Trauma Hospital ("Sparsh Hosur Road" Unit) from Shiva and Shiva Orthopaedic Hospital Private Limited

During the previous year ended 31st March 2023,the Company had signed a Business Transfer Agreement (BTA) on September 5, 2022 with Shiva and Shiva Orthopaedic Hospital Private Limited to acquire its Orthopaedic and Trauma Hospital ("Sparsh Hosur Road" Unit), effective from October 1, 2022 mainly engaged in providing Orthopaedic and Trauma healthcare services as a going concern on slump sale basis for an aggregate cash consideration of ₹ 2,000 million.

This acquisition has enabled the Company to foray into the Orthopaedic and Trauma specialty at the Narayana Health City Campus, housing two flagship hospitals, namely the cardiac sciences - focussed Narayana Institute of Cardiac Sciences (NICS) and the multispecialty unit i.e., Mazumdar Shaw Medical Centre (MSMC). The acquisition also reinforces the Company's focus on multispecialty care, especially orthopaedics and associated trauma and neurosciences segments and further augment its core Bangalore regions to derive synergies from our existing operations.

a) Business Combination

The above transaction qualified for the Business Combination as per Ind AS 103 - 'Business Combination' and has been accounted by applying the acquisition method wherein idenfiable assets acquired and liabilities assumed are fair valued against the fair value of the consideration transferred and resultant intangibles including goodwill recognised.

b) Identifiable Assets and Liabilities

Particulars	(₹ in million)
Fair value of the consideration transferred	
Cash Consideration	2,000.00
Total (A)	**2,000.00**
Assets Acquired	
Property, Plant and Equipment	376.52
Intangibles Assets	1,401.92
Current Assets	36.38
Total Assets Acquired (B)	**1,814.82**

Notes

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Particulars	(₹ in million)
Liabilities assumed	
Trade Payables and other liabilities (C)	**35.41**
Net Assets acquired [D = B-C]	**1,779.41**
Goodwill [A - D]#	**220.59**

Goodwill represents residual consideration attributable to unidentified intangible assets acquired by acquiror.

43 Financial instruments: Fair value and risk management

A. Accounting classification and fair values

(₹ in million)

As at 31 March 2024	Total	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Amortised cost					
Trade receivables	1,898.85	-	-	-	-
Cash and cash equivalents	1,009.98	-	-	-	-
Bank balances other than above	1,314.72	-	-	-	-
Loans	971.02	-	-	-	-
Other financial assets	873.49	-	-	-	-
Fair value through OCI (FVOCI)					
Interest rate swap (other financial asset)	12.58	-	12.58	-	12.58
Forward Contract Derivative (other financial assets)	4.12	-	4.12	-	4.12
Fair value through profit and loss (FVTPL)					
Guarantees in subsidiaries (investments)	3.12	-	3.12	-	3.12
Investments in mutual fund (quoted)	2,307.47	2,307.47	-	-	2,307.47
	8,395.35	**2,307.47**	**19.82**	**-**	**2,327.29**
Financial liabilities					
Amortised cost					
Borrowings (short term and long term)	9,212.11	-	-	-	-
Lease liabilities	895.73				
Trade payables	4,027.84	-	-	-	-
Other financial liabilities	189.22	-	-	-	-
	14,324.90	**-**	**-**	**-**	**-**

(₹ in million)

As at 31 March 2023	Total	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Amortised cost					
Trade receivables	1,768.35	-	-	-	-
Cash and cash equivalents	702.52	-	-	-	-
Bank balances other than above	1,274.35	-	-	-	-
Loans	987.00	-	-	-	-
Other financial assets	1,048.82	-	-	-	-
Fair value through OCI (FVOCI)					
Interest rate swap (other financial asset)	20.42	-	20.42	-	20.42

Notes

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(₹ in million)

As at 31 March 2023	Total	Fair Value			Total
		Level 1	Level 2	Level 3	
Fair value through profit and loss (FVTPL)					-
Guarantees in subsidiaries (investments)	24.27	-	24.27	-	24.27
Investments in mutual fund (quoted)	390.62	390.62	-	-	390.62
	6,216.35	**390.62**	**44.69**	**-**	**435.31**
Financial liabilities					
Amortised cost					
Borrowings (short term and long term)	5,430.87	-	-	-	-
Lease liabilities	1,011.03				
Trade payables	4,122.12	-	-	-	-
Other financial liabilities	183.80	-	-	-	-
	10,747.82	**-**	**-**	**-**	**-**

Measurement of fair values

The carrying value of all financial assets approximates the fair value.

B. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. The Board supervises overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and use of financial instruments.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹ 2,253.95 million (previous year: ₹ 2,145.86 million). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

(₹ in million)

Allowance for credit loss	As at 31 March 2024	As at 31 March 2023
Opening balance	377.11	297.92
Expected credit loss recognised/(reversed)	(22.01)	79.19
Closing balance	**355.10**	**377.11**

No single customer accounted for more than 10% of the revenue as of 31 March 2024 and 31 March 2023. There is no significant concentration of credit risk.

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Credit risk on cash and cash equivalents is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In addition, the Company maintains line of credit as stated in Note 16.

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2024:

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings	1,276.75	1,376.45	5,787.38	771.53	9,212.11
Lease liabilities	108.00	109.83	225.03	452.87	895.73
Trade payables	4,027.84	-	-	-	4,027.84
Other financial liabilities	69.42	0.03	2.31	117.46	189.22
Total	**5,482.01**	**1,486.31**	**6,014.72**	**1,341.87**	**14,324.91**

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

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings	837.06	1,169.52	2,829.79	594.50	5,430.87
Lease liabilities	235.40	99.76	203.28	472.60	1,011.03
Trade payables	4,122.12	-	-	-	4,122.12
Other financial liabilities	62.99	1.19	1.86	117.76	183.80
Total	**5,257.57**	**1,270.47**	**3,034.93**	**1,184.86**	**10,747.82**

(iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

(a) Foreign currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the company. The functional currency of company is ₹. The currencies in which these transactions are primarily denominated is US dollars.

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31,2023 are as follows:

As at 31 March 2024	(USD in million)
Financial assets	
Trade receivables	2.43
Cash and cash equivalents	2.22
Other financial assets	0.35

Notes

to the standalone financial statements for the year ended 31 March 2024

As at 31 March 2024	(USD in million)
Financial liabilities	
Borrowings	5.36
Trade payables	0.11
Net assets / (liabilities)	**(0.47)**

As at 31 March 2023	(USD in million)
Financial assets	
Trade receivables	2.24
Cash and cash equivalents	4.06
Other financial assets	0.23
Financial liabilities	
Borrowings	8.93
Trade payables	0.05
Other financial liabilities	-
Net assets / (liabilities)	**(2.44)**

(b) Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in million)

Particulars	Impact on profit or (loss) before tax	
	As at 31 March 2024	As at 31 March 2023
USD Sensitivity		
₹/USD - Increase by 1%	(0.39)	(2.01)
₹/USD - Decrease by 1%	0.39	2.01

(c) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

(i) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

(₹ in million)

Type of Derivative	No. of Contracts	As at 31 March 2024		As at 31 March 2023	
		Amount Hedged (in USD million)	Fair Value (INR million)	Amount Hedged (in USD million)	Fair Value (INR million)
Interest Rate Swap	1	25.00	12.58	25.00	20.42

Notes

to the standalone financial statements for the year ended 31 March 2024

The Company has entered into derivative financial instruments with a counter-party (bank) with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps. The most frequently applied valuation techniques include swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, interest rate curves and forward rate curves of the underlying. As at March 31, 2024, the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

Exposure to Interest Rate

Company's Interest rate rise arises from borrowings. The following table demonstrates the sensitivity on the company's profit before tax to a reasonably possible change in interest rates on that position of loans and borrowings affected, with other variables held constant.

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	8,765.48	4,696.79
Total borrowings	**8,765.48**	**4,696.79**

(ii) Sensitivity

(₹ in million)

Particulars	Impact on profit or(loss) before tax	
	As at 31 March 2024	As at 31 March 2023
Sensitivity		
1% increase in MCLR rate	87.65	46.97
1% decrease in MCLR rate	(87.65)	(46.97)

The interest rate sensitivity is based on the closing balance of secured term loans from banks and financial institutions.

44 Financial ratios

Ratio/Measure	Methodology	As at 31 March 2024	As at 31 March 2023	Variance (%)
a) Current Ratio [1]	Current assets over current liabilities	1.17	0.86	36.37%
b) Debt-Equity Ratio [2]	Debt over total shareholders equity	0.55	0.44	25.23%
c) Debt Service Coverage Ratio	Earning available for debt service over debt service	2.89	2.77	4.65%
d) Return on Equity Ratio [3]	PAT over total average equity	25.66%	19.72%	30.10%
e) Inventory turnover ratio [4]	COGS over average Inventory	17.48	23.30	-24.99%
f) Trade Receivables turnover ratio	Credit revenue from operations over average trade receivables	17.81	16.93	5.21%
g) Trade payables turnover ratio	Total purchases over average trade payables	1.94	1.96	-1.07%

Notes

to the standalone financial statements for the year ended 31 March 2024

Ratio/Measure	Methodology	As at 31 March 2024	As at 31 March 2023	Variance (%)
h) Net capital turnover ratio [5]	Revenue from operations over working capital	29.23	(32.83)	189.03%
i) Net profit ratio [5]	Net Profit over revenue from operations	13.00%	8.96%	45.11%
j) Return on Capital employed	EBIT over capital employed	25.41%	27.12%	-6.32%
k) Return on investment [6]	Income generated from investements over average quoted investment	6.44%	9.13%	-29.53%

Notes

EBIT - Earnings before interest and taxes

PAT - Profit after taxes

Debt includes current and non-current debt

Capital employed refers to total shareholders' equity, deferred tax liability and debt

Investments includes current quoted investment

Earning available for debt service refers to addition of PAT, depreciation, interest

Explanation for variances exceeding 25%:

[1] Current ratio in current year increased due to increase in investment, Inventory and Cash and Cash equivalent as at year end when compared to previous year.

[2] Debt Equity ratio increased due to increase in borrowing (including the NCD issued) during the current year as compared to previous year

[3] Return on equity ratio improved due to improvement in PAT when compared to previous year

[4] Inventory turnover ratio decreased due to increase in inventory when compared to previous year

[5] Net capital turnover ratio, Net profit ratio have increased due to improvement in Revenue, Net profit and EBIT numbers respectively when compared to previous year

[6] Return on investment has decreased due to OCD issue in the current year.

45 During the year ended 31 March 2023, the Company had provided guarantee amounting to USD 79 Million for the loan obtained by Health City Cayman Islands (HCCI) from First Caribbean International Bank (FCIB) and signed Loan Agreement and Capital Contribution Agreement. In the event of HCCI defaulting for the third time in the repayment of loan/interest or any dues to FCIB, FCIB would have a right to release the Corporate Guarantee of USD 79 Million given by the Company from the Escrow Agent (refer note 31(c) & 33(c)). In such event, the liability of the Company towards the Corporate Guarantee would be for the entire value of USD 79 Million. As of the date of this balance sheet, HCCI has paid all its dues and has not defaulted in the repayment of any dues and the outstanding loan amount as of 31st March 2024 is USD 7 million (previous year USD 23.08 Million).

During the current year, FCIB has executed the ""Deed of Release"" on 15 September 2023 and cancelled the corporate guarantee of USD 79 Million.

Notes

to the standalone financial statements for the year ended 31 March 2024

46 During the current year the Company has incorporated the following wholly owned subsidiaries:

a) Narayana Health Insurance Limited (NHIL) on May 24, 2023 to carry on the business of Health Insurance and has infused ₹ 1,000 Million into NHIL to meet the minimum capital requirement norms as per Insurance Regulatory and Development Authority of India (IRDAI). NHIL has been granted license by IRDAI dated January 3, 2024. As on March 31, 2024, NHIL is yet to commence its operations.

b) Samyat Healthcare Private Limited (SHPL) on July 4, 2023 to carry on the business of distribution of medicines, implants, medical equipments, consumables and other goods and assets as are used by hospitals. SHPL has commenced its operations from December 1, 2023.

c) Medha AI Private Limited (MAIPL) on Dec 15, 2023 to carry on the business of building or distributing platforms of all kinds of information technology services. MAIPL has commenced its operations from February 16, 2024.

47 Other Statutory Information

(i) There are no balance outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act 2013 or Section 560 of Companies Act 1956

(ii) The Company do not have any Capital-work-in progress or intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

(iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding that intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

(iv) The Company have 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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

(v) The company doesn't have any transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year

(vi) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Notes

to the standalone financial statements for the year ended 31 March 2024

48 As per the requirement of the rule 3(1) of the Companies (Accounts) Rules, 2014, the Company uses only such accounting softwares for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account. This feature of recording the audit trail has operated throughout the year and was not tampered with during the year. However in respect of two accounting softwares, audit trail was not enabled at the database level.

The Company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended 31 March 2024 were effective.

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Consolidated Financial Statements

Independent Auditor's Report

To The Members of **Narayana Hrudayalaya Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Narayana Hrudayalaya Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its associates, which comprise the Consolidated Balance Sheet as at 31 March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates 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'), other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("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 other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	As stated in Note 13, the Group uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables. The management has adopted a simplified approach of using lifetime ECL model based on its historically observed default and delay rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables and the rates as per the provision matrix. Based on the provision matrix, the Group has recorded an allowance aggregating to ₹ 666.13 Million as included in Note 13 of the consolidated financial statements.	Principal audit procedures performed included the following: 1. We tested the design and implementation and operating effectiveness of management's controls over (a) development of provision matrix for the allowance for credit losses (b) completeness and accuracy of information used in estimation of the probability of default and delay (c) computation of the expected credit loss allowances as at the reporting date.

Sl. No.	Key Audit Matter	Auditor's Response
	We identified allowance for credit losses as a key audit matter because the assessment of expected credit loss on trade receivables involve significant judgement by the management to estimate the timing and amount of realisation of these receivables basis the past history, customer profiles and consideration of other internal and external sources of information.	2. Verified the appropriateness of the ECL provision matrix determined by the management by validating the accuracy and completeness of the historically observed default and delay rates, and the mathematical accuracy of the ECL provision matrix, duly considering the adjustments for forward looking estimates, if any. Further, the classification of the customers and the computation of ageing has been validated on a test check basis. 3. Recomputed the expected credit loss allowance as at the reporting period considering the aforesaid provision matrix and compared the amounts so recomputed with the amounts recorded by the Management to determine if there were any material difference individually or in the aggregate.

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 Annual report, Corporate Overview, Key Highlights, Director's Report, Report on Corporate Governance, Management Discussion & Analysis Report, etc. but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, 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.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and 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 income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the IndAS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates 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 and of its associates 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 intend 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 and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

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 controls 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/ Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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/ Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of seven subsidiaries whose financial statements reflect total assets of ₹ 1,219.46 Million as at 31 March, 2024, total revenues of ₹ 435.89 Million and net cash inflows amounting to ₹ 63.85 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss after tax of ₹ Nil for the year ended 31 March, 2024, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us.

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 associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associates 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.

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 other auditors on the separate financial statements of the subsidiaries and associates 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 except for not complying with the requirement of the audit trail as stated in (h)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement 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 31 March, 2024 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls 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 subsidiary companies incorporated in India. 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 for the reasons stated therein.

   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 and its associates - Refer Note 30 to the consolidated financial statements

ii) The Group and its associates 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 to the best of their knowledge and belief, other than as disclosed in the note 52 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, associates and joint ventures to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent/ Holding Company or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(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 52 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any persons or entities, 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 final dividend proposed in the previous year, declared and paid by the Parent Company whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 15 to the consolidated financial statements, the Board of Directors of the Parent Company whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

No dividend has been proposed, declared or paid by any of the subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable.

vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31 March, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that:

a) in respect of the Parent and six subsidiaries, audit trail feature for two software was not enabled at the database level to log any direct data changes

b) in respect of three subsidiaries, audit trail feature for two software was not enabled at the database level to log any direct data changes, as reported by the respective other auditors

c) in respect of one subsidiary, the software did not have a feature of recording audit trail (edit log) facility.

Further, during the course of audit, we and the respective other auditors, whose reports have been furnished to us by the Management of the Parent Company, have not come across any instance of the audit trail feature being tampered with in respect of the accounting software for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March, 2024.

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.

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

Monisha Parikh
(Partner)
(Membership No. 47840)
UDIN:24047840BKFIXU5086

Place: Bengaluru
Date: 24 May, 2024
MP/EKP/SM/NM/SA/2024

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 Ind AS financial statements of the Company as of and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Narayana Hrudayalaya 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 with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note 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 and associate 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, 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 31 March, 2024, 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 Matter

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

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

Monisha Parikh
(Partner)
(Membership No. 47840)
UDIN:24047840BKFIXU5086

Place: Bengaluru
Date: 24 May, 2024
MP/EKP/SM/NM/SA/2024

Consolidated Balance Sheet

as at 31 March 2024

(₹ in million)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	21,983.64	19,227.48
Capital work-in-progress	4	5,141.36	2,591.97
Right of use assets	5	2,019.08	1,306.04
Goodwill	4,45 &51	1,179.23	1,174.00
Other Intangible assets	4&45	1,328.95	1,656.43
Investment in associates	6	-	-
Financial assets			
(i) Investments	7 (a)	44.69	5.11
(ii) Loans	8 (a)	861.02	820.00
(iii) Other financial assets	9 (a)	561.87	561.33
Income tax assets (net)	10	109.76	389.89
Deferred tax assets (net)	49	53.16	55.82
Other non-current assets	11 (a)	3,502.43	893.57
Total non-current assets		**36,785.19**	**28,681.64**
Current assets			
Inventories	12	1,099.48	715.71
Financial assets			
(i) Investments	7 (b)	8,396.94	2,513.46
(ii) Trade receivables	13	4,218.77	4,315.00
(iii) Cash and cash equivalents	14 (a)	2,638.27	1,547.60
(iv) Bank balances other than (iii) above	14 (b)	1,526.30	2,251.27
(v) Other financial assets	9 (b)	899.02	869.22
Other current assets	11 (b)	681.84	727.04
Total current assets		**19,460.62**	**12,939.30**
TOTAL ASSETS		**56,245.81**	**41,620.94**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15 (a)	2,043.61	2,043.61
Other Equity	15 (b)	26,793.20	19,270.21
Equity attributable to owners of the Company		**28,836.81**	**21,313.82**
Non-controlling interests	16	14.06	10.46
Total equity		**28,850.87**	**21,324.28**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17 (a)	11,950.58	6,264.30
(ii) Lease liabilities	18 (a)	1,495.87	886.01
(iii) Other financial liabilities	19 (a)	634.99	768.27
Provisions	20 (a)	411.89	351.35
Deferred tax liabilities (net)	49	470.55	869.82
Other non-current liabilities	21 (a)	1,327.24	1,284.23
Total non-current liabilities		**16,291.12**	**10,423.98**
Current liabilities			
Financial liabilities			
(i) Borrowings	17 (b)	2,486.56	1,358.05
(ii) Lease liabilities	18 (b)	333.93	333.35
(iii) Trade payables	22		
(A) Total outstanding dues of micro enterprises and small enterprises		472.20	297.33
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,563.46	5,853.02
(iv) Other financial liabilities	19 (b)	369.42	439.13
Other current liabilities	21 (b)	1,143.79	1,066.15
Current tax liabilities (Net)	49	239.25	45.94
Provisions	20 (b)	495.21	479.71
Total current liabilities		**11,103.82**	**9,872.68**
TOTAL EQUITY AND LIABILITIES		**56,245.81**	**41,620.94**
Material accounting policies	3		

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

As per our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Consolidated Statement of Profit and Loss

for the period ended 31 March 2024

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME			
Revenue from operations	23	50,182.49	45,247.65
Other income	24	751.89	654.45
Total income (A)		**50,934.38**	**45,902.10**
EXPENSES			
Purchase of medical consumables, drugs and surgical instruments		11,123.14	10,122.70
Changes in inventories of medical consumables, drugs and surgical instruments - (increase) / decrease	25	(383.77)	(110.94)
Employee benefits expense	26	10,043.02	8,792.01
Professional fees to doctors		8,847.01	7,808.94
Other expenses	27	9,029.50	8,976.70
Expenses before finance costs, depreciation and amortisation and exceptional items (B)		**38,658.90**	**35,589.41**
Earnings before finance cost, depreciation and amortisation, exceptional items and tax (A-B)		**12,275.48**	**10,312.69**
Finance costs (C)	28	968.82	694.60
Depreciation and amortisation expense (D)	29	2,421.38	2,100.40
Total expense (E) = (B+C+D)		**42,049.10**	**38,384.41**
Profit before exceptional items and tax (F) = (A-E)		**8,885.28**	**7,517.69**
Exceptional item (G)		-	-
Profit before share of loss of equity accounted investees and income tax (H) = (F+G)		**8,885.28**	**7,517.69**
Share of loss of equity accounted investees (I)		-	(1.92)
Profit before tax (J) = (H+I)		**8,885.28**	**7,515.77**
Tax expense:			
Current Tax	48		
Current year		1,376.04	1,404.79
Deferred tax charge / (credit)		(387.00)	45.32
Total tax expense (K)		**989.04**	**1,450.11**
Net Profit for the year (L) = (J-K)		**7,896.24**	**6,065.66**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of defined benefit plans		(33.19)	(60.96)
Income tax effect		8.44	20.46
Items that will be reclassified subsequently to profit or loss			
Effective portion of gains or (losses) in cash flow hedge,net		(14.29)	55.07
Effective portion of gains/ (losses) of net investment hedge in a foreign operations		8.74	(77.44)
Exchange differences in translating the financial statements of a foreign operations		166.86	638.84
Income tax relating to above items		1.17	(9.21)
Other comprehensive income for the year, net of tax (M)		**137.73**	**566.76**
Total comprehensive income for the year (N) = (L+M)		**8,033.97**	**6,632.42**
Net Profit attributable to:			
Owners of the Company		7,892.62	6,062.48
Non-controlling interests		3.62	3.18
Net profit for the year		**7,896.24**	**6,065.66**
Other comprehensive income attributable to:			
Owners of the Company		137.75	566.79
Non-controlling interests		(0.02)	(0.03)
Other comprehensive income for the year		**137.73**	**566.76**
Total comprehensive income attributable to:			
Owners of the Company		8,030.37	6,629.27
Non-controlling interests		3.60	3.15
Total comprehensive income for the year		**8,033.97**	**6,632.42**
Earnings / (loss) per share			
Basic (₹)		38.86	29.85
Diluted (₹)		38.86	29.85

Material accounting policies 3

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

As per our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Consolidated Statement of Changes in Equity

for the period ended 31 March 2024

(a) Equity share capital

(₹ in million except share data)

Particulars	No. of Shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid up		
Balance as at 1 April 2022	**20,43,60,804**	**2,043.61**
Changes in equity share capital during 2022-23 (refer note 15 (a))	-	-
Balance as at 31 March 2023	**20,43,60,804**	**2,043.61**
Changes in equity share capital during 2023-24 (refer note 15 (a))	-	-
Balance as at 31 March 2024	**20,43,60,804**	**2,043.61**

(b) Other equity

(₹ in million)

Particulars	Reserves and Surplus						Items of OCI			Total	Non-controlling interests	Total other equity
	Capital reserve	Securities premium	Treasury shares	Share options outstanding (refer note 41)	General reserve	Retained earnings	Foreign currency translation reserve	Remeasurement of net defined benefit plans	Effective portion of cash flow hedge reserve & Net investment in foreign operations			
Balance as at 1 April 2022	**16.62**	**5,033.85**	**(14.05)**	**31.73**	**250.00**	**7,130.21**	**691.89**	**(56.23)**	**(241.26)**	**12,842.76**	**7.31**	**12,850.07**
Profit for the year	-	-	-	-	-	6,062.48	-	-	-	6,062.48	3.18	6,065.66
Other comprehensive income, net of tax	-	-	-	-	-	-	638.84	(40.47)	(31.58)	566.79	(0.03)	566.76
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**6,062.48**	**638.84**	**(40.47)**	**(31.58)**	**6,629.27**	**3.15**	**6,632.42**
Transactions recorded directly in equity												
Exercise of share options	-	23.90	1.14	(23.90)	-	-	-	-	-	1.14	-	1.14
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (including Dividend Distribution Tax)	-	-	-	-	-	(202.96)	-	-	-	(202.96)	-	(202.96)
Balance as at 31 March 2023	**16.62**	**5,057.75**	**(12.91)**	**7.83**	**250.00**	**12,989.73**	**1,330.73**	**(96.70)**	**(272.84)**	**19,270.21**	**10.46**	**19,280.67**

Consolidated Statement of Changes in Equity

for the period ended 31 March 2024

(₹ in million)

Particulars	Reserves and Surplus						Items of OCI			Total	Non-controlling interests	Total other equity
	Capital reserve	Securities premium	Treasury shares	Share options outstanding (refer note 41)	General reserve	Retained earnings	Foreign currency translation reserve	Remeasurement of net defined benefit plans	Effective portion of cash flow hedge reserve & Net investment in foreign operations			
Profit for the year	-	-	-	-	-	7,892.62	-	-	-	7,892.62	3.62	7,896.24
Other comprehensive income, net of tax	-	-	-	-	-	-	166.86	(24.73)	(4.39)	137.75	(0.02)	137.73
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**7,892.62**	**166.86**	**(24.73)**	**(4.39)**	**8,030.37**	**3.60**	**8,033.97**
Transactions recorded directly in equity												
Exercise of share options	-	6.30	0.30	(6.30)	-	-	-	-	-	0.30	-	0.30
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(507.67)	-	-	-	(507.67)	-	(507.67)
Balance as at 31 March 2024	**16.62**	**5,064.05**	**(12.61)**	**1.53**	**250.00**	**20,374.68**	**1,497.59**	**(121.43)**	**(277.23)**	**26,793.20**	**14.06**	**26,807.26**

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

As per our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Consolidated Statement of Cash Flows

for the period ended 31 March 2024

(₹ in million)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Cash flow from operating activities		
Profit after tax	7,896.24	6,065.66
Adjustments :		
Income tax expense	989.04	1,450.11
Depreciation and amortisation expense	2,421.38	2,100.40
Interest income	(174.27)	(100.48)
Interest income from financial asset at amortised cost	(189.00)	(51.25)
Liabilities / Provision no longer required written back	(34.47)	(9.96)
Provision/ (reversal) for loss allowance and doubtful advances	(189.41)	256.37
Bad receivables written off	26.35	4.47
Gain on derecognition of financial liability	(6.17)	(158.57)
Property usage right	5.31	10.63
Finance costs	968.82	694.60
Grant income	(84.48)	(77.68)
Loss on sale/disposal of Property, plant and equipment	56.41	66.24
(Profit)/Loss on sale of investment	(64.31)	5.15
Unrealised foreign exchange loss, net	111.47	392.32
Share of loss of equity accounted investees	-	1.92
Operating cash flow before working capital changes	**11,732.91**	**10,649.93**
Changes in trade receivables	263.99	(137.77)
Changes in inventories	(383.77)	(116.98)
Changes in loans, other financial assets and other assets	25.67	(84.37)
Changes in trade payables, other financial liabilities and other liabilities	(111.88)	1,293.58
Changes in provision	51.29	98.76
Cash generated from operations	**11,578.21**	**11,703.15**
Income taxes (paid) / refund received (net)	(912.21)	(857.56)
Net cash generated from operating activities (A)	**10,666.00**	**10,845.59**
Cash flow from investing activities		
Acquisition of Property, plant and equipment (including capital work-in-progress, Intangible assets and Intangible assets under development)	(9,706.07)	(5,220.43)
Proceeds from sale of property, plant and equipment	30.91	9.38
Investment in Optionally Convertible Debentures	-	(800.00)
Payment made towards acquisition	-	(2,000.00)
Payment made towards other non current investments	(39.58)	-
Investment for acquisition of subsidiary and others	-	(432.82)
Purchase of Short term investments	(15,164.22)	(3,100.79)
Proceeds from sale of short term investments	9,345.05	1,894.44
Investment in bank deposit	(420.96)	(2,926.85)
Proceeds from bank deposits	1,194.59	760.00
Interest received	180.87	76.06
Net cash used in investing activities (B)	**(14,579.41)**	**(11,741.01)**
Cash flow from financing activities		
Proceeds from long-term borrowings	5,226.87	2,767.68
Repayment of long-term borrowings	(1,545.23)	(683.36)
Proceeds from issue of Non Convertible Debentures (NCD's)	3,000.63	-

Consolidated Statement of Cash Flows

for the period ended 31 March 2024

(₹ in million)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Dividend paid	(507.67)	(202.96)
Proceeds from exercise of share options	0.30	1.14
Interest and other borrowing costs	(728.82)	(433.10)
Payment of lease liabilities (refer note 31)	(561.57)	(571.99)
Net cash from / (used in) financing activities (C)	**4,884.51**	**877.41**
Net increase in cash and cash equivalents (A+B+C)	**971.10**	**(18.01)**
Cash and cash equivalents at the beginning of the year (refer note 14)*	1,445.94	1,485.28
Effects of exchange (gain)/loss on restatement of foreign currency cash and cash equivalents	0.39	(21.33)
Cash and cash equivalents at the end of the year (refer note 14)	**2,417.43**	**1,445.94**

Material accounting policies 3

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Reconciliation of liabilities from financing activities for the year ended 31 March 2024

(₹ in million)

Particulars	As at 1 April 2023	Proceeds	Repayment	Non cash changes		As at 31 March 2024
				Fair value/ other changes	Foreign exchange	
Long-term borrowings (including current maturities of long-term borrowings with banks)	7,520.69	8,227.50	(1545.23)	-	13.34	14,216.30
Lease liabilities	1,219.36	-	(561.57)	1172.01	-	1,829.80
Total liabilities from financing activities	**8,740.05**	**8,227.50**	**(2106.80)**	**1172.01**	**13.34**	**16,046.10**

Reconciliation of liabilities from financing activities for the year ended 31 March 2023

(₹ in million)

Particulars	As at 1 April 2022	Proceeds	Repayment	Non cash changes		As at 31 March 2023
				Fair value/ other changes	Foreign exchange	
Long-term borrowings (including current maturities of long-term borrowings with banks)	5,358.93	2,767.68	(683.36)	-	77.44	7,520.69
Lease liabilities	1,785.64	-	(571.99)	5.71		1,219.36
Total liabilities from financing activities	**7,144.57**	**2767.68**	**(1255.35)**	**5.71**	**77.44**	**8,740.05**

The accompanying notes form an integral part of these standalone financial statements.
As per our report attached

for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number : 117366W/W-100018

Monisha Parikh
Partner
Membership number: 47840

Place: Bengaluru
Date: 24 May 2024

for and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN: 02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: 24 May 2024

Place: Bengaluru
Date: 24 May 2024

Notes

to the consolidated financial statements for the year ended 31 March 2024

1. Group overview

Narayana Hrudayalaya Limited ('the Company' or 'the Holding company') together with its subsidiaries (collectively referred to as 'Narayana Hrudayalaya Group' or 'the Group') and associates is primarily engaged in business of rendering medical and healthcare services. Narayana Hrudayalaya Limited, the flagship company of the Group, was incorporated on 19 July 2000 under the Companies Act, 1956 with its registered office in Bengaluru. The Group was rebranded as 'Narayana Health' in 2013. It has a network of multispeciality, and super speciality hospitals spread across multiple locations. The Group owns and operates certain hospitals and enters into management agreements with hospitals under which the Group acquires operating control of the hospitals.

2. Basis of preparation of the consolidated financial statements

2.1. Statement of compliance

The consolidated financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises of Indian Accounting Standards (IndAS) as specified in Sec 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ('the Rules') and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act.

The consolidated financial statements were authorized for issue by the Company's Board of Directors on 24 May, 2024.

Details of the Group's accounting policies are included in Note 3.

2.2. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts are presented in ₹ in million, except share data and per share data, unless otherwise stated.

2.3. Basis of measurement

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

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

2.4. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

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

Judgements

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

- Note 30 – Assessment of contingent liabilities and commitments;
- Note 31 – leases and lease classification;
- Note 35 – consolidation: whether the Group has control over an investee;
- Note 48 – Provision for taxes;
- Note 50 – financial instruments and
- Note 41 – share based payments

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March, 2024, is included in the following notes:

- Note 49 – recognition of deferred tax assets
- Note 32 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 30 – recognition and measurement of contingencies; key assumptions about the likelihood and magnitude of an outflow of resources; and
- Note 4 - useful life of property, plant and equipment and intangible assets

2.5. Measurement of fair values

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

Notes

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

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 50 – financial instruments
- Note 41 – share-based payments

3. Material accounting polices

3.1. Basis of consolidation

a. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases (Refer Note 35).

b. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

c. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the statement of profit or loss.

d. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and Other Comprehensive Income (OCI) of equity- accounted investees until the date on which significant influence ceases.

e. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2. Financial instruments

a. Recognition and initial measurement

Trade receivables issued are initially measured (initial recognition method) at their transaction price when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and subsequent measurement

Financial assets

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

- amortised cost; or
- FVTPL

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

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

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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

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

Financial assets: Business model assessment

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

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Group's management.

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

– how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

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

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

– contingent events that would change the amount or timing of cash flows.

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

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

Derivative financial instruments

Hedge accounting

The Group uses derivative financial instruments to manage risks associated with interest rate fluctuations relating to foreign currency loan taken by the group.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

Cash flow hedge:

The Group has designated derivative financial instruments taken for interest rate as 'cash flow' hedges relating to foreign currency loan taken by the group.

The use of derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cashflow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the statement of profit and loss.

Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

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c. Derecognition

Financial assets

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

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

Financial liabilities

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

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

d. Offsetting

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

3.3. Inventories

The inventories of medical consumables, drugs and surgical instruments are valued at lower of cost or net realizable value. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the net realizable value is the selling price. The comparison of cost and net realizable value is made on an item-by-item basis. 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 goods and service tax wherever applicable, applying the first in first out method.

3.4. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.5. Treasury Shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are acquired (treasury shares) are recognized at cost and deducted from equity. When the treasury shares are issued to the employees by EBT, the amount received is recognized as an increase in equity and the resultant gain / (loss) is transferred to / from securities premium.

3.6. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing, and financing activities of the Group are segregated. Bank overdrafts are classified as part of cash and cash equivalents, as they form an integral part of an entity's cash management.

3.7. Revenue recognition

Revenue from operations

The Group recognizes revenue from medical and healthcare services to patients, on sale of medical consumables and drugs within the hospital premises and on providing services towards patient amenities.

Revenue is measured at the amount of transaction price(net of variable consideration) allocated to that performance obligation. Revenue is recognized upon transfer of control of promised products or services to customers/patients in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Sales and Service Income exclude Goods and Service Tax (GST) and are net of trade / volume discounts, where applicable.

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'Unbilled revenue' represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date. 'Unearned revenue' comprises billings in excess of earnings.

Other healthcare services

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

Interest

Interest income is recorded using the effective interest rate (EIR) which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

Dividend income is recognised when the Group's right to receive dividend is established.

3.8. Property, Plant and Equipment

Recognition and measurement

Property, plant, and equipment are measured at cost which includes capitalized borrowing costs, less accumulated depreciation, and impairment losses, if any. The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Cost includes expenditures directly attributable to the acquisition of the asset.

Depreciation and amortization

The Group depreciates property, plant, and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. Freehold land is not depreciated. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Block of assets	Useful life
Building	40-60 years
Electrical installation	10 years
Medical equipment	13 years
Office equipment	5 years
Other equipment including air conditioners	15 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted appropriately.

The Group believes that the useful life as given above best represent the useful lives of the assets based on the internal technical assessment and these useful lives are as prescribed under Part C of Schedule II of the Companies Act, 2013 except for building at Grand Cayman and vehicles.

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the consolidated statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognized as capital advance and the cost of property, plant, and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

3.9. Business combination, goodwill, and other intangible assets

Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a

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business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, 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 and Ind AS 19 respectively.
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling 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. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds 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 interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of financial instrument is classified as equity, then its not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

Goodwill

Goodwill is recognized and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are 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 the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit pro-rata on the basis of carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in determination of the profit or loss on disposal.

Transaction costs incurred in connection with a business combination are expensed as incurred.

Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

The estimated useful lives of intangibles are as follows:

Block of assets	Useful life
Computer software	3 years
Third party contracts and Electronic medical records	5 years
Customer relationship	5-10 years
Non-Compete and Non-Solicit	5 years

Amortisation method

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

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Internally generated intangible assets

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortization

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

The estimated useful lives of intangibles are as follows:

Block of assets	Useful life
Computer software- Internally generated	10 years

3.10. Government grants

Grants from the Government are recognized when there is reasonable assurance that:

(i) the Group will comply with the conditions attached to them; and

(ii) the grant will be received.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense.

Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred income.

The grant set up as deferred income is recognized in profit or loss on a systematic basis over the useful life of the asset.

3.11. Employee benefits

Short term employee benefits

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

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Group makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The Group's contributions are recognized as an expense in the consolidated statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned

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for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed periodically by an independent qualified actuary using the projected unit credit method.

The gratuity scheme is managed by a third-party administrator. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). The Group determines the net interest expense (income) on the net defined liability (assets) for the period by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the consolidated statement of profit and loss. The Company recognizes gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the consolidated statement of profit and loss.

Compensated absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on any leave accumulated in excess of forty five days or on termination of employment. Since the employee has unconditional right to avail the leave, the benefit is classified as a short-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Employee Stock Option Plan (ESOP)

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service is expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

3.12. Borrowing cost

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

3.13. Leases

The Company's lease asset classes primarily consist of leases for land & buildings and equipment. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension, or termination option. When the lease liability

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is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

3.14. Earnings per share

The basic earnings per share is computed by dividing the consolidated net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

3.15. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognized in profit and loss except to the extent that is relates to an item recognized directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted by the reporting dates.

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

Deferred tax

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

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

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

Minimum Alternative tax

According to Section 115JAA of the Income tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the entity's normal income tax during the specified period.

3.16. Foreign exchange transactions and translations

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are

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denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered into to hedge certain foreign currency risks and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the Consolidated Statement of Profit and Loss.

If the Group disposes off part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to OCI. When the Group disposes off only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

3.17. Impairment

a. *Impairment of financial instruments*

The Group recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost;

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative, qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

b. Impairment of non-financial assets

The Group's non-financial assets, inventories, and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

3.18. Segment Reporting

Operating results are regularly reviewed by the Chief Operating Decision Maker ('CODM') who makes decisions about resources to be allocated to the segment and assess its performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.19. Non-current assets or disposal group held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

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to the consolidated financial statements for the year ended 31 March 2024

Such assets or disposal groups are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification of assets held for sale and subsequent gain and losses on remeasurement are recognized in the consolidated statement of profit and loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity accounted investee is no longer equity accounted.

3.20. Provisions and contingencies

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

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

3.21. Share issue expenses

Share and debenture issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the securities premium account.

3.22. Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees and are subject to applicable taxes.

3.23. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.24 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended 31 March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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to the consolidated financial statements for the year ended 31 March 2024

4 (i) Property, plant and equipment and capital work-in-progress, Intangible assets and Intangible assets under development

(₹ in million)

Particulars	Gross block					Accumulated depreciation / amortisation				Net block	
	As at 1 April 2023	Additions	Translation adjustments	Deletions	As at 31 March 2024	As at 1 April 2023	Depreciation/ Amortisation	Deletions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Tangible assets (owned)											
Freehold land (a) & (b)	1,805.37	731.19	2.60	-	2,539.16	-	-	-	-	2,539.16	1,805.37
Building	3,587.43	737.66	41.04	12.89	4,353.24	493.41	149.07	0.01	642.47	3,710.77	3,094.02
Electrical installation	1,137.99	83.08	0.97	5.30	1,216.74	835.02	65.08	3.73	896.37	320.37	302.97
Medical equipments	10,800.48	2,146.94	10.08	349.94	12,607.56	5,175.34	822.02	274.84	5,722.52	6,885.04	5,625.14
Office equipments	364.86	74.21	0.72	6.41	433.38	244.18	37.99	5.87	276.30	157.08	120.68
Other equipment including air conditioners	2,438.38	273.82	2.15	34.54	2,679.81	1,171.61	167.78	24.05	1,315.34	1,364.47	1,266.77
Furniture and fixtures	1,195.04	186.13	0.86	42.91	1,339.12	834.98	85.56	19.86	900.68	438.44	360.06
Computers	666.94	131.75	0.26	25.60	773.35	466.78	121.09	18.78	569.09	204.26	200.16
Vehicles	58.73	4.22	0.02	1.19	61.78	41.23	5.40	1.19	45.44	16.34	17.50
Tangible assets (others):											
Leasehold improvements	389.33	40.14	0.71	9.87	420.31	156.12	49.90	2.84	203.18	217.13	233.21
Leasehold land for perpetuity (d)	1,721.92	-	-	-	1,721.92	1.35	-	-	1.35	1,720.57	1,720.57
Building (c)	3,493.18	6.19	-	8.07	3,491.30	389.40	28.50	4.46	413.44	3,077.86	3,103.78
Building (c)	774.12	-	-	-	774.12	349.47	5.27	-	354.74	419.38	424.65
Building (c)	363.50	-	-	-	363.50	117.57	13.53	-	131.10	232.40	245.93
Building (c)	1,038.01	-	-	-	1,038.01	331.34	26.30	-	357.64	680.37	706.67
Total tangible assets (A)	**29,835.28**	**4,415.33**	**59.41**	**496.72**	**33,813.30**	**10,607.80**	**1,577.49**	**355.63**	**11,829.66**	**21,983.64**	**19,227.48**
Capital work- in- progress (B)	**2,591.97**	**4,906.94**	**28.90**	**2,386.45**	**5,141.36**	**-**	**-**	**-**	**-**	**5,141.36**	**2,591.97**
Goodwill (C)	**1,253.00**	**-**	**5.23**	**-**	**1,258.23**	**79.00**	**-**	**-**	**79.00**	**1,179.23**	**1,174.00**
Intangible assets											
Computer software - Acquired	317.64	35.53	0.01	0.70	352.48	309.72	9.00	0.46	318.26	34.22	7.92
Computer software - Internally generated	298.33	-	-	-	298.33	87.32	29.83	-	117.15	181.18	211.01
Third party contracts	211.08	-		-	211.08	211.08	-	-	211.08	-	-
Electronic medical records	24.14	-		-	24.14	24.14	-	-	24.14	-	-
Customer relationship	700.10	-	-	-	700.10	311.57	91.17	-	402.74	297.36	388.53
Non Compete and Non Solicit	1,165.52	-	-	-	1,165.52	116.55	232.78	-	349.33	816.19	1,048.97
Total intangible assets (D)	**2,716.81**	**35.53**	**0.01**	**0.70**	**2,751.65**	**1,060.38**	**362.78**	**0.46**	**1,422.70**	**1,328.95**	**1,656.43**
Intangible assets under development (E)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand total (A+B+C+D+E)	**36,397.06**	**9,357.80**	**93.55**	**2,883.87**	**42,964.54**	**11,747.18**	**1,940.27**	**356.09**	**13,331.36**	**29,633.18**	**24,649.88**

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4 (ii) Property, plant and equipment and capital work-in-progress, Intangible assets and Intangible assets under development

(₹ in million)

Particulars	Gross block					Accumulated depreciation / amortisation				Net block	
	As at 1 April 2022	Additions	Translation adjustments	Deletions	As at 31 March 2023	As at 1 April 2022	Depreciation/ Amortisation	Deletions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Tangible assets (owned)											
Freehold land (a) (b) (e)	965.39	825.56	14.42	-	1,805.37	-	-	-	-	1,805.37	965.39
Building	3,359.24	-	228.19	-	3,587.43	419.53	73.88	-	493.41	3,094.02	2,939.71
Electrical installation	1,060.25	100.35	6.97	29.58	1,137.99	788.16	67.03	20.17	835.02	302.97	272.09
Medical equipments	9,498.62	1,495.94	52.62	246.70	10,800.48	4,635.33	725.03	185.02	5,175.34	5,625.14	4,863.29
Office equipments	321.96	45.85	4.52	7.47	364.86	214.83	35.73	6.38	244.18	120.68	107.13
Other equipment including air conditioners	2,245.86	275.68	13.45	96.61	2,438.38	1,082.76	152.21	63.36	1,171.61	1,266.77	1,163.10
Furniture and fixtures	1,134.64	102.79	5.60	47.99	1,195.04	782.54	87.29	34.85	834.98	360.06	352.10
Computers	564.80	155.27	3.25	56.38	666.94	423.64	97.86	54.72	466.78	200.16	141.16
Vehicles	46.76	11.72	0.25	-	58.73	35.99	5.24	-	41.23	17.50	10.77
Tangible assets (others):											
Leasehold improvements	353.58	73.88	5.00	43.13	389.33	147.42	33.11	24.41	156.12	233.21	206.16
Leasehold land for perpetuity (d)	1,721.92	-	-	-	1,721.92	1.35	-	-	1.35	1,720.57	1,720.57
Building (c)	3,215.18	278.00	-	-	3,493.18	332.06	57.34	-	389.40	3,103.78	2,883.12
Building (c)	816.77	-	-	42.65	774.12	340.39	37.71	28.63	349.47	424.65	476.38
Building (c)	357.89	5.72	-	0.11	363.50	104.20	13.37	-	117.57	245.93	253.69
Building (c)	1,017.32	20.69	-	-	1,038.01	305.56	25.78	-	331.34	706.67	711.76
Total tangible assets (A)	**26,680.18**	**3,391.45**	**334.27**	**570.62**	**29,835.28**	**9,613.76**	**1,411.58**	**417.54**	**10,607.80**	**19,227.48**	**17,066.42**
Capital work- in- progress (B)	**627.16**	**2,638.81**	**33.03**	**707.03**	**2,591.97**	**-**	**-**	**-**	**-**	**2,591.97**	**627.16**
Goodwill (C)	**660.47**	**592.53**	**-**	**-**	**1,253.00**	**79.00**	**-**	**-**	**79.00**	**1,174.00**	**581.47**
Intangible assets											
Computer software - Acquired	316.66	6.33	0.10	5.45	317.64	305.69	8.23	4.20	309.72	7.92	10.97
Computer software - Internally generated	256.19	42.14	-	-	298.33	61.14	26.18	-	87.32	211.01	195.05
Third party contracts	209.11	-	1.97	-	211.08	176.39	34.69	-	211.08	-	32.72
Electronic medical records	23.93	-	0.21	-	24.14	20.17	3.97	-	24.14	-	3.76
Customer relationship	463.70	236.40	-	-	700.10	243.98	67.59	-	311.57	388.53	219.72
Non Compete and Non Solicit	-	1,165.52	-	-	1,165.52	-	116.55	-	116.55	1,048.97	-
Total intangible assets (D)	**1,269.59**	**1,450.39**	**2.28**	**5.45**	**2,716.81**	**807.37**	**257.21**	**4.20**	**1,060.38**	**1,656.43**	**462.22**
Intangible assets under development (E)	**42.14**	**-**	**-**	**42.14**	**-**	**-**	**-**	**-**	**-**	**-**	**42.14**
Grand total (A+B+C+D+E)	**29,279.54**	**8,073.18**	**369.58**	**1,325.24**	**36,397.06**	**10,500.13**	**1,668.79**	**421.74**	**11,747.18**	**24,649.88**	**18,779.41**

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4 (iii) Capital work in Progress(CWIP) and Intangible assets under development (IAUD) ageing schedule

(₹ in million)

Particulars	Amount in CWIP and IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As at 31 March, 2024	3,392.36	1,431.97	312.16	4.87	**5,141.36**
As at 31 March, 2023	2,093.67	491.35	2.40	4.55	**2,591.97**

As on the date of the balance sheet, there are no capital work-in-progress and intangible assets under development projects whose completion is overdue or has exceeded the cost based on approved plan.

4 (iv) Goodwill

Goodwill from business acquisition has been allocated to Cash Generating Units (CGU) as given below :

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Orthopaedic and Trauma Hospital (refer note 45)	220.59	220.59
Total	**220.59**	**220.59**

(i) The carrying value of Goodwill relates to the acquisition of Orthopaedic and Trauma Hospital during the previous year (refer note 45). The recoverable amount of the underlying CGU, i.e., Orthopaedic and Trauma Hospital, is based on its value in use, estimated on present value of the projected future cash flows. Following key assumptions were considered in performing impairment assessment:

(₹ in million)

Key assumptions	As at 31 March 2024
Annual growth rate	12.00%
Discount rate	15.55%

The values assigned to the key assumptions given in the table above represent management's assessment of future trends and based on historical data from both external and internal sources. Discount rate reflects the current market assessment of the risks specific to a Cash Generating Unit (CGU) .The discount rate is estimated based on the capital asset pricing method for the CGU. The cash flow projections included specific estimates developed using internal forecasts. The planning horizon reflects the assumptions for short-to-midterm market developments. The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to materially exceed the aggregate recoverable amount of the cash generating unit.

4 (v) Notes

(a) includes land in possession and occupation of the Company to the extent of 9 acre 25 guntas out of total 17 acres 44 guntas in Bangalore allotted by Karnataka Industrial Areas Development Board ('KIADB') to the Company on lease cum sale basis for which the Company is yet to execute the sale deed as at 31 March 2024.

(b) Represents the cost of construction of building on land obtained on lease at Kolkata, Ahmedabad, Jaipur and Jamshedpur.

(c) Leasehold land includes land allotted by various government authorities/ agencies in the states of Gujarat and Rajasthan. There are certain conditions including setting up of hospitals with certain capacity within certain timelines as specified in the terms of the allotment (Refer note. 39 & 40).

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(d) During the year 2022-23, the Company has purchased a land measuring 1.0347 Hectares in Survey No. 323/2, 323/6 (Old Sy. No. 323/3), 324, 323/4(Old Sy. No. 323/2), 326/3, 326/4, 326/5, 326/6 and 326/8 at the said district as per the sale deed executed on 8 September 2022.

(e) As at 31 March 2024, property, plant and equipments with a carrying amount of ₹ 8,956.65 million (previous year: ₹ 7,573.39 million) are subject to first charge to secure bank loans.

(f) The Group does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

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5 Right of use assets

(₹ in million)

Category of ROU asset	Gross Block				Accumulated depreciation				Net block	
	As at 1 April 2023	Additions / Adjustments	Deletions	As at 31 March 2024	As at 1 April 2023	Depreciation	Deletions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Land	236.64	-	-	236.64	33.11	4.11	-	37.22	199.42	203.53
Building	1,850.11	1,108.67	566.15	2,392.63	918.45	332.90	546.08	705.27	1,687.36	931.66
Equipment	757.71	105.54	-	863.25	610.73	136.14	-	746.87	116.38	146.98
Furniture	55.68	-	-	55.68	31.81	7.95	-	39.76	15.92	23.87
Grand total	**2,900.14**	**1,214.21**	**566.15**	**3,548.20**	**1,594.10**	**481.10**	**546.08**	**1,529.12**	**2,019.08**	**1,306.04**

(₹ in million)

Category of ROU asset	Gross Block				Accumulated depreciation				Net block	
	As at 1 April 2022	Additions / Adjustments	Deletions	As at 31 March 2023	As at 1 April 2022	Depreciation	Deletions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Land	236.64	-	-	236.64	28.99	4.12	-	33.11	203.53	207.65
Building	1,891.70	151.40	192.99	1,850.11	737.73	266.71	85.99	918.45	931.66	1,153.97
Equipment	753.15	4.56	-	757.71	457.90	152.83	-	610.73	146.98	295.25
Furniture	55.68	-	-	55.68	23.86	7.95	-	31.81	23.87	31.82
Grand total	**2,937.17**	**155.96**	**192.99**	**2,900.14**	**1,248.48**	**431.61**	**85.99**	**1,594.10**	**1,306.04**	**1,688.69**

Notes

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6 Investment in associates

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted equity instruments		
Others - Trade investment		
ISO Healthcare	-	8.27
[1 equity shares (previous year: 1 equity shares) of $ 1 each fully paid up along with a share premium of $ 999 per share]		
Share of loss of equity accounted investees	-	(8.27)
	-	-
Reya Health Inc (formerly known as Cura Technologies Inc)	10.37	10.37
[3,90,00,000 equity shares (previous year: 3,90,00,000 equity shares) of $ 0.01 each fully paid up]		
Share of loss of equity accounted investees	(10.37)	(10.37)
	-	-
	-	-

7 Investments

(a) Non-current

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Atria Wind Power Chitradurga Pvt Ltd	0.03	0.03
[100 (previous year : 100) equity shares of ₹ 100 each fully paid up with a premium of ₹ 151 per share on 100 equity shares]		
Suryaurja Two Private Limited	6.72	-
(6,72,000 equity shares of ₹ 10 each fully paid up)		
Redkenko Health Tech Private Limited	5.66	5.08
(39 Series A CCCPS ₹ 5.08 million (previous year: 39)		
Enlight Now Healthcare Private Limited [CCPS 102 shares of ₹ 100 each]	4.11	-
Investment-Triomics INC [22,824 units of $ 2.19 each (Previous Year : Nil)]	4.17	-
Isharays Energy One Private (24,00,000 equity shared of ₹ 10 each fully paid)	24.00	-
Unquoted debt instruments		
Investment in OCD of NHIC	-	-
Investment in promissory note - amortised cost		
Reya Health Inc (formerly known as Cura Technologies Inc)	235.87	235.87
Accrued interest on the promissory note	36.48	36.48
Less: Share of loss of equity accounted investees	(272.35)	(272.35)
Investment in promissory note (net)	-	-
	44.69	**5.11**

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(b) Current

(₹ in million)

Short term investment	As at 31 March 2024		As at 31 March 2023	
	No of units	Amount	No of units	Amount
- In US Treasury Bills	57,892,000.00	4,773.47	25,910,000.00	2,106.40
- In Corporate Bonds	-	-	200,000.00	16.44
- In Mutual Funds				
- Axis Overnight Fund- Direct Plan- Growth Option	399,061.42	504.03	-	-
- ICICI Overnight Fund- Direct Plan- Growth Option	1,164,649.72	1,503.01	-	-
- SBI Overnight Fund- Direct Plan- Growth Option	77,146.40	300.43	-	-
- Bandhan Overnight Fund Direct Plan - Growth	284,659.78	363.51	100,379,907.00	120.01
- HDFC Liquid Fund - Direct Plan - Growth Option	4,743.66	501.42		-
- HDFC Overnight Fund - Direct Plan - Growth Option	3,553.19	451.07	81,301.81	270.61
		8,396.94		**2,513.46**

8 Loans

(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
To parties other than related parties		
Investment in Optionally convertible debentures	861.02	820.00
	861.02	**820.00**

*'The Company has subscribed to 8 million Optionally Convertible Debentures ('OCD') of ₹ 100 each amounting to ₹ 800 million issued by Shiva and Shiva Orthopaedic Hospital Private Limited pursuant to the Optionally Convertible Debenture Subscription Agreement dated September 5, 2022 between the parties. In case the Issuer fails to redeem all the outstanding Company's OCD, the Company shall have the right (but not the obligation) to convert the outstanding OCDs into Equity Shares of the Issuer, and upon exercise of such right by the Company, the outstanding OCDs shall be converted into equity shares at such determined value from the date of remittance of such loan amount till the date of conversion.

9 Other financial assets

(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
To parties other than related parties		
Bank deposits (due to mature after 12 months from the reporting date)	13.64	62.30
Interest accrued but not due on fixed deposits	1.65	1.18
Security deposits	382.99	333.26
Interest Rate Swap	20.95	38.24
Forward Contract Derivative	4.12	-
To related parties		
Security deposits	138.52	126.35
	561.87	**561.33**

Notes

to the consolidated financial statements for the year ended 31 March 2024

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(b) Current		
To parties other than related parties		
Interest accrued on fixed deposits but not due	10.37	17.53
Interest accrued on security deposit	5.83	5.74
Unbilled revenue	574.41	591.31
Security deposits	88.40	58.65
Others*	216.35	194.56
To related parties (refer note 34 (C))		
Due for reimbursement of expenses	3.66	1.43
	899.02	**869.22**

* includes receivables from Dharamshila Cancer Foundation and Research Centre ₹ 216.24 million (previous year ₹ 193.56 million).

10 Income tax assets (net)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax and tax deducted at source (net of provision)	97.40	377.53
Income-tax paid under protest	12.36	12.36
	109.76	**389.89**

11 Other assets

(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
To parties other than related parties		
Prepaid rent	-	116.00
Considered doubtful	19.24	19.24
Less: provision for prepaid rent	(19.24)	(19.24)
Net Prepaid rent	**-**	**116.00**
Capital advances	3,334.04	661.73
Security deposit	1.70	-
Prepaid expenses	131.32	75.63
Property usage right	21.29	31.92
Net Defined Benefit Asset Gratuity	7.39	-
To related parties (refer note 34 (C))		
Prepaid rent and expense	6.69	8.29
	3,502.43	**893.57**
(b) Current		
To parties other than related parties		
Prepaid rent	-	16.21
Considered doubtful	0.24	0.24
Less: provision for doubtful	(0.24)	(0.24)
Net Prepaid rent	**-**	**16.21**

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(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	20.48	28.66
Prepaid expenses	308.69	251.91
Advance to vendors	298.18	379.97
Property usage right	10.60	10.60
Balances with statutory/ government authorities	30.07	0.25
Other loans and advances	12.94	12.62
Others*	0.88	19.83
To related parties (refer note 34 (C))		
Prepaid rent and expense	-	6.99
	681.84	**727.04**

*includes ₹ 16.15 million in FY22-23 towards pre-incorporation expenses incurred for one of its subsidiary.

12 Inventories

(Valued at lower of cost and net realisable value)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Medical consumables, drugs and surgical instruments	1,158.75	767.06
Goods in Transit	79.56	87.54
Less: Provision for slow and non- moving inventories	(138.83)	(138.89)
	1,099.48	**715.71**

13 Trade receivables

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	4,884.90	5,165.31
Less: Allowance for expected credit losses	(666.13)	(850.31)
Net trade receivables	**4,218.77**	**4,315.00**
Of the above, trade receivables from related parties are as follows:		
Trade receivables (refer note 34 (C))	0.62	0.51
Expected credit loss allowance	-	-
Net trade receivable from related parties	**0.62**	**0.51**

Trade receivables ageing schedule

(₹ in million)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered Good							
As at 31 March, 2024	2,480.75	1,155.49	703.19	286.22	198.11	61.14	4,884.90
As at 31 March, 2023	2,982.47	914.71	664.55	474.55	70.36	58.67	5,165.31

The Group uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables. The provision

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matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At each reporting period, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

For the year ended 31 March 2024

Category	Ageing		
	Within due date	Due date to 1 year	More than 1 year
Employee State Insurance(ESI)/Central Government Health Scheme (CGHS)/SCHEMES/Government organisation	0.25%-3.89%	6.55%-26.90%	18.37%-100%
Others	0.15%-3.06%	4.99%-27.23%	22.51%-100%

For the year ended 31 March 2023

Category	Ageing		
	Within due date	Due date to 1 year	More than 1 year
Employee State Insurance(ESI)/Central Government Health Scheme (CGHS)/SCHEMES/Government organisation	1.74%-15.34%	14.41%-41.67%	41.67%-100%
Others	0.35%-4.88%	6.57%-35.54%	21.59%-100%

The Group's exposure to credit risk, currency risks and loss allowances are disclosed in note 50

The trade receivables are hypothecated as security as part of working capital facility.

14 Cash and bank balances

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash and cash equivalents		
Cash on hand	49.52	44.74
Balance with banks		
In current accounts	2,059.63	1,502.86
In deposit accounts (with original maturity of 3 months or less)	529.12	-
	2,638.27	**1,547.60**
(b) Bank balances other than above		
- In deposit accounts (due to mature within 12 months of the reporting date)*	1,526.30	2,251.27
	1,526.30	**2,251.27**

*The deposits amounting to ₹193.43 millions are restrictive as it relates to deposits against the guarantees.

For the purpose of the Statement of cash flow, cash and cash equivalents comprise the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	49.52	44.74
Balance with banks		
- In current accounts	2,059.63	1,502.86
- In deposit accounts (with original maturity of 3 months or less)	529.12	-
	2,638.27	**1,547.60**
Less: Bank overdraft used for cash management purpose	(220.84)	(101.66)
Cash and cash equivalents in the statement of cash flow	**2,417.43**	**1,445.94**

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15 (a) Equity share capital

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
30,90,00,000 equity shares (previous year: 30,90,00,000 equity shares) of ₹ 10 each	3,090.00	3,090.00
7,10,00,000 preference shares (previous year : 7,10,00,000) of ₹ 10 each	710.00	710.00
Issued, subscribed and paid up		
20,43,60,804 equity shares (previous year: 20,43,60,804 equity shares) of ₹ 10 each, fully paid up	2,043.61	2,043.61
	2,043.61	**2,043.61**

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

(₹ in million except for number of shares)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	20,43,60,804	2,043.61	20,43,60,804	2,043.61
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**20,43,60,804**	**2,043.61**	**20,43,60,804**	**2,043.61**

(ii) Rights, preference and restriction attached to and preference shares:

The Company has equity shares having a nominal value of ₹ 10 each. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

The Company has authorized preference shares having a nominal value of ₹ 10 each. Preference shares are non-convertible, non-cumulative, non-participating and carry preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013.

(iii) Particulars of shareholders holding more than 5% equity shares:

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	% Holding	No of shares	% Holding
Dr. Devi Prasad Shetty	2,38,28,411	11.66%	2,38,28,411	11.66%
Shakuntala Shetty	6,20,83,095	30.38%	6,20,83,095	30.38%
	8,59,11,506	**42.04%**	**8,59,11,506**	**42.04%**

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(iv) Shareholding of promoters:

Promoter Name	As at 31 March 2024		% Change during the year
	Number of shares	% of total shares	
Shakuntala Shetty	6,20,83,095	30.38%	-
Dr. Devi Prasad Shetty	2,38,28,411	11.66%	-
Viren Prasad Shetty	1,02,18,040	5.00%	-
Dr.Varun Shetty	1,02,18,040	5.00%	-
Dr. Anesh Shetty	1,02,18,040	5.00%	-
Ameya Shetty	1,02,18,040	5.00%	-
Narayana Health Academy Private Limited	37,02,064	1.81%	-
	13,04,85,730	**63.85%**	

Promoter Name	As at 31 March 2023		% Change during the year
	Number of shares	% of total shares	
Shakuntala Shetty	6,20,83,095	30.38%	-
Dr. Devi Prasad Shetty	2,38,28,411	11.66%	-16.00%
Viren Prasad Shetty	1,02,18,040	5.00%	4.00%
Dr.Varun Shetty	1,02,18,040	5.00%	4.00%
Dr. Anesh Shetty	1,02,18,040	5.00%	4.00%
Ameya Shetty	1,02,18,040	5.00%	4.00%
Narayana Health Academy Private Limited	37,02,064	1.81%	-
	13,04,85,730	**63.85%**	

15 (b) Other Equity

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Reserves and surplus		
Securities premium		
At the commencement of the year	5,057.75	5,033.85
Movement during the year	6.30	23.90
At the end of the year	**5,064.05**	**5,057.75**
Capital reserve	16.62	16.62
Treasury shares		
At the commencement of the year	(12.91)	(14.05)
Movement during the year	0.30	1.14
At the end of the year	**(12.61)**	**(12.91)**
General reserve	250.00	250.00
Share options outstanding		
At the commencement of the year	7.83	31.73
Less: Exercised during the year	(6.30)	(23.90)
At the end of the year	**1.53**	**7.83**

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(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings		
At the commencement of the year	12,989.73	7,130.21
Add: Net profit after tax transferred from statement of profit and loss	7,896.24	6,065.66
Add: Dividend received on treasury shares	3.23	1.40
Less: Share of non controlling interest	(3.62)	(3.18)
Less: Dividends paid	(510.90)	(204.36)
At the end of the year	**20,374.68**	**12,989.73**
(ii) Other Comprehensive Income		
Effective portion of cash flow hedge reserve & net investment in foreign operations		
At the commencement of the year	(272.84)	(241.26)
Movement during the year	(4.39)	(31.58)
At the end of the year	**(277.23)**	**(272.84)**
Foreign currency translation reserve		
At the commencement of the year	1,330.73	691.89
Movement during the year	166.86	638.84
At the end of the year	**1,497.59**	**1,330.73**
Re-measurement of defined benefit plans		
At the commencement of the year	(96.70)	(56.23)
Movement during the year	(24.75)	(40.50)
Less: share of non controlling interest	0.02	0.03
At the end of the year	**(121.43)**	**(96.70)**
	26,793.20	**19,270.21**

Capital reserve

Capital reserve was created at the time of acquisition of hospital in Barasat and acquisition of the subsidiary Health City Cayman Islands Limited

Securities premium

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

Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from other equity.

Share options outstanding

The Group has established a share based payment for eligible employees of the Company, its subsidiaries or an associate. Also refer note 41 for further details on these plans.

General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

Foreign currency translation reserve

The foreign currency translation reserve has arisen on account of translation of financial statements / information of foreign subsidiaries and associates in accordance with Ind AS- 21 The Effects of changes in Foreign Exchange Rates.

Cash flow hedge reserve

The Group has entered into a interest rate swap agreement, This cash flow hedge reserve reflects the fluctuations of the fair value of such swap.

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Proposed Dividend

The Board of Directors have recommended a dividend of ₹ 4.0 (Four rupees) per share, for the year ended 31 March, 2024, for approval of shareholders of the Company at the ensuing Annual General Meeting (AGM).The payment of said dividend will be made within the statutorily prescribed time of 30 days from the date of approval by the Shareholders at the ensuing AGM.

16 Non controlling interests

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	10.46	7.31
Share of profit for the year	3.60	3.15
Balance at the end of the year	**14.06**	**10.46**

17 Borrowings

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
(i) Secured		
Term loans		
From banks (refer note I)	8,950.58	6,264.30
(ii) Unsecured		
Non Convertible Debenture**(refer note II)	3,000.00	-
	11,950.58	**6,264.30**
(b) Current		
Secured		
Bank overdrafts (refer note III)	220.84	101.66
Current maturities of long-term borrowings with banks (refer note I)	2,240.72	1,231.39
Unsecured loan	25.00	25.00
	2,486.56	**1,358.05**

* The Group's exposure to currency and liquidity risks related to other financial liabilities are disclosed in note 50

** During the year ended 31 March 2024, the Company has issued 30,000 rated, listed, unsecured, redeemable non-convertible debentures (NCDs) aggregating to ₹3,000 million on a private placement basis carrying a coupon rate of 8.25% p.a. payable annually and the NCDs are redeemable at the end of 5th year from the date of allotment (19 March, 2024). As at 31 March 2024, the NCDs are disclosed under non-current borrowings and the Company has complied with the disclosure requirements under Regulation 52 of the SEBI (Listing Obligations and Disclosure) Requirements, 2015.

I Term loans from banks :

Sl No.	Details of repayment terms, interest and maturity	Nature of security
(i)	Term loan from HSBC Bank : ₹ 76.00 million (previous year : ₹ 81.00 million). It is repayable in 4 (previous year 8 quarterly instalments) quarterly instalments from reporting date after moratorium period of 18 months from date of 1st disbursement. Date of 1st disbursement is 12 March 2018. Interest is charged at 8.73% p.a. (previous year: 8.5% p.a)	Movable Fixed Assets acquired out of the loan and equitable mortgage over land which is owned by Narayana Hospitals Private Limited and building of the Jaipur hospital.
(ii)	Term loan from HSBC Bank : ₹ 26.00 million (previous year : ₹ 152.00 million). It is repayable in 2 (previous year 4 quarterly instalments) quarterly instalments from June 2020. Interest is charged at 8.73% p.a. (previous year: 8.5%)	

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Sl No.	Details of repayment terms, interest and maturity	Nature of security
(iii)	Foreign currency loan taken from EXIM Bank : ₹ 447 million ($ 5.35 million) (previous year: ₹ 734 million ($ 8.92 million)). Repayable in 6 quarterly instalments from the reporting date (previous year: 10 quarterly instalments from 31st Dec 2018). Interest is linked to the O/N SOFR) + 242 base points which is 7.78%.. (previous year: Libor (6 month) + 200 base points).	Exclusive charge on the Company's immovable properties being land, buildings and structures attached or permanently fastened thereon at the location having S.No: 2/4,2/5,2/7,2/8,3, 23/1C,23/1D,26,27,28,29 with an aggregate extent of 7 Acres 1.85 Guntas situate at Kittiganahalli village, Attibele hobli, Anekal Taluk, Bangalore, Karnataka.- Further EXIM bank to issue paripassu to HDFC Bank for ₹ 1600 Millon, as agreed with bank.
(iv)	Term loan from EXIM Bank: ₹ 1,200 million (previous year : ₹ 1,200 million). Payable in 20 (previous year nil) Quarterly equal instalments starting from 01 Dec 2024). Interest is charged at 8.17% P.a, (prevoius year: 8.14% p.a.)	Exclusive charge on the Company's immovable properties being land, buildings and structures attached or permanently fastened thereon at the location having S.No: 2/4,2/5,2/7,2/8,3, 23/1C,23/1D,26,27,28,29 with an aggregate extent of 7 Acres 1.85 Guntas situate at Kittiganahalli village, Attibele hobli, Anekal Taluk, Bangalore, Karnataka and Moveable Fixed Assets. - Further EXIM bank to issue paripassu to HDFC Bank for ₹ 1600 Millon, as agreed with bank.
(v)	*Term loan from HDFC BANK ₹ 1,368 Million (previous year: ₹ 1,560 million). Repayable in 18 (previous year 22) quarterly installments from Dec-22. Interest is charged at 7.55% p.a.(previous year: 7.73%).	Exclusive charge on Ortho and Trauma unit Property Mortgaged and Paripassu of MSH property from EXIM Bank
(vi)	Term loan from HSBC Bank : ₹ 451 million (previous year : ₹ 150 Million). It is repayable in 28 (previous year 32 quarterly instalments) quarterly instalments from June-23. Date of 1st disbursement is 14 March 2023. Interest is charged at 8.27% p.a. (previous year: 8.09% p.a)	Movable Fixed Assets acquired out of the loan and equitable mortgage over land and building of the Jaipur hospital.
(vii)	*Term loan from SBI: ₹ 258 million (previous year: ₹ 330 million). Repayable in 36 monthly instalments from the reporting date (previous year 48 monthly instalments from 31st March 2019) Interest is charged at 8.20% p.a.(previous year: 8.5% p.a.)	Movable Fixed Assets and exclusively charge on land and building located #78, Jessore Road, Mouzahariharpur, Ward #5 Barasat Kolkata. Land measuring 2.474 acre title deed # 2760/2014
(viii)	*Term loan from SBI: ₹ 223 million (previous year: ₹ 303 million). Repayable in 54 monthly instalments from 31st October 20 (previous year : 66 monthly instalments) Interest is charged at 8.20% p.a.(previous year: 8.5% p.a..)	
(ix)	*Term loan from SBI: ₹ 796 million (previous year: ₹ 956 million). Repayable in 13 (previous year 17 quarterly instalments) from the reporting date after 2 years Moratorium from date October 2017. Interest is charged at 8.20% p.a.(previous year: 8.5% p.a).	

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Sl No.	Details of repayment terms, interest and maturity	Nature of security
	Term loan from HSBC Bank : ₹ 1,000 million (previous year : ₹ NIL). It is repayable in 28 (previous year : ₹ Nil quarterly instalments) quarterly instalments from April-25. Date of 1st disbursement is 30 January 2024. Interest is charged at 8.37% p.a. (previous year: NIL p.a)	Specific Moveable Fixed Assets.
	*Term loan from HDFC BANK ₹ 246 Million (previous year: NIL..). Repayable in 30 (previous year NIL) quarterly installments from Nov-23. Interest is charged at 8.37% p.a.(previous year: : ₹ NiL).	Specific Moveable Fixed Assets.
(x)	Term loan from Yes Bank : ₹ Nil (previous year : ₹ 22.62 Million) repayable 32 quaterly instalments from May 2018. Interest is charged @ 10.25% pa (previous year : 10%)	Exclusive charge on Movable Fixed assets (present and future) and current assets of the borrower (present and future) excluding those charged to any other lender/vendor and those charged to Yes Bank LC facilities, corporate guarantee and security from Narayana Hrudayalaya Limited (Holding Company).
(xi)	Term loan from Yes Bank : ₹ Nil (previous year: ₹ 2.05 Million) repayable in 32 quaterly instalments from May 2018. Interest is charged @ 10.25% pa (previous year : 10%)	
(xii)	Term loan from Yes Bank : ₹ Nil (previous year : ₹ 8.00 million) repayable in 32 quaterly instalments from November 2018. Interest is charged @ 10.25% pa (previous year : 10%)	
(xiii)	Term loan from Yes Bank : ₹ Nil (previous year : ₹ 6.03 Million) repayable in 32 quaterly instalments from March 2019. Interest is charged @ 10.25% pa (previous year: 10%)	
(xiv)	Term loan from Yes Bank : ₹ Nil (previous year : ₹ 4.85 million) repayable in 32 quaterly instalments from May 2018. Interest is charged @ 10.25% pa (previous year : 10%)	
(xv)	Term loan from Yes Bank : ₹ Nil (previous year ₹ 44.66 million) repayable in 32 quaterly instalments from Nov 2022. Interest is charged @ 10.25% pa (previous year : 10%)	
(xvi)	Term Loan from HSBC : ₹ Nil (previous year : ₹51 million) repayable in 15 quaterly instalments from reporting date. Interest is charged @ 8.50 % p.a (previous year: 8.50 %).	Secured via mortgage of title deeds on the immovable property of Narayana Hospitals Private Limited.
(xvii)	Term loan from FCIB: ₹ 5,099.08 million (previous year : ₹ 1,897.93 million) It is repayable in quarterly instalments from August 2018. Interest is linked to the Libor (3 month) + 175 basis points. (previous year: LIBOR 3 month + 175 basis points).	The loan is secured by corporate guarantee from Narayana Hrudayalaya Limited
(xvii)	Term loan from Axis Bank Ltd: Nil (previous year : ₹ 9.29 milion). Payable in 20 quarterly instalments starting from 16 May 2022). Interest is charged at 7.00% p.a., (previous year: 7.00% p.a.)	Exclusive security on Robotic equipment purchased out of Term loan / CAPEX LC. Additional movable fixed assets of the borrower such that total security cover is 1.25 times and corporate guarantee of Narayana Hrudayalaya Limited.

* Promotors % of holding should not be reduced below 51% during the tenure of loan.

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II Debenture/ Bond

Details of repayment terms, interest and maturity	Nature of security
NCD Raise for ₹ 3,000 Million (Previous year : NIL) Bullet Repayment. Fixed Interest Rate at 8.25%p.a.(Previous Year: NIL)	Unsecured

III Overdraft and Cash Credit facilities:

Sl No.	Details of repayment terms, interest and maturity	Nature of security *
	Over Draft from HSBC : ₹ 120 Mil (previous year:NIL) repayable On Demand.	Specific Movable Fixed Assets
	Over Draft from ICICI : ₹ 0.002 Mil (previous year:NIL) repayable On Demand.	FD backed OD facility
	Overdraft facility from Yes Bank Limited ₹ 100.95 million (previous year: ₹ 101.66 million) carry interest rate of 0.30% above the 3 months MCLR(previous year:0.3% above the base rate) to be paid on monthly basis	It is secured by current assets (both present and future), subservient charge on movable fixed assets and corporate guarantee of Narayana Hrudayalaya Limited.

* Statements of current assets filed by the Company with its bankers are in agreement with books of accounts.

18 Lease liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Opening Lease liability	1,219.36	1,785.64
Additions/(deletions) during the period	1,049.66	(116.07)
Finance cost accrued during the period	122.35	121.78
Lease payment	(561.57)	(571.99)
Closing Lease liability	**1,829.80**	**1,219.36**
Less: Current lease liability	(333.93)	(333.35)
	1,495.87	**886.01**
(b) Current		
Lease liability	333.93	333.35
	333.93	**333.35**

19 Other financial liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Payable towards share purchased for Employee Stock Option Plan (ESOP) Trust	12.61	12.91
Creditors for capital goods	0.62	3.00
Liability towards business acquisition	516.91	647.51
Liability towards assets replacement cost	104.85	104.85
	634.99	**768.27**

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(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(b) Current		
To parties other than related parties		
Liability towards business acquisition	80.26	80.26
Interest accrued but not due on borrowings	29.07	22.04
Creditors for capital goods	233.83	317.91
Other financial liabilities	26.26	18.92
	369.42	**439.13**

20 Provisions

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Provision for employee benefits (refer note 32)		
Gratuity	411.89	351.35
	411.89	**351.35**
(b) Current		
Provision for employee benefits (refer note 32)		
Gratuity	130.59	141.95
Compensated absences	364.62	337.76
	495.21	**479.71**

21 Other liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-Current		
To parties other than related parties		
Unearned revenue	10.19	11.44
Deferred liability for assets funding	1.64	2.01
Others	3.58	2.51
Deferred grant - Others ***	49.13	54.93
Deferred government liability for EPCG Licence**	204.80	124.16
Deferred government grant*	1,057.90	1,089.18
	1,327.24	**1,284.23**
(b) Current		
To parties other than related parties		
Deferred liability for assets funding	0.36	0.36
Contract liabilities	615.04	603.31
Unearned revenue	20.70	15.66
Deferred government grant*	31.25	34.32
Deferred government liability for EPCG Licence **	22.91	38.54
Deferred grant - Others ***	5.67	6.06
Balances due to statutory/ government authorities	317.20	233.51
Other liabilities	25.17	38.69
To related parties		
Other payables	105.49	95.70
	1,143.79	**1,066.15**

Notes

to the consolidated financial statements for the year ended 31 March 2024

Summary of the government grant received by the Group

(₹ in million)

Nature	As at 31 March 2024	As at 31 March 2023
Opening Balance	1,347.19	1,278.31
Add: Grants during the year	108.95	146.56
Less: Released to profit and loss	(84.48)	(77.68)
Closing Balance	**1,371.66**	**1,347.19**
Non Current	1,311.83	1,268.27
Current	59.83	78.92

*During the financial year 2013-14, the Company had received capital grant from the Assam Government amounting to ₹ 220.00 million for purchase of fixed assets for operating the hospital in Assam. The Company has recognized this grant as deferred income at fair value which is being amortised over the useful life of the fixed assets in proportion in which the related depreciation is recognized (Refer note. 44).

**During the financial year 2017-18, 2018-19, 2022-23 & 2023-24 the Company had received capital grant in the form of EPCG licence from Government of India amounting to ₹ 6.10 million, ₹ 89.65 million ₹ 146.56 million and ₹ 108.95 million respectively, for import of capital goods subject to fulfilment of export obligation in next 6 years. The Company has recognized this grant as deferred government liability for EPCG licence at fair value. The company will recognize deferred grant income in the statement of profit and loss as per Ind AS.

*** During the financial year 2021-22, the Group has received capital grants from various corporates amounting to ₹ 65.45 million for purchase of property, plant & equipment as agreed. The Group has recognized this grant as deferred income at fair value which is being amortised over the useful life of the property, plant & equipment in proportion in which the related depreciation is recognized.

22 Trade payables

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 38)	472.20	297.33
Total outstanding dues of creditors other than micro enterprises and small enterprises*	5,563.46	5,853.02
	6,035.66	**6,150.35**

*includes payables to related parties (refer note 34)

The Group's exposure to currency and liquidity risks related to trade payable is disclosed in note 50

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due *	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024						
a) Undisputed-MSME	48.99	411.98	8.37	2.38	0.48	472.20
b) Undisputed -Others	2,999.32	2,365.90	109.37	30.86	58.01	5,563.46
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**3,048.31**	**2,777.88**	**117.74**	**33.24**	**58.49**	**6,035.66**
As at 31 March 2023						
a) Undisputed-MSME	43.78	250.23	2.35	0.37	0.60	297.33
b) Undisputed -Others	3,134.73	2,479.30	100.89	76.34	61.76	5,853.02
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**3,178.51**	**2,729.53**	**103.24**	**76.71**	**62.36**	**6,150.35**

*Includes provision for expenses.

Notes

to the consolidated financial statements for the year ended 31 March 2024

23 Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March, 2023
Income from medical and healthcare services	48,155.30	43,272.11
Sale of medical consumables and drugs	1,881.68	1,638.50
Other operating revenue:		
Other healthcare services	108.77	284.48
Teleradiology income	29.45	27.72
Income from IT for health care services	7.29	-
Income from patients amenities	-	24.84
	50,182.49	**45,247.65**

Refer notes below

(₹ in million)

(i) Category of Customer	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash *	24,706.88	22,916.13
Credit	25,475.61	22,331.52
	50,182.49	**45,247.65**

* Includes receipts through digital/electronic mode

(₹ in million)

(ii) Nature of treatment	For the year ended 31 March 2024	For the year ended 31 March 2023
In-patient	39,254.09	36,057.34
Out-patient	8,936.97	7,214.77
Sale of medical consumables and drugs	1,881.54	1,638.50
Others	109.89	337.04
	50,182.49	**45,247.65**

(iii) The revenue from rendering Medical & Healthcare services and sale of medical consumables and drugs satisfies 'at a point in time' recognition criteria as prescribed by Ind AS 115

(iv) Transaction price allocated to the remaining performance obligations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract liabilities	615.04	603.31
	615.04	**603.31**

(v) Reconciliation of revenue recognised with contract price:

Revenue from operations (including other operating revenue)

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract Price (as reflected in the invoice raised on customer as per the terms of the contract with customer)	52,050.57	46,977.36
Reduction in the form of discounts	(1,868.08)	(1,729.71)
Revenue Recognised in statement of profit and loss	**50,182.49**	**45,247.65**

Notes

to the consolidated financial statements for the year ended 31 March 2024

24 Other income

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on		
- Bank deposits	104.55	31.30
- Others	69.72	69.18
Interest income from financial asset at amortised cost	189.00	51.25
Liabilities / Provision no longer required written back	34.47	3.36
Export incentive	1.03	48.90
Grant income	84.48	77.68
Profit on sale of investment	64.31	5.15
Foreign exchange gain	22.22	71.50
Income from derecognition of finance lease	6.17	158.57
Miscellaneous income	175.94	137.56
	751.89	**654.45**

25 Changes in inventories of medical consumables, drugs and surgical instruments (increase)/ decrease

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	715.71	593.76
Inventory at the end of the year	1,099.48	704.70
	(383.77)	**(110.94)**

26 Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	9,299.41	8,162.13
Contribution to provident and other funds (refer note 32)	500.88	448.52
Staff welfare expenses	242.73	181.36
	10,043.02	**8,792.01**

27 Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Hospital operating expenses		
Power and fuel	1,047.91	940.41
Hospital general expenses	441.26	476.93
House keeping expenses	1,143.57	1,080.78
Patient welfare expenses	485.75	489.54
Rent	594.87	454.63
Medical gas charges	132.30	115.58
Biomedical wastage expenses	33.32	37.05

Notes

to the consolidated financial statements for the year ended 31 March 2024

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Repairs and maintenance		
- Hospital equipments	720.45	712.75
- Buildings	258.56	334.86
- Others	892.00	874.65
Total (A)	**5,749.99**	**5,517.18**
Administrative expenses		
Travel and conveyance	226.05	227.07
Security charges	300.33	291.11
Printing and stationery	230.07	209.18
Rent	150.49	146.77
Advertisement and publicity	1,013.27	805.43
Legal and professional fees	383.22	450.84
Payment to auditors (refer note (i) below)	14.01	11.67
Business promotion	374.14	361.34
Telephone and communication	150.44	123.77
Bank charges	149.74	146.32
Insurance	191.46	175.88
Corporate social responsibility (refer note (ii) below)	43.01	18.89
Rates and taxes	83.50	90.62
Books and periodicals	28.53	30.80
Provision for loss allowance and doubtful advances	(189.41)	256.37
Bad receivables written off	26.35	4.47
Loss on sale/disposal of Property, plant and equipment	56.41	66.24
Miscellaneous expenses	47.90	42.75
Total (B)	**3,279.51**	**3,459.52**
Total (A+B)	**9,029.50**	**8,976.70**

(i) Payment to auditors*

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
As an auditor		
(i) Audit fee	11.30	8.70
(ii) Limited review	1.80	1.80
(iii) Other attest services	0.65	0.90
(iv) Reimbursement of expenses	0.26	0.27
Total	**14.01**	**11.67**

*excluding GST

(ii) Corporate social responsibility

Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule VII of the Companies Act, 2013.

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The Group's CSR activities primarily focuses on programs that aims to make a positive difference in the lives of the people by engaging in activities that eliminates or alleviates pain and suffering to the under privileged sections of the society by Promoting healthcare facilities for the upliftment of people at large and creating a positive impact by addressing issues of accessibility and affordability. Promoting educational facilities to help and assist in unfolding the creative potentials and talents of the children and amateurs.

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Amount required to be spent by the Group during the year	42.86	18.61
b) Amount of expenditure incurred on purpose other than construction/ acquisition of any asset	43.01	18.89
c) Excess spend of prior years set off during the year	0.45	-
d) Shortfall / (excess) at the end of the year [(d)=(a)-(b)-(c)]	(0.61)	(0.28)
e) Total of previous years shortfall	-	-
f) Reason for shortfall	NA	NA
g) Nature of CSR activities	Promoting healthcare facilities for the upliftment of people at large,Promoting educational facilities to deserved children and amateurs	
h) Details of related party transactions	NA	NA
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

28 Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense		
- term loans from banks	690.32	409.02
- bank overdraft	9.05	9.64
- others	36.48	23.98
Interest expense on lease liabilities (Note 18(a))	122.35	121.78
Interest expense on business acquisition	110.62	126.34
Unwinding of asset replacement cost	-	3.84
	968.82	**694.60**

29 Depreciation and amortisation expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 4)	1,577.49	1,411.58
Depreciation of right of use assets (refer note 5)	481.11	431.61
Amortisation of intangible assets (refer note 4)	362.78	257.21
	2,421.38	**2,100.40**

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30 Contingent liabilities and commitments

(i) Contingent liabilities:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the Group not acknowledged as debts in respect of:		
a) Customs Duty (refer note A below)	1.74	1.74
b) Income tax (refer note B below)	30.19	30.19
c) Goods and Service Tax (refer note C below)	22.71	18.75
d) Others(refer note D below)	5.41	5.41

Notes:

A. For financial year 2012-13, the Company has received a notice proposing levy of customs duty on import of 'Surgical Microscopes' along with accessories classifying it under CTH 9018 9000 of Customs Tariff Act 1975. Against the demand of ₹ 1.74 million, the Company has deposited ₹ 1.33 million with the department and filed an appeal before the Commissioner of Customs (Appeals), which is pending as at 31 March 2024.

B. Income Tax

a) For assessment year 2012-13 the Company had received an assessment order under section 143(3) of the Income Tax Act, 1961 on 31st March 2015. The company may have an additional liability of ₹ 12.59 million on account of differential tax provision. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)). CIT(A) had issued an order in favour of the Company. The department then filed an appeal with the Income Tax Appellate Tribunal (ITAT) against the order of CIT(A). ITAT had issued an order in favour of the Company and referred to Assessing officer. The assessing officer issued revised assessment order u/s.143(3) r.w.s 254 on 27/09/2022 for disallowing of unpaid leave encashment of ₹ 8.19 million. The company may have an additional liability of ₹ 2.57 million as per the assessment order received however while issuing the assessment order the assessing officer has not given benefit of MAT credit of ₹ 1.58 million. The company has filed rectification on 07/10/2023 against the assessment order.

b) For assessment year 2013-14 the Company had received an assessment order under section 143(3) of the Income Tax Act, 1961 on 25 March 2016. The company may have an additional liability of ₹ 6.69 million on account of differential tax provision. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)) which is pending as at 31 March 2024.

c) For assessment year 2016-17 the company had received a notice 142(1) of the Income tax act, 1961 on 28 Mar 2018 asking company to submit certain documents on 6 April 2018. Company has replied on 6 April 2018, 24 July 2018, 29 August 2018, 7 December 2018. The department has issued a assessment order u/s 143(3) on 29 December 2018 demanding a sum of ₹ 1.06 million. Against this demand, the Company had paid ₹ 0.3 million under protest on 11 February 2019 and filed an appeal with the Commissioner of Income Tax (Appeals) (CIT(A)), which is pending as at 31 March 2024.

d) For assessment year 2017-18 the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961 on 27 December 2019. The company may have an additional liability of ₹ 20.93 million on account of differential tax provision. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)), which is pending as at 31 March 2024.

e) For assessment year 2018-19 the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961 on 24 May 2021. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)), which is pending as at 31 March 2024.The department while issuing computation of total income for supporting to Assessemnt order not given effect of u/s 35AD, the

Notes

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company has filed a request letter to assessing officer to rectify the mistake, the assessing officer considering the request letter, issued rectification assessement order on 17/03/2023. The company has also received notice u/s. 263 for revision assessment on 14/12/2023 from Principal Commission of Income Tax (PCIT) for asking us give the details of u/s 35AD deduction claimed for Gurugram unit & Mumbai unit and share issue expenses, The PCIT issued order u/s. 263 on 29/03/2024 and directed the AO to recheck & issue the assessment order, its pending with assessing officer.

f) For assessment year 2020-21 the Company has received an assessment order under section 143(3) of the Income Tax Act, 1961 on 23/09/2022. The Company has filed an appeal against order issued by the department with the Commissioner of Income tax (Appeals) (CIT (A)), which is pending as at 31 March 2024.

C. Goods and Service Tax(GST)

i) For the period July 2017 to March 2018 the company has received assessment order from the GST authority of Karnataka state under section 73(5) under GST Act, 2017. As per the order the company may have additional liability ₹ 18.75 million on account of differential tax provisions. The company has filed an appeal against the assessment order issued by department before the first appellate authority on 5th July 2023 which is pending as at 31 March 2024.

ii) For the Financial year 2018-19, the company has received assessment order from the GST authority of Karnataka state under section 73(9) under GST Act, 2017. As per the order the company may have additional liability ₹ 3.96 million on account of differential tax provisions. The company has decided to file an appeal against the order.

D. NVDSHPL has a contingent liability of ₹5.41 million as on 31 March 2024 on account of penalty raised by SHA (State Health Agency-Government of Jammu & Kashmir) against which the company has filed appeals (previous year - ₹ 5.41 million).

E. Based on the advise of its legal counsel, the Group believes that other disputes, lawsuits and claims, including commercial matters, which arise from time to time in the ordinary course of business and are outstanding as at 31 March 2024 will not have any material adverse effect on its financial statements for the year ended 31 March 2024.

(ii) Commitments:

Estimated amounts of contracts remaining to be executed on capital account (net of advances) and other commitments not provided for, amounts to ₹ 1,857.47 million (previous year: ₹ 1,766.50 million).

31 Lease

The Group has adopted Ind AS 116 'Leases', effective annual reporting period beginning April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Group has applied the standard to its leases, using the modified retrospective approach, with the cumulative effect of initially applying the Standard, recognized on the date of initial application (April 1, 2019). Comparative information has not been restated.

Accordingly, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application

The following is a summary of practical expedients elected by the Group on initial application:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics in similar economic environment.
- Treated leases with remaining lease term of less than 12 months as if they were "short term leases"
- Applied the exemption not to recognize right-of-use assets and liabilities for leases of low value assets
- Application of hindsight, in determining the lease term if the contract contains options to extend or terminate the lease

Notes

to the consolidated financial statements for the year ended 31 March 2024

(i) The following is the break-up of current and non-current lease liabilities as at 31 March 2024 and 31 March 2023

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	333.93	333.35
Non-current lease liabilities	1,495.87	886.01
	1,829.80	**1,219.36**

(ii) The following is the movement in the lease liabilities during the year ended 31 March, 2024 and 31 March, 2023

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening lease liability	1,219.36	1,785.64
Additions/(Deletions)*	1,049.66	(116.07)
Finance cost accrued during the year	122.35	121.78
Payment of lease liabilities	(561.57)	(571.99)
	1,829.80	**1,219.36**

*includes lease modification relating to one hospital resulting in reversal of lease liability amounting to ₹245.06 million.

(iii) The table below provides details regarding the undiscounted contractual maturities of rental payments as of 31 March 2024

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Contractual rental payments	302.80	248.98	428.76	858.04	1,838.57
	302.80	**248.98**	**428.76**	**858.04**	**1,838.57**

The table below provides details regarding the undiscounted contractual maturities of rental payments as of 31 March 2023

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Contractual rental payments	344.52	169.88	371.94	912.41	1,798.75
	344.52	**169.88**	**371.94**	**912.41**	**1,798.75**

Rental expense recorded for short-term leases for the year ended 31 March, 2024 was ₹ 745.36 Million (previous year: ₹ 601.40 Million).

32 Employee benefits

A. Defined contribution plan

The Company makes contributions towards provident fund and employee state insurance to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance for the year aggregated to ₹ 396.22 million (previous year: ₹ 363.57 million)

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to the consolidated financial statements for the year ended 31 March 2024

B. Defined benefit plan

The Group operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/ exit. During the previous year, scheme was partly funded through the gratuity fund administered by a trust formed for this purpose and managed by Kotak Life Insurance and Life Insurance Corporation of India directly. The Group's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Group recognizes actuarial gains and losses immediately in the consolidated statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's consolidated financial statements as at balance sheet date:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligations liability	642.43	547.85
Plan assets	99.95	54.55
Net defined benefit liability	**542.48**	**493.30**
Full and final settlement cases	-	-
Liability for compensated absences	364.62	337.76
Total employee benefit liability	**907.10**	**831.06**
Non-current	**411.89**	**351.35**
Current	**495.21**	**479.71**

C. Reconciliation of net defined benefit (assets) / liability

i) Reconciliation of present values of defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation as at 1 April	547.85	442.70
Benefits paid		
- by the Fund	(40.06)	(41.16)
- by the Group	(8.09)	(2.48)
Current service cost	75.63	66.30
Interest cost	33.01	20.79
Acquisition / Divestiture	-	0.42
Actuarial (gains) / losses recognised in other comprehensive income	-	
- changes in demographic assumptions	(3.76)	1.51
- changes in financial assumptions	7.01	(24.08)
- experience adjustments	30.84	83.85
Defined benefit obligations as at 31 March	**642.43**	**547.85**

ii) Reconciliation of the present values of plan assets

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets at beginning of the year	54.55	39.01
Adjustments	-	(3.00)
Contributions paid into the plan	80.58	57.24

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to the consolidated financial statements for the year ended 31 March 2024

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest income	3.98	2.14
Benefits paid	(40.06)	(41.16)
Return on plan assets recognised in other comprehensive income	0.90	0.32
Plan assets at the end of the year	**99.95**	**54.55**
Net defined benefit liability	**542.48**	**493.30**

D. i) Expense recognised in consolidated statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	75.63	66.30
Interest cost	33.01	20.79
Interest income	(3.98)	(2.14)
	104.66	**84.95**

ii) Remeasurements recognised in other comprehensive income

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain) loss on defined benefit obligation	34.09	61.28
Return on plan assets excluding interest income	(0.90)	(0.32)
	33.19	**60.96**

E. Plan Assets

Plan assets comprises of the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Government securities & debt instruments	99.95	54.55
	99.95	**54.55**

The nature of assets allocation of plan assets is in government securities and debt instruments of high credit rating.

F. Defined Benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Attrition rate	Upto Level 6 =25%-39%Level7 &above=13%-44%	Upto Level 6 =25%-36%Level7& above=27%-75%
Discount rate	7.16% to 7.30%	7.30%

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to the consolidated financial statements for the year ended 31 March 2024

Principal actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Expected return on plan assets	6.70% to 7.30%	6.70
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Future salary increases	First year 7.90% - 8% Thereafter 6% - 6.20%	First year 7.90% Thereafter 6%

Assumptions regarding future mortality are based on published statistics and mortality tables.

As of 31 March 2024, the plan assets have been invested in insurer managed funds and the expected contributions to the fund during the year ending 31 March 2025, will be approximately ₹ 180.98 million (previous year: ₹ 171.64 million).

Maturity profile of defined benefit obligation

The following payments are expected contributions to the defined benefit plan in future years:

(₹ in million)

Particulars	Amount
1st following year	180.98
2nd following year	134.72
3rd following year	107.20
4th following year	83.86
5th following year	62.17
Year 6 to 10	164.13
More than 10 years	95.09

At 31 March 2024, the average past service was 4.88 years (previous year: 4.64 years) and average expected future working life was 3 years (previous year 2.81 years).

(ii) Sensitivity analysis

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

(₹ in million)

Particulars	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(27.12)	(7.61)	(11.60)	1.32
Future salary increase (0.5% movement)	(6.92)	(27.91)	2.22	(12.56)
Attrition rate (0.5% movement)	(17.70)	(17.41)	(7.66)	(4.95)
Mortality rate (0.10% movement)	(17.51)	(17.60)	(5.11)	(5.25)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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33 Segment information

Operating Segments

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance and allocates resources on overall basis. The Group's operating segments are 'Medical and Healthcare related Services' and Others (Insurance Segment).

a) Segment revenues and results.

(₹ in million)

Sl. No.	Particulars	(Audited) Year ended 31-Mar-24	Year ended 31-Mar-23
1	**Segment Revenue**		
	a) Revenue from Operations		
	Medical and Healthcare related Services	50,182.49	45,247.65
	Others	-	-
	Total Revenue from operations (a)	**50,182.49**	**45,247.65**
	Unallocated other income*(b)	751.89	654.45
	Total Income (a)+(b)	**50,934.38**	**45,902.10**
2	**Segment Result**		
	Medical and Healthcare related Services	9,149.77	7,555.92
	Others	(47.56)	-
		9,102.21	**7,555.92**
	Add: Unallocable other income	751.89	654.45
	Less: Unallocable Finance cost	968.82	694.60
	Profit Before taxes	**8,885.28**	**7,515.77**
3	**Segment Assets**		
	Medical and Healthcare related Services	44,324.62	35,590.50
	Others	974.01	-
	Unallocated*	10,947.18	6,030.44
	Total	**56,245.81**	**41,620.94**
4	**Segment liabilities**		
	Medical and Healthcare related Services	12,238.35	12,628.37
	Others	9.65	-
	Unallocated*	15,146.94	7,668.29
	Total	**27,394.94**	**20,296.66**
5	**Capital employed**		
	(Segment Assets-Segment liabilities)		
	Medical and Healthcare related Services	32,086.27	22,962.13
	Others	964.36	-
	Unallocated*	(4,199.76)	(1,637.85)
	Total	**28,850.87**	**21,324.28**

*Interest on fixed deposits,gain from mutual funds are not allocated to individual segments as the underlying intruments are managed on a corporate level. Similarly investments,fixed deposits,current taxes,deferred taxes and certain financial assets and liabilities are not allocated to segments as they are managed on a corporate level.

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b) Entity wide disclosures - Geographical information

Geographical information analyses the Group's revenue and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	39,921.21	36,174.65
Rest of the world - Cayman Islands & St Lucia	10,261.28	9,073.00
	50,182.49	**45,247.65**

(ii) Non-current assets *

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
India	24,022.74	20,418.17
Rest of the world - Cayman Islands	11,241.71	6,821.21
	35,264.45	**27,239.38**

*Non-current assets exclude financial instruments, deferred tax assets and equity accounted investees

34 Related party disclosures

(a) Details of related parties:

Nature of relationship	Name of related parties
Key Management Personnel (KMP)	Dr. Devi Prasad Shetty - Chairman
	Viren Prasad Shetty- Whole Time Director
	Dr. Emmanuel Rupert-Managing Director
	Sandhya Jayaraman- Chief Financial Officer
	Sridhar S - Company Secretary
Relatives of KMP	Dr. Varun Shetty
	Dr. Anesh Shetty
	Ms.Ameya Shetty
	Dr. Vivek Shetty
	Mrs. Neha Shetty
	Mrs. Sanchita Shetty
	Mrs. Sonali Shetty
	Ms. Aanya Shetty
	Ms. Annika Shetty
	Mrs.Shakuntala Shetty
Associates of subsidiary	Reya Health Inc (formerly known as Cura Technologies Inc)
	ISO Healthcare (under liquidation)
Enterprises under control/ joint control of KMP and their relatives	Narayana Health Academy Private Limited (NHAPL)
	Hrudayalaya Pharmacy
	Charmakki Infrastructures
	Narayana Hrudayalaya Foundation (NHF)
	Mazumdar Shaw Medical Foundation (MSMF)
	Amaryllis Healthcare Private Limited (AHPL)
	Asia Heart Foundation (AHF)
	Thrombosis Research Institute(TRI)
Enterprises where control of the Company exists	Narayana Hrudayalaya Private Limited Employees Group Gratuity Trust

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(b) Transactions with related parties during the year ended 31 March 2024

(₹ in million)

Transactions	Key Management Personnel	Relative of KMP	Associate/ Associates of subsidiary	Entity under control/joint control of KMP and their relatives	Total
Rent expense					
NHF	-	-	-	18.60	18.60
	(-)	(-)	(-)	(26.06)	(26.06)
AHF	-	-	-	3.68	3.68
	(-)	(-)	(-)	(3.12)	(3.12)
Charmakki Infrastructures	-	-	-	7.89	7.89
	(-)	(-)	(-)	(7.48)	(7.48)
MSMF	-	-	-	29.50	29.50
	(-)	(-)	(-)	(29.50)	(29.50)
TOTAL	**-**	**-**	**-**	**59.67**	**59.67**
	(-)	**(-)**	**(-)**	**(66.16)**	**(66.16)**
Interest income on security deposit					
Charmakki Infrastructures	-	-	-	12.16	12.16
	(-)	(-)	(-)	(11.07)	(11.07)
Reimbursement of expenses					
AHF	-	-	-	0.05	0.05
	(-)	(-)	(-)	(0.05)	(0.05)
NHF	-	-	-	0.09	0.09
	(-)	(-)	(-)	(6.08)	(6.08)
Hrudayalaya Pharmacy	-	-	-	0.01	0.01
	(-)	(-)	(-)	(0.01)	(0.01)
TOTAL	**-**	**-**	**-**	**0.15**	**0.15**
	(-)	**(-)**	**(-)**	**(6.14)**	**(6.14)**
Revenue from healthcare services					
NHF	-	-	-	0.36	0.36
	(-)	(-)	(-)	(0.27)	(0.27)
MSMF				5.50	5.50
	(-)	(-)	(-)	(6.27)	(6.27)
Total	**-**	**-**	**-**	**5.86**	**5.86**
	(-)	**(-)**	**(-)**	**(6.54)**	**(6.54)**
Advance on account of discount entitlement					
NHF	-	-	-	1.32	1.32
	(-)	(-)	(-)	(7.32)	(7.32)
AHF	-	-	-	1.44	1.44
	(-)	(-)	(-)	(1.42)	(1.42)
Total	**-**	**-**	**-**	**2.76**	**2.76**
	(-)	**(-)**	**(-)**	**(8.74)**	**(8.74)**
Purchase of medical stores and Consumables					
Hrudayalaya Pharmacy	-	-	-	-	-
	(-)	(-)	(-)	(0.09)	(0.09)
AHPL	-	-	-	145.09	145.09
	(-)	(-)	(-)	(166.91)	(166.91)
Total	**-**	**-**	**-**	**145.09**	**145.09**
	(-)	**(-)**	**(-)**	**(167.00)**	**(167.00)**

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(₹ in million)

Transactions	Key Management Personnel	Relative of KMP	Associate/ Associates of subsidiary	Entity under control/joint control of KMP and their relatives	Total
Hospital General Expenses					
AHPL	-	-	-	43.37	43.37
	(-)	(-)	(-)	(33.58)	(33.58)
Lab outsourcing expenses					
MSMF	-	-	-	3.17	3.17
	(-)	(-)	(-)	(3.88)	(3.88)
Short term employee benefit*					
Dr. Devi Prasad Shetty	178.65	-	-	-	178.65
	(151.43)	(-)	(-)	(-)	(151.43)
Dr. Emmanuel Rupert	75.14	-	-	-	75.14
	(94.67)	(-)	(-)	(-)	(94.67)
Mr. Viren Prasad Shetty	33.15	-	-	-	33.15
	(27.60)	(-)	(-)	(-)	(27.60)
Ms. Sandhya Jayaraman	26.01	-	-	-	26.01
	(25.61)	(-)	(-)	(-)	(25.61)
Mr.Sridhar S	10.32	-	-	-	10.32
	(6.62)	(-)	(-)	(-)	(6.62)
Dr. Vivek Shetty	-	6.54	-	-	6.54
	(-)	(7.27)	(-)	(-)	(7.27)
Dr. Varun Shetty	-	10.64	-	-	10.64
	(-)	(8.29)	(-)	(-)	(8.29)
Total	**323.27**	**17.18**	**-**	**-**	**340.45**
	(305.93)	**(15.56)**	**(-)**	**(-)**	**(321.49)**
Other Professional Fees					
Dr. Vivek Shetty	-	3.27	-	-	3.27
	(-)	(1.97)	(-)	(-)	(1.97)
Dr. Varun Shetty	-	13.36	-	-	13.36
	(-)	(10.37)	(-)	(-)	(10.37)
TOTAL	**-**	**16.63**	**-**	**-**	**16.63**
	(-)	**(12.34)**	**(-)**	**(-)**	**(12.34)**
Share based payments					
Dr. Emmanuel Rupert	0.30	-	-	-	0.30
	(1.14)	(-)	(-)	(-)	(1.14)
Rent					
Dr. Emmanuel Rupert	0.22	-	-	-	0.22
	(-)	(-)	(-)	(-)	(-)

Figures in brackets are for previous year.

*The amounts are determined as per section 17(2) of the Income tax Act, 1961 read with the related Rules.

Note

Compensation to KMP is bifurcated into short-term employee benefits, long-term benefits and share based payments. The remuneration to KMP does not include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Company as a whole.

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(c) The balances receivable from and payable to related parties (continued)

(₹ in million)

Balances	Key Management Personnel	Associate/ Associates of subsidiary	Entity under control/joint control of KMP and their relatives	Total
Trade payables				
Amaryllis Healthcare Private Limited	-	-	6.34	6.34
	(-)	(-)	(12.38)	(12.38)
MSMF	-	-	0.59	0.59
	(-)	(-)	(14.14)	(14.14)
TOTAL	**-**	**-**	**6.93**	**6.93**
	(-)	**(-)**	**(26.52)**	**(26.52)**
Other financial assets- Due for reimbursement of expense				
NHF	-	-	1.29	1.29
	(-)	(-)	(1.30)	(1.30)
Narayana Hrudayalaya Pharmacy	-	-	-	-
	(-)	(-)	(-)	(-)
NHEBT ESOP Trust	-	-	0.70	0.70
	(-)	(-)	(0.13)	(0.13)
Narayana Health Enterprises	-	-	0.61	0.61
	(-)	(-)	(-)	(-)
AHF	-	-	1.06	1.06
	(-)	(-)	(-)	(-)
TOTAL	**-**	**-**	**3.66**	**3.66**
	(-)	**(-)**	**(1.43)**	**(1.43)**
Financial assets- non-current - Security deposit				
Charmakki Infrastructures	-	-	138.52	138.52
	(-)	(-)	(126.35)	(126.35)
Other non-current assets - Prepaid rent				
Charmakki Infrastructures	-	-	-	-
	(-)	(-)	(0.84)	(0.84)
AHF	-	-	6.69	6.69
	(-)	(-)	(7.45)	(7.45)
TOTAL	**-**	**-**	**6.69**	**6.69**
	(-)	**(-)**	**(8.29)**	**(8.29)**
Other current assets - Prepaid rent				
Charmakki Infrastructures	-	-	-	-
	(-)	(-)	(6.99)	(6.99)
Gross Trade receivables				
NHF	-	-	0.02	0.02
	(-)	(-)	(0.02)	(0.02)
MSMF			0.60	0.60
	(-)	(-)	(0.49)	(0.49)
TOTAL	**-**	**-**	**0.62**	**0.62**
	(-)	**(-)**	**(0.51)**	**(0.51)**
Other liabilities (current) - Other payables				
AHF	-	-	105.49	105.49
	(-)	(-)	(95.70)	(95.70)

Figures in brackets are for the previous year.

Notes:

(a) Related party relationships have been identified by the Management and relied upon by the auditors.

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(b) The terms and conditions of the transactions with related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with other than related entities on an arm's length basis.

35 Group Information

Information about subsidiaries and associates

(a) Subsidiaries

The consolidated financial statements of the group include the following subsidiaries:

Name	Principal Activities	Country of incorporation/ Principal place of business	Ownership interest held by Group	
			31 March 2024	31 March 2023
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	Medical and Healthcare services	India	100.00%	100.00%
Narayana Hospitals Private Limited (NHPL)	Medical and Healthcare services	India	100.00%	100.00%
Meridian Medical Research & Hospital Limited (MMRHL)	Medical and Healthcare services	India	99.13%	99.13%
Narayana Vaishno Devi Specialty Hospitals Private Limited (NVDSHPL)	Medical and Healthcare services	India	100.00%	100.00%
NH Integrated Care Private Limited (NHIC)	Medical and Healthcare services	India	100.00%	100.00%
Athma Healthtech Private Limited (AHPL)	Medical and Healthcare services	India	100.00%	100.00%
Medha AI Private Limited (MAIPL)	Medical and Healthcare services	India	100.00%	-
Narayana health Insurance Limited (NHIL)	Medical and Healthcare services	India	100.00%	-
Samyat Healthcare Private Limited (SHPL)	Medical and Healthcare services	India	100.00%	-
Health City Cayman Islands Ltd. (HCCI)	Medical and Healthcare services	Cayman Islands	100.00%	100.00%
ENT in Cayman Ltd. (EICL)	Medical and Healthcare services	Cayman Islands	100.00%	-
Cayman Integrated Healthcare Limited (CIHL)	Medical and Healthcare services	Cayman Islands	100.00%	-
Narayana Holdings Private Limited (NHPL, Mauritius)	Investment Company	Mauritius	100.00%	100.00%
NH Health Bangladesh Private Limited. (NHDPL)	Medical and Healthcare services	Bangladesh	100.00%	100.00%
Narayana Health North America LLC (NHNA)	Medical and Healthcare services	United States of America	100.00%	100.00%

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(b) Associates

The consolidated financial statements of the group include the following associates:

Name	Principal Activities	Country of incorporation/ Principal place of business	% equity interest	
			31 March 2024	31 March 2023
ISO Healthcare (under liquidation)	Medical and Healthcare services	Mauritius	0.00%	20.00%
Reya Health Inc (formerly known as Cura Technologies Inc)	IT Services related to Healthcare	United States of America	43.58%	43.58%

36 Investment in associates

The Group has interest in the following companies. This has been accounted for using the equity method in the consolidated financial statements. The Group has significant influence either by virtue of shareholding being more than 20%, provision of essential technical service, participation in policy making processes or Board representation. However the Group does not have control or joint control over any of them.

Name	Principal Activities	Country of incorporation/ Principal place of business	% equity interest	
			31 March 2024	31 March 2023
ISO Healthcare (under liquidation)	Medical and Healthcare services	Mauritius	0.00%	20.00%
Reya Health Inc (formerly known as Cura Technologies Inc)	IT Services related to Healthcare	United States of America	43.58%	43.58%

37 Investments, loans and guarantees

(a) The Group has made investment in the following entities:

(₹ in million)

Entity	Initial Investment	Carrying value as at 31 March 2023	Allotment / (buyback) during the year	Share of gain / (loss) of equity accounted investees	Exchange fluctuation	Carrying value as at 31 March 2024
Reya Health Inc (formerly known as Cura Technologies Inc)	9.27	-	-	-	-	-
ISO Healthcare	44.62	-	-	-	-	-
	53.89	**-**	**-**	**-**	**-**	**-**

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(b) The Group has given loans to the following entity:

(₹ in million)

Entity	Purpose of Loan	Initial Investment	Carrying value as at 31 March 2023	Accrued interest	Share of loss of equity accounted investees	Exchange fluctuation	Carrying value as at 31 March 2024
Reya Health Inc (formerly known as Cura Technologies Inc)	Financial assistance	187.25	-	-	-	-	-
		187.25	**-**	**-**	**-**	**-**	**-**

38 Due to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	461.24	291.19
- Interest	10.96	6.14
The amount of interest paid by the buyer as per the MSMED Act	-	-
The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	10.96	6.14
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

39 Leasehold land includes 36 acres of land acquired by Narayana Hospitals Private Limited ("NHPL") in the year 2008 under perpetual lease from Government of Gujarat amounting to ₹ 1,652.38 million. The aforesaid land has been granted to NHPL by Government of Gujarat at a concessional rate under Gujarat Health Project for construction of heart hospital with certain conditions including but not limited to the following:

- 1,000 bed hospital for cardiac surgery should be built and be operational within 18 months from the date of completing legal formalities/ handing over with clear title and after obtaining all necessary permissions from all concerned departments. Self dependent 100 seat medical college under Medical Council of India ('MCI') Rules should be built and be operational within 36 months. Total project including 5,000 bed super-specialty hospital should be completed within 6 years;

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- Self dependent medical college, to be established by NHPL, should be set up with total adherence to rules governed by MCI and Government of India;
- 5% surgery in the proposed health city should be done free. Only medicines and disposables should be charged;
- 20% cardiac surgeries should be performed at the subsidised rate of ₹ 0.07 million only, which includes every expense;
- Beneficiaries of the above said 5% and 20% surgeries will be referred by the Government of Gujarat;
- 15% out-patients should be given free consultation. Diagnostics fees will be charged at 50%;
- After achieving, 5,000 surgeries annually, 1,000 surgeries should be performed under concessional rate of ₹ 0.07 million and 250 surgeries should be performed free and
- Number of student intake and fees for the proposed medical college should be according to the prevailing government rules.

NHPL was unable to start the project on the specified date and received a show cause notice from the Government of Gujarat on December 22, 2010. Subsequent to the show cause notice, NHPL replied on January 19, 2011 assuring the Government of Gujarat that the entire project will be completed by June 2016.

As per the letter dated January 19, 2011, the timelines committed by NHPL are as follows:

Commissioning timelines	
a) 500 bed multispecialty hospital	June-2012
b) 1000 bed multispecialty hospital (expansion)	June-2012
c) 100 seat Medical College	June-2013
d) 5000 bed Health City	June-2016

The Company commenced operations in its Ahmedabad unit on May 3, 2012. As of 31 March, 2024, the Group is yet to achieve the above timelines. The Group based on its past projects with government and other authorities believes that the terms/ conditions of grant of leasehold land at concessional rate would be renegotiated and no liability or adjustment to recorded assets is required as at 31 March, 2024.

40 In the year 2008-09, NHPL was allotted 35 acres of land by Jaipur Development Authority ('JDA') for establishing a medical college at Bagrana Grama, Jaipur (""Bagrana""). Subsequently, NHPL has surrendered 25 acres of land to JDA and retained 10 acres of land. However, in the year 2013-14 JDA intimated NHPL that 6,000 sq. meters of land out of the 10 acres land retained will be utilised for the completion of ring road project. Subsequently, JDA gave another proposal of land allotment at Govind Pura Ropada, in lieu of 10 acres at Bagrana, NHPL gave its consent on the same through letter dated April 24, 2015.

Since this land is given in lieu of land allotted at Bagrana, NHPL has requested JDA that the land at Govind Pura Ropada to be valued the same as it was during the time of allotment of land in Bagrana in March 2008.

As at 31 March 2024, NHPL had paid ₹ 54.44 million (31 March 2023 : ₹ 54.44 million) to JDA and accrued the balance payable of ₹ 53.39 million (31 March 2023 : ₹ 53.39 million). NHPL would capitalize this amount along with any other payment once NHPL gets the land registered in its name. As at 31 March, 2024, NHPL has assessed the status of the advance paid and on grounds of prudence has recorded a provision for the above advance amounting to ₹ 54.44 million. The Company continues to engage with JDA for resolution of the above.

41 Share based payment expense

During the year ended 31 March 2016, the Company introduced the NH ESOP 2015 ("NH ESOP") for the benefit of the employees of the Company, its subsidiaries and associates, as approved by the Board of Directors in its meeting held on September 12, 2015. NH ESOP 2015 provides for the creation and issue of 20,40,000 share options that would eventually

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convert into equity shares of ₹ 10 each in the hands of the employees of the Company, its subsidiaries and associate. The options are to be granted to the eligible employees as per the eligibility criteria as determined by the Nomination and Remuneration Committee at its sole discretion. In case of plan one, The share options vest in a graded manner over a period of four years and are exercisable in one or more tranches within a period of four years from the date of first vesting, failing which the options shall lapse. In case of plan two, the share options vest in a graded manner over a period of two and half years and are exercisable in one or more tranches within a period of three years from the date of first vesting, failing which the options shall lapse.

Pursuant to NH ESOP, the Company granted 9,88,787 share options till 31 March 2024 (previous year: 988,787). The Stock compensation cost is computed under the Fair value method. For the year ended 31 March 2024, the Company has recorded stock compensation expenses of ₹ Nil (previous year:₹ Nil) and liability as on 31 March 2024 is ₹ NIl (previous year: ₹ 6.29 million).

The activity in this stock option plan is summarized below:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Outstanding as at the beginning of the year (Nos.)	30,000	1,43,917
Option granted during the year (Nos.)	-	-
Forfeited during the year(Nos.)	-	-
Exercised during the year(Nos.)	(30,000)	(1,13,917)
Expired during the year(Nos.)	-	-
Outstanding at the end of the year(Nos.)	-	30,000
Weighted average share price at the date of exercise (₹)	232.59	232.59

Plan-1:- The weighted average remaining contractual life for the stock options outstanding as at 31 March, 2024 is Nil years (previous year: Nil years). The exercise price for the stock options outstanding as at 31 March, 2024 is ₹ 10 (previous year : ₹ 10)

Plan-2:- The weighted average remaining contractual life for the stock options outstanding as at 31 March, 2024 is Nil years (previous year: Nil years). The exercise price for the stock options outstanding as at 31 March 2024 is ₹ 10 (previous year : ₹ 10)

Fair value presentation

The fair value of share options have been valued based on fair value method as described under Ind AS- 102, Shared-based Payment using Black Scholes valuation options-pricing model, using the fair value of the Company's shares as on the grant date.

Particulars	As at 31 March 2024	As at 31 March 2023
No. of options granted (Nos.)	Plan - 1 - 805670 Plan - 2 -183117	Plan - 1 - 805670 Plan - 2 -183117
Date of grant	1 October 2015 - 805670 25 March 2019 - 183117	1 October 2015 - 805670 25 March 2019 - 183117
Vesting period (years)	for 805,670 options - 4 years for 183,117 options- 2.52 years	for 805,670 options - 4 years for 183,117 options- 2.52 years
Expected life of option (years)	for 805,670 options - 5 years for 183,117 options- 3.52 years	for 805,670 options - 5 years for 183,117 options- 3.52 years
Expected volatility	for 805,670 options - 35% for 183,117 options - 24.70%	for 805,670 options - 35% for 183,117 options - 24.70%
Risk free rate	for 805,670 options - 7.63% for 183,117 options - 6.90%	for 805,670 options - 7.63% for 183,117 options - 6.90%
Expected dividends expressed as a dividend yield	for 805,670 options - 0% for 183,117 options - 0%	for 805,670 options - 0% for 183,117 options - 0%
Weighted-average fair values of options per share (₹)	for 805,670 options - 208.73 for 183,117 options - 209.81	for 805,670 options - 208.73 for 183,117 options - 209.81

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42 Earnings per share (EPS)

Basic earnings per share

The calculation of basic earnings per share for the year ended on 31 March, 2024 was based on profit attributable to equity shareholders of ₹ 7,892.62 million (previous year: ₹ 6,062.48 million) and weighted average number of equity shares outstanding 203,099,835 (previous year: 203,069,835).

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 March, 2024 was based on profit attributable to equity shareholders of ₹ 7,892.62 million (previous year: ₹ 6,062.48 million) and weighted average number of equity shares outstanding after adjustment for effects of all the dilutive potential equity shares.

(₹ in million)

Earnings	As at 31 March 2024	As at 31 March 2023
Profit after tax	7,892.62	6,062.48

Weighted average number of equity shares (basic)

Shares	As at 31 March 2024	As at 31 March 2023
Total no. of shares outstanding	204,360,804	204,360,804
Effect of Treasury shares	(1,260,969)	(1,290,969)
Weighted average number of equity shares (basic) for the year	**203,099,835**	**203,069,835**

Weighted average number of equity shares (diluted)

Shares	As at 31 March 2024	As at 31 March 2023
Weighted average number of equity shares for the year (basic)	203,099,835	203,069,835
Weighted average number of equity shares from assumed exercise of stock options	-	29,579
Weighted average number of equity shares (diluted) for the year	**203,099,835**	**203,099,414**
Basic earnings per share (₹)	38.86	29.85
Diluted earnings per share (₹)*	38.86	29.85

43 Healthcare Service Agreement with Dharamshila Cancer Foundation and Research Centre (DCFRC)

On 31 March, 2017, the Company's wholly owned subsidiary Narayana Hrudayalaya Surgical Hospital Private Limited ('NHSHPL') entered into Healthcare Services Agreement ("Agreement") with Dharamshila Cancer Foundation and Research Centre ("Society"). Accordingly, NHSHPL has a control over the operations of Dharamshila Hospital and Research Centre ("Hospital") and provide healthcare services using the assets which are owned by the society. The arrangement of NHSHPL with the Society attracts the application of business combination as per IndAS103. NHSHPL commenced the provision of healthcare services at the Hospital on 1st April 2017 ("Commencement Date"). The term of the Agreement is 25 years, which the Parties may extend for a further period on such terms as may be mutually agreed. Neither Party shall have the right to terminate the Agreement before 10 years of the Commencement Date. The Hospital is renamed as "Dharamshila Narayana Superspeciality Hospital, A Unit of Dharamshila Cancer Foundation And Research Centre" as per the Agreement.

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In terms of the Agreement, the Society is entitled to retain an annual revenue amount of ₹ 180 million per annum with an annual escalation of 5% during the term NHSHPL is in control of the operations of the Hospital. The fair value, applying the Discounted Cash Flow approach based on discount rate of 15.23% is determined by discounting the estimated annual amounts of revenue which the Society is entitled to retain from the Commencement Date. The excess amount of such fair value over the fair value of net assets of the Hospital, which NHSHPL uses in exercise control over the operations of the Hospital, has been attributed towards goodwill.

The fair value accordingly has been attributed to use of the following assets based on Management's estimates:

(₹ in million)

Component	Acquisition date fair value
Property, plant and equipment	357.68
Property usage right	163.94
Intangible assets	463.70
Total	**985.32**
Goodwill	79.00
Total purchase price	**1,064.32**

The intangible assets are amortised over a period of ten years as per management's estimate of its useful life, based on the life over which economic benefits are expected to be realized.

The goodwill amounting to ₹ 79 million comprises value of benefits of expected synergies, future revenue, future market developments, assembled workforce, etc.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

NHSHPL has paid an interest-free refundable security deposit amounting to ₹ 100 million to the Society as per the Agreement. Security deposit was discounted and the differential was treated as prepaid rent and amortised over the term of the Agreement.

44 Service Concession Arrangement.

(a) National Rural Health Mission, Assam (NRHM)

The Company had entered into an agreement with National Rural Health Mission, Assam (NRHM) on 16 August 2012 ("effective date") to set up a super specialty hospital at Guwahati and to operate and manage such hospital for a period of 30 years. As per the agreement, NRHM will provide ₹ 220 million in three instalments over a period of 1 year during execution of the project besides the existing hospital building on as is where is basis. The Company has received ₹ 220 million as it met all the conditions related to the grants. As per the terms of the agreement, the Company has entered into lease agreement with NRHM for existing building and land for a lease period of 30 years.

Also, as per the agreement not less than 50% of the hospitals beds shall be charged at 1.85% below the National Accreditation Board of Hospitals and Healthcare Providers (NABH) accredited hospital rate applicable. All the surgical, observational and other procedures for which super speciality rates are available in Central Government Health Scheme ("CGHS") schedule, such rates quoted in CGHS schedule shall apply and for which it is not available, NABH accredited hospital rates shall be applicable.

The Company has established a super-speciality hospital providing all the necessary services and for that it has to bear all the expenses in setting up the facilities mentioned in the agreement and thereafter run the hospitals on a day to day basis.

The term of the agreement is to commence on the effective date and will continue until the expiration of 30 years on 15 August 2042. Thereafter, this agreement shall be renewed for such additional periods and on such terms and conditions as may be mutually agreed to by the parties to the agreement. The agreement can be terminated by both the parties by mutual written agreement or if the other party breaches or fails to perform any of the covenants of the agreement or if any representation or warranty of the other party under this agreement shall have become untrue.

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(b) Narayana Vaishno Devi Specialty Hospitals Private Limited ("NVDSHPL")

NVDSHPL entered into a Concessionaire Agreement with Shri Mata Vaishno Devi Shrine Board ("the trust") to operate, maintain and manage a 230 bed multi specialty hospital on public private partnership model. NVDSHPL is required to pay concession fees to trust as mutually agreed, during the period of agreement. The trust has invested and incurred capital costs to set up/ establish 230 bed multi specialty hospital and has reimbursed costs incurred by NVDSHPL for providing technical assistance during the refurbishment and commissioning period to the extent of ₹ 5 million. The period of agreement is 21 Years from the Commercial Operation Date (COD) which is April 2016.

In the current year, the Company has earned a surplus of ₹ 12.06 million from its operations which is computed based on the concessionaire agreement. As per 67th Governing Body meeting dated Nov 03, 2022, it was agreed that the pooling of operational surplus generated by the hospital shall be used for the growth of the hospital itself and both Narayana Hrudayalaya Limited and the Shrine Board have expressed their commitment to consider Clause 29 of the concessionaire agreement related to Free Cash for distribution to keep in abeyance for the period upto 31st March 2024.

45 Acquisition of Orthopaedic and Trauma Hospital ("Sparsh Hosur Road" Unit) from Shiva and Shiva Orthopaedic Hospital Private Limited

The Company signed a Business Transfer Agreement (BTA) on September 5, 2022 with Shiva and Shiva Orthopaedic Hospital Private Limited to acquire its Orthopaedic and Trauma Hospital ("Sparsh Hosur Road" Unit), effective from October 1, 2022 mainly engaged in providing Orthopaedic and Trauma healthcare services as a going concern on slump sale basis for an aggregate cash consideration of ₹ 2,000 million.

This acquisition will enable the Company to foray into the Orthopaedic and Trauma specialty at the Narayana Health City Campus, housing two flagship hospitals, namely the cardiac sciences - focussed Narayana Institute of Cardiac Sciences (NICS) and the multispecialty unit i.e., Mazumdar Shaw Medical Centre (MSMC). The acquisition also reinforces the Company's focus on multispecialty care, especially orthopaedics and associated trauma and neurosciences segments and further augment its core Bangalore regions to derive synergies from our existing operations.

a) Business Combination

The above transaction qualifies for the Business Combination as per Ind AS 103 - 'Business Combination' and has been accounted by applying the acquisition method wherein identifiable assets acquired and liabilities assumed are fair valued against the fair value of the consideration transferred and resultant intangibles including goodwill recognised.

b) Identifiable Assets and Liabilities

Particulars	(₹ in million)
Fair value of the consideration transferred	
Cash Consideration	2,000.00
Total (A)	**2,000.00**
Assets Acquired	
Property, Plant and Equipment	376.52
Intangibles Assets	1,401.92
Current Assets	36.38
Total Assets Acquired (B)	**1,814.82**
Liabilities assumed	
Trade Payables and other liabilities (C)	**35.41**
Net Assets acquired [D = B-C]	**1,779.41**
Goodwill [A - D]#	**220.59**

Goodwill represents residual consideration attributable to unidentified intangible assets acquired by acquiror.

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46 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements'

31 March 2024

(₹ in million)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Narayana Hrudayalaya Limited	38.45	11,090.91	43.00	3,395.04	(10.65)	(14.67)	42.07	3,380.37
Subsidiaries								
Indian subsidiaries								
Narayana Hospitals Private Limited	3.30	952.64	0.15	11.50	(0.04)	(0.05)	0.14	11.45
Narayana Hrudayalaya Surgical Hospital Private Limited	2.90	836.05	2.87	226.78	(0.13)	(0.18)	2.82	226.60
Narayana Vaishno Devi Specialty Hospitals Private Limited	0.37	108.01	0.99	78.53	(0.48)	(0.66)	0.97	77.87
Meridian Medical Research & Hospital Limited	4.44	1,280.63	5.54	437.82	(1.87)	(2.57)	5.42	435.25
Athma Healthtech Private Limited	0.02	6.95	0.05	3.90	-	-	0.05	3.90
NH Integrated Care Private Limited	(0.73)	(211.20)	(4.75)	(375.41)	(0.61)	(0.84)	(4.68)	(376.25)
Narayana Health Insurance Limited	3.34	964.32	(0.46)	(36.14)	-	-	(0.45)	(36.14)
Samyat Health care Private Limited	0.08	21.74	(5.48)	(432.97)	(0.36)	(0.50)	(5.40)	(433.47)
Medha AI Private Limited	-	0.52	-	0.02	-	-	-	0.02
Foreign subsidiaries								
Health City Cayman Islands Limited	47.04	13,572.64	58.67	4,633.06	114.22	157.31	59.63	4,790.37
Narayana Holdings Private Limited	0.03	9.27	(0.01)	(0.47)	-	-	(0.01)	(0.47)
NH Health Bangladesh Private Limited	-	-	(0.02)	(1.65)	(0.08)	(0.11)	(0.02)	(1.76)
ENT in Cayman Islands ltd	0.53	152.50	1.07	84.80	-	-	1.06	84.80
Cayman Integrated Healthcare Limited	0.17	50.30	(1.67)	(132.01)	-	-	(1.64)	(132.01)
Narayana Health North America LLC	0.01	1.53	-	(0.18)	0.01	0.02	-	(0.16)
Associates (Investment as per the equity method)								
Foreign associates								
ISO Healthcare	-	-	-	-	-	-	-	-
Reya Health Inc (formerly known as Cura Technologies Inc)	-	-	-	-	-	-	-	-
Non-controlling interests in Indian subsidiary								
Meridian Medical Research & Hospital Limited	0.05	14.06	0.05	3.62	(0.01)	(0.02)	0.04	3.60
	100.00	**28,850.87**	**100.00**	**7,896.24**	**100.00**	**137.73**	**100.00**	**8,033.97**

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31 March 2023

(₹ in million)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Narayana Hrudayalaya Limited	37.73	8,048.07	32.26	1,956.72	(16.94)	(96.15)	28.06	1,860.57
Subsidiaries								
Indian subsidiaries								
Narayana Hospitals Private Limited	4.39	935.56	0.20	11.84	-	-	0.18	11.84
Narayana Hrudayalaya Surgical Hospital Private Limited	3.24	691.19	4.45	270.10	(0.28)	(1.58)	4.05	268.52
Narayana Vaishno Devi Specialty Hospitals Private Limited	0.51	108.01	1.29	78.53	(0.12)	(0.66)	1.17	77.87
Meridian Medical Research & Hospital Limited	5.72	1,220.63	3.87	234.50	(0.47)	(2.65)	3.50	231.85
Athma Healthtech Private Limited	-	0.04	(0.02)	(1.25)	-	-	(0.02)	(1.25)
NH Integrated Care Private Limited	0.46	98.51	(0.26)	(15.96)	-	-	(0.24)	(15.96)
Foreign subsidiaries								
Health City Cayman Islands Limited	47.46	10,120.27	58.03	3,519.75	116.85	662.28	63.05	4,182.03
Narayana Holdings Private Limited	0.05	9.61	0.02	1.44	0.25	1.44	0.04	2.88
NH Health Bangladesh Private Limited	0.01	1.74	(0.07)	(4.45)	(0.92)	(5.21)	(0.15)	(9.66)
ENT in Cayman Islands ltd	0.33	70.28	0.15	9.20	1.62	9.20	0.28	18.40
Cayman Integrated Healthcare Limited	0.04	8.22	-	-	-	-	-	-
Narayana Health North America LLC	0.01	1.69	-	0.14	0.02	0.12	-	0.26
Associates (Investment as per the equity method)								
Foreign associates								
ISO Healthcare	-	-	0.03	1.92	-	-	0.03	1.92
Reya Health Inc (formerly known as Cura Technologies Inc)	-	-	-	-	-	-	-	-
Non-controlling interests in Indian subsidiary								
Meridian Medical Research & Hospital Limited	0.05	10.46	0.05	3.18	(0.01)	(0.03)	0.05	3.15
	100.00	**21,324.28**	**100.00**	**6,065.66**	**100.00**	**566.76**	**100.00**	**6,632.42**

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47 Capital Management

The Group's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of 31 March 2024 and 31 March 2023 was as follows:

(₹ in million)

Shares	As at 31 March 2024	As at 31 March 2023
Total Equity attributable to owners of the Company	28,836.81	21,313.82
As a percentage of total capital	**67%**	**74%**
Long-term borrowings	11,950.58	6,264.30
Short-term borrowings	2,486.56	1,358.05
Total borrowings	**14,437.14**	**7,622.35**
As a percentage of total capital	**33%**	**26%**
Total capital (Equity and Borrowings)	**43,273.95**	**28,936.17**

48 Income tax

(a) Amounts recognised in profit and loss

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax		
- Current year*	1,376.04	1,404.79
- Prior year	-	-
MAT credit entitlement**	-	(34.43)
Deferred tax charge/ (credit), net		
Origination and reversal of temporary differences	(387.00)	79.75
Tax expense for the year	**989.04**	**1,450.11**

*Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The provision for tax for the year ended 31 March, 2024 have been made duly taking into consideration the requirements under Appendix C to Ind AS 12, including the Management's assessment of the probability of acceptance of the Company's tax positions by the taxation / appellate authorities.

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified subsequently to profit or loss						
Re-measurement of defined benefit plans	(33.19)	8.44	(24.75)	(60.96)	20.46	(40.50)

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to the consolidated financial statements for the year ended 31 March 2024

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will be reclassified subsequently to profit or loss						
The effective portion of gains /(loss) on hedging instruments in a cash flow hedge	(14.29)	1.17	(13.12)	55.07	(9.21)	45.86
The effective portion of gains /(loss) on hedging instruments in a foreign operation	8.74	-	8.74	(77.44)	-	(77.44)
	(38.74)	**9.61**	**(29.13)**	**(83.33)**	**11.25**	**(72.08)**

(c) Reconciliation of effective tax rate

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	**8,885.28**	**7,515.77**
Tax using the Company's domestic tax rate (current year 25.17% and previous year 34.94%)	2,236.42	2,626.01
Tax effect of:		
Non-deductible tax expenses	12.97	9.00
Tax-exempt income	(1,036.19)	(1,098.72)
Others	33.80	(66.87)
Deduction under Section 80M	(128.53)	(71.40)
Deduction under Section 80JJA	-	(9.68)
Current year losses of subsidiaries and consolidation adjustment for which no deferred tax asset is recognised	229.63	61.10
Deferred Tax-Impact of change in tax rate	(359.06)	-
Share of loss of equity accounted investees on which no deferred tax was recognised	-	0.67
	989.04	**1,450.11**

49 Recognised deferred tax assets and liabilities

(a) Narayana Hrudayalaya Limited :-

(i) Deferred tax assets and liabilities are attributable to the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
Provision for doubtful receivables	89.38	126.57
Provision for gratuity	128.54	156.46
Provision for compensated absences	65.06	84.23
Provision for slow and non moving inventory	7.41	6.45
Impact on account of adoption of Ind AS 116	118.08	151.51
On land indexation of freehold land	18.91	18.91
On Account of MSE principal repayment	67.72	-
Others	6.32	13.86
Total deferred tax asset	**501.42**	**557.99**

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(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(861.67)	(1,331.24)
Others	(20.04)	(16.21)
Total deferred tax liability	**(881.71)**	**(1,347.45)**
Deferred tax liability (net)	**(380.29)**	**(789.46)**

(ii) Movement in temporary differences

(₹ in million)

Particulars	Balances as at 1 April 2023	Adjustment to retained earnings	Recognised in Profit or loss during 2023-24 (charge)/credit	Recognised in OCI during 2023-24	Balances as at 31 March 2024
Provision for doubtful receivables	126.57	-	(37.19)	-	89.38
Provision for gratuity	156.46	-	(34.52)	6.60	128.54
Provision for compensated absences	84.23	-	(19.17)	-	65.06
Provision for slow and non moving inventory	6.45	-	0.96	-	7.41
Impact on account of adoption of Ind AS 116	151.51	-	(33.43)	-	118.08
On land indexation of freehold land	18.91	-	-	-	18.91
On Account of MSE principal repayment		-	67.72		67.72
Others	(2.35)	-	(12.54)	1.17	(13.72)
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(1,331.24)	-	469.57	-	(861.67)
Deferred tax liability (net)	**(789.46)**	**-**	**401.40**	**7.77**	**(380.29)**

(b) Meridian Medical Research & Hospital Limited :-

(i) Deferred tax assets and liabilities are attributable to the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
Provision for doubtful receivables	5.04	8.28
Provision for gratuity	3.71	5.50
Provision for compensated absences	5.26	4.36
Provision for slow moving and non moving inventory	0.97	0.70
Others	8.11	8.13
Total deferred tax asset	**23.10**	**26.97**
Deferred tax liability		
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(94.97)	(88.94)
Total deferred tax liability	**(94.97)**	**(88.94)**
Deferred tax asset / (liability) (net)	**(71.88)**	**(61.97)**

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(ii) Movement in temporary differences

(₹ in million)

Particulars	Balances as at 1 April 2023	Other Adjustment	Recognised in Profit or loss during 2023-24 (charge)/credit	Recognised in OCI during 2023-24	Balances as at 31 March 2024
Provision for doubtful receivables	8.28	-	(3.24)	-	5.04
Provision for gratuity	5.50	-	(2.85)	1.06	3.71
Provision for compensated absences	4.36	-	0.90	-	5.26
Provision for slow moving and non moving inventory	0.70	-	0.28	-	0.97
Others	8.13	-	(0.02)	-	8.11
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(88.94)	-	(6.03)	-	(94.97)
Minimum alternative tax assets	-	(48.80)	48.80	-	-
Deferred tax asset / (liability) (net)	**(61.97)**	**(48.80)**	**37.84**	**1.06**	**(71.88)**

(c) Narayana Vaishno Devi Specialty Hospitals Private Limited

(i) Deferred tax assets and liabilities are attributable to the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023*
Deferred tax asset		
Provision for doubtful receivables	3.10	7.40
Provision for gratuity	2.81	2.12
Provision for compensated absences	2.10	1.72
Ind AS 116 for the period	0.24	0.16
Provision for slow moving and non moving inventory	0.52	0.33
Others	3.32	2.97
Total deferred tax asset	**12.09**	**14.70**
Deferred tax liability		
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(2.05)	(0.51)
Total deferred tax liability	**(2.05)**	**(0.51)**
Deferred tax asset / (liability) (net)	**10.04**	**14.19**

(ii) Movement in temporary differences

(₹ in million)

Particulars	Balances as at 1 April 2023*	Other Adjustment	Recognised in Profit or loss during 2023-24 (charge)/credit	Recognised in OCI during 2023-24	Balances as at 31 March 2024
Provision for doubtful receivables	7.40	-	(4.30)	-	3.10
Provision for gratuity	2.12	-	0.36	0.34	2.81
Provision for compensated absences	1.72	-	0.38	-	2.10
Provision for slow moving and non moving inventory	0.33	-	0.19	-	0.52
Others	2.97	-	0.35	-	3.32

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(₹ in million)

Particulars	Balances as at 1 April 2023*	Other Adjustment	Recognised in Profit or loss during 2023-24 (charge)/credit	Recognised in OCI during 2023-24	Balances as at 31 March 2024
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(0.51)	-	(1.54)	-	(2.05)
Impact on account of adoption of Ind AS 116	0.16	-	0.08	-	0.24
Deferred tax asset / (liability) (net)	**14.19**	**-**	**(4.48)**	**0.34**	**10.04**

(d) Narayana Hrudayalaya Surgical Hospital Private Limited and others:-

(i) Minimum Alternate Tax Credit

During the FY 2023-24, the company has lower tax as per normal provisions of Income Tax Act, 1961 and so it was liable to pay tax as per Minimum Alternative tax (MAT) under section 115 JB of Income Tax Act, 1961. Hence, the company has recognized ₹ 31.83 lakhs (previous year ₹ 309.38 lakhs) as MAT credit entitlement which forms part of Deferred tax assets as per Ind AS 12. As per Section 115 JAA of Income Tax Act,1961, MAT assets can be carried forward to 15 years, subject to earlier utilization by the company.

(ii) Current Tax Liabilities (Net)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	45.95	22.71
Add: Current tax payable of the year	4.51	30.94
Less: Taxes paid(net of TDS receivable)	(21.53)	(7.70)
	28.93	**45.95**

50 Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

(₹ in million)

As at 31 March 2024	FVOCI	FVTPL	Amortised cost	Total	Fair value			
					Level 1	Level 2	Level 3	Total
Financial assets								
Investments	-	8,396.94	44.69	8,441.63	8,396.94	-	-	8,396.94
Trade receivables	-	-	4,218.77	4,218.77	-	-	-	-
Cash and cash equivalents	-	-	2,638.27	2,638.27	-	-	-	-
Bank balances other than above	-	-	1,526.30	1,526.30	-	-	-	-
Loans	-	-	861.02	861.02	-	-	-	-
Interest rate swap	20.95	-	-	20.95	-	20.95	-	20.95
Other financial assets	-	-	1,439.94	1,439.94	-	-	-	-
	20.95	**8,396.94**	**10,728.99**	**19,146.88**	**8,396.94**	**20.95**	**-**	**8,417.89**

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(₹ in million)

As at 31 March 2024	FVOCI	FVTPL	Amortised cost	Total	Fair value			
					Level 1	Level 2	Level 3	Total
Financial liabilities								
Borrowings	-	-	14,437.14	14,437.14	-	-	-	-
Lease liabilities	-	-	1,829.80	1,829.80	-	-	-	-
Trade payables	-	-	6,035.66	6,035.66	-	-	-	-
Other financial liabilities	-	-	1,004.41	1,004.41	-	-	-	-
	-	**-**	**23,307.01**	**23,307.01**	**-**	**-**	**-**	**-**

(₹ in million)

As at 31 March 2023	FVOCI	FVTPL	Amortised cost	Total	Fair value			
					Level 1	Level 2	Level 3	Total
Financial assets								
Financial assets								
Investments	-	2,513.46	5.11	2,518.57	2,513.46	-	-	2,513.46
Trade receivables	-	-	4,315.00	4,315.00	-	-	-	-
Cash and cash equivalents	-	-	1,547.60	1,547.60	-	-	-	-
Bank balances other than above	-	-	2,251.27	2,251.27	-	-	-	-
Loans	-	-	820.00	820.00	-	-	-	-
Interest rate swap	38.24	-	-	38.24	-	38.24	-	38.24
Other financial assets	-	-	1,392.31	1,392.31	-	-	-	-
	38.24	**2,513.46**	**10,331.29**	**12,882.99**	**2,513.46**	**38.24**	**-**	**2,551.70**
Financial liabilities								
Borrowings	-	-	7,622.35	7,622.35	-	-	-	-
Lease liabilities	-	-	1,219.36	1,219.36	-	-	-	-
Trade payables	-	-	6,150.35	6,150.35	-	-	-	-
Other financial liabilities	-	-	1,207.40	1,207.40	-	-	-	-
	-	**-**	**16,199.46**	**16,199.46**	**-**	**-**	**-**	**-**

Measurement of fair values

The carrying value of all financial assets approximates the fair value.

B. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

The Group's risk management is carried out by a central treasury department under policies approved by the Board of Directors. The Board supervises overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and use of financial instruments.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

Notes

to the consolidated financial statements for the year ended 31 March 2024

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹ 4,884.90 million (previous year: ₹ 5,165.31 million). The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ in million)

Allowance for credit loss	As at 31 March 2024	As at 31 March 2023
Opening balance	850.31	589.44
Foreign currency translation	-	-
Credit loss recognised /(reversed)	(184.18)	260.87
Closing balance	**666.13**	**850.31**

No single customer accounted for more than 10% of the revenue as of 31 March, 2024 and 31 March, 2023. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. In addition, the Group maintains line of credit as stated in Note 17.

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2024:

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	more than 5 years	Total
Borrowings	2,486.56	2,417.51	5,972.80	3,560.27	14,437.14
Lease liabilities	333.93	323.36	720.76	451.75	1,829.80
Trade payables	6,035.66	-	-	-	6,035.66
Other financial liabilities	369.42	131.22	340.45	163.32	1,004.41
Total	**9,225.57**	**2,872.09**	**7,034.01**	**4,175.34**	**23,307.01**

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

(₹ in million)

Particulars	Less than 1 year	1 - 2 years	2-5 years	more than 5 years	Total
Borrowings	1,358.05	1,399.84	4,127.96	736.50	7,622.35
Lease liabilities	333.35	122.96	210.43	552.62	1,219.36
Trade payables	6,150.35	-	-	-	6,150.35
Other financial liabilities	439.13	105.76	498.43	164.08	1,207.40
Total	**8,280.88**	**1,628.56**	**4,836.82**	**1,453.20**	**16,199.46**

Notes

to the consolidated financial statements for the year ended 31 March 2024

(iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates and interest rates.

Foreign currency risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently, the Group is exposed to foreign exchange risk through operating and borrowing activities in foreign currency.

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 are as follows:

Particulars	USD in million	
	As at 31 March 2024	As at 31 March 2023
Financial assets		
Trade receivables	24.74	21.78
Cash and cash equivalents	20.36	13.03
Other financial assets (current)	5.12	4.36
Other current assets	3.88	4.99
Financial liabilities		
Borrowings	66.52	32.01
Trade payables	13.13	15.65
Other financial liabilities	4.17	3.36
Net assets / (liabilities)	**(29.72)**	**(6.86)**

Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign exchange forward/option contracts designated as cash flow hedges.

(₹ in million)

Particulars	Impact on profit or loss	
	As at 31 March 2024	As at 31 March 2023
USD Sensitivity		
₹/USD - Increase by 1%	(24.78)	(5.64)
₹/USD - Decrease by 1%	24.78	5.64

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Notes

to the consolidated financial statements for the year ended 31 March 2024

(a) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Type of Derivative	No. of Contracts	As at 31 March 2024		As at 31 March 2023	
		Amount Hedged (in USD million)	Fair Value (₹ million)	Amount Hedged (in USD million)	Fair Value (₹ million)
Interest rate swap	3	86.16	20.95	48.08	38.24

The Group has entered into derivative financial instruments with a counter-party (bank) with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps. The most frequently applied valuation techniques include swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, interest rate curves and forward rate curves of the underlying. As at 31 March, 2024 the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period with respect to long term borrowings with variable interest rates from banks are as follows:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate long term borrowings including current maturities	8,765.48	4,789.75
Total borrowings	**8,765.48**	**4,789.75**

(b) Sensitivity

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

(₹ in million)

Particulars	Impact on profit or loss	
	As at 31 March 2024	As at 31 March 2023
Sensitivity		
1% increase in interest rate	(87.65)	(47.90)
1% decrease in interest rate	87.65	47.90

The interest rate sensitivity is based on the closing balance of secured term loans from banks.

51 Acquisition of ENT in Cayman Ltd (EICL)

During the FY 2022-23,The Company's wholly owned subsidiary Health City Cayman Islands ltd (HCCI) entered into a share purchase agreement on October 13, 2022, pursuant to which it acquired 50,000 ordinary shares of ENT in Cayman Ltd. (EICL), representing the entire share capital of EICL on 3 March, 2023 for a consideration of USD 5.26 Million. EICL is a Cayman Islands resident company providing complete diagnosis and treatment of ear, nose, and throat conditions.

Notes

to the consolidated financial statements for the year ended 31 March 2024

a) Business Combination

The above transaction qualifies for the Business Combination as per Ind AS 103 - 'Business Combination' and indefinable assets acquired and liabilities assumed are fair valued against the fair value of the consideration transferred and resultant intangible of goodwill is recognised. Goodwill represents excess of purchase consideration over net assets acquired.

b) Identifiable Assets and Liabilities

(Amount in million)

Particulars	Amount in USD	Amount in ₹
Fair value of the consideration transferred		
Cash Consideration	5.26	432.81
Total (A)	**5.26**	**432.81**
Assets Acquired		
Property, Plant and Equipment	0.22	17.75
other Assets	0.74	61.13
Total Assets Acquired (B)	**0.96**	**78.88**
Liabilities assumed		
Trade Payables and other liabilities (C)	**0.22**	**18.01**
Net Assets acquired [D = B-C]	**0.74**	**60.87**
Goodwill [A-D]	**4.52**	**371.94**

52 Other Statutory Information

(i) There are no balance outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act 2013

(ii) The Group does not have any Capital-work-in progress or intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

(iii) The Company and its subsidiaries incorporated in India has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding that intermediary shall

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

(iv) The Company and its subsidiaries incorporated in India have 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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

(v) The Group doesn't have any transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year

(vi) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

Notes

to the consolidated financial statements for the year ended 31 March 2024

53 During FY 2022-23, the Company's wholly owned subsidiary Health City Cayman Islands limited (HCCI) has proposed a dividend distribution policy which states as follows:

a) HCCI will distribute dividends to its parent company Narayana Hrudayalaya Limited(NHL) only out of profits of concerned financial year and not from past profits as may be decided by the Board of Directors of HCCI.

b) HCCI shall not distribute dividends to NHL India in excess of USD 10 Million in any given financial year

54 As per the requirement of the rule 3 (1) of the Companies (Accounts) Rules, 2014, the Group uses only such accounting softwares for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account. This feature of recording the audit trail has operated throughout the year and was not tampered with during the year. However in respect of two accounting softwares, audit trail was not enabled at the database level.

The Group has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended 31 March 2024 were effective.

For and on behalf of the Board of Directors of
Narayana Hrudayalaya Limited

Dr. Emmanuel Rupert
Managing Director
DIN: 07010883

Viren Prasad Shetty
Whole - time Director
DIN:02144586

Sandhya Jayaraman
Chief Financial Officer

Sridhar S
Company Secretary

Place: Bengaluru
Date: May 24, 2024

Place: Bengaluru
Date: May 24, 2024

ESG Report

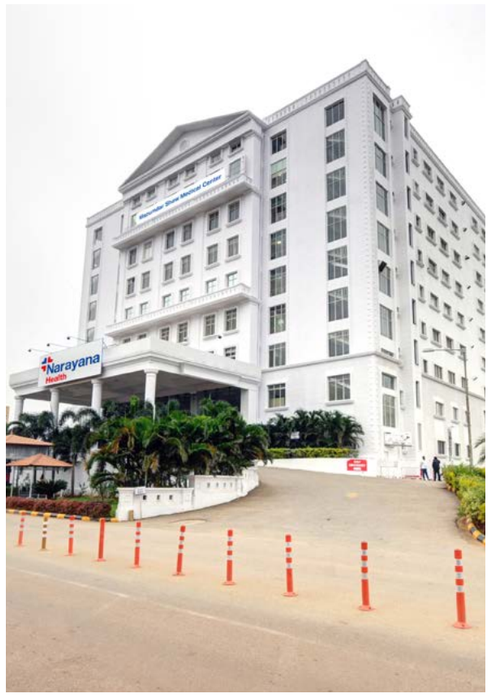
Narayana Health

METAMORPHOSIS

ESG REPORT 2023 - 24

Our Journey to Sustainability - The Narayana Health Story

In today's business landscape, social consciousness and responsibility are paramount. At Narayana Health, our commitment to ESG practices goes beyond mere compliance. We strive to create a meaningful impact in the communities we serve, focusing on building an inclusive, ethically governed, and socially impactful healthcare system deeply rooted in ESG principles.



A Healthy Planet

At Narayana Health, we are committed to environmental sustainability, recognizing the impact of our operations. We actively seek to minimize our environmental footprint by emphasizing resource efficiency and optimizing consumption.

Progress Highlights

By being consious about the impact on the environment, priortizing consumption efficiency and resource optimaization.

35%
Renewable energy (electricity) mix by 2030
Achieved 28%-Target 28%

50% less
Paper use across patients by 2025 from 2023
Achieved 6.28 (Pages/patient)-Target 5

Carbon Neutal
By 2040
Ongoing

100%
Waste water recycling by 2030
Achieved 1.27 KL (Water per occupied bed) -Target 1.30 KL

A Healthy Society

Our success in ESG is driven by our tireless efforts to improve access to care, digitise patient safety and experience, and build the workforce for tomorrow.

Progress Highlights

By improving access to care, digitising patient safety & experience and building the workforce for tomorrow.

25,000+
Doctors, nurses, and paramedical trained by 2030
By Year 2023 (Till date) 11300+ achieved

4,000+
Underprivileged academically bright students, aspiring ton become doctors by 2030
By FY 23 (Till date), 1000+ achieved

20,000+
Govt. school children through cleanliness and hunger feeding program by 2030.
By FY 23 (Till date), 8700+ achieved

Digitalization
For enhancing patient safety and experience
On Plan Ongoing

A Healthy Institution

Integrity and ethics are core to Narayana Health's operations, fostering a culture of innovation and strong governance.

Progress Highlights

By fostering a culture of innovation & strong governance.

Industry Leader
In clinical Governance
On Plan Ongoing

100%
NABH & enterprise level JCI Certified hospitals by 2025
Ahead of Plan

Best in Class Risk Mangement
Robust Risk Management Process
On Plan Ongoing

Cyber Resilience
Zero Trust Architecture by 2025
On Plan Ongoing

Our Journey to Sustainability - The Narayana Health Story contd...

A Healthy Planet

The healthcare sector's environmental impact is undeniable, contributing to climate change and various health concerns. At Narayana Health, we acknowledge our substantial footprint and are dedicated towards integrating sustainable practices to mitigate our impact and enhance public health. By actively addressing the sources of our emissions and waste, we strive to set an example and contribute to a healthier, more sustainable future.

Water Management	Waste Management	Energy Sustainability
• **3000+ KLD** treatment capacity of STPs across Narayana • **2%** reduction in water intensity (Water withdrawal (KLs)/Occupied Bed/Day) • Recycled more than **95%** of wastewater.	• **100% waste segregation at source across all locations**	• Reduction of **9%** energy cost compared to last year • Reduction of over **21,182 tons** of carbon in the past year • **28% of our energy consumption (electricity) is powered by renewable sources** • An estimated **INR 9.40 crores** of energy-related savings realised for FY 2023~24

Sustainable Healthcare Practices at Shri Mata Vaishno Devi Narayana Superspeciality Hospital

Shri Mata Vaishno Devi Narayana Superspeciality Hospital (SMVDNSH), a NABH-accredited facility in Jammu and Kashmir, was inaugurated on April 19, 2016, by the Hon'ble Prime Minister of India, Shri Narendra Modi. Offering a wide range of services, including primary, tertiary and emergency care, as well as specialty services, the hospital has been committed to sustainability since its inception, striving to become a model green hospital.

Sustainable Architectural Design

The hospital's design emphasises sustainability with spacious corridors, wards, and ICUs that incorporate natural light and cross ventilation. Over 70% of the hospital campus is maintained with gardens, plants, and open natural spaces. The design maximises natural light during the day, reducing the need for artificial lighting in patient areas.

70%
Green landscape of the Facility

Water Management

The hospital's efficient water management system resulted in a significant saving of approximately 50,162 kiloliters of water from April 2023 to March 2024. Equipped with a 200 KLD Sewage Treatment Plant (STP) and a 30 KLD Effluent Treatment Plant (ETP), the facility treats and recycles over 40% of its water for non-potable uses such as gardening. Key water conservation initiatives include low-flow aerators, optimized water treatment plants, pressure regulators, and a rainwater harvesting system.

- **100%** treated water recycled & **44%** reused for gardening.
- **100%** RO reject water recycled.
- **30%** of water consumption through rainwater harvesting

Energy Efficiency

The hospital prioritizes energy efficiency through policies mandating the use of LED lighting and energy-efficient equipment. Renewable energy sources comprise approximately 97.5% of the facility's energy mix, primarily sourced from the PDD Hydro Power Plant. Additionally, a Solar Hot Water System (SHWS) has been installed to meet washing and bathroom needs. Regular thermography and electrical safety audits are conducted to ensure the safe and efficient operation of electrical systems.

98%
Energy sourced through hydro renewable sources.

100%
LED lighting adopted for street lighting.

Green Building Practices

The hospital adheres to green building principles, avoiding the use of mercury and cytotoxic chemicals. Clean work environments are maintained for cleaning staff, who are required to wear PPE and receive specialized training for the disposal of hazardous materials (HAZMAT). Regular health check-ups and Hepatitis-B vaccinations are mandatory for all housekeeping employees.

Waste Management

A comprehensive waste management system ensures the proper segregation and disposal of waste. Initiatives encompass the meticulous separation of biomedical, hazardous, electronic (e-waste), paper, food, recyclable, and general waste. The hospital holds a valid license from the J&K State Pollution Control Board for biomedical waste handling and utilizes approved vendors for the disposal of hazardous materials and e-waste. Regular audits of the biomedical waste management site are conducted, and all vehicles transporting generated waste are equipped with GPS tracking.

- **100% hazardous waste segregated at its source.**
- **100% food waste recycled & converted to organic waste.**
- **Zero environmental non-compliance**

At Narayana Health, we demonstrate the seamless integration of sustainability into healthcare. Through innovative practices in architectural design, water and energy management, and waste disposal, we not only deliver high-quality care but also actively contribute to environmental conservation. These efforts underscore Narayana Health's unwavering commitment to creating a healthier, more sustainable future for both our patients and the planet.

Our Journey to Sustainability - The Narayana Health Story contd...

A Healthy Society

Our ESG success is fueled by three key pillars: expanding healthcare access, enhancing patient safety and experience through digital solutions, and preparing our workforce for the future. By broadening the reach of our healthcare services, leveraging technology to streamline and improve patient care, and equipping our staff with the skills needed in a rapidly evolving healthcare landscape, we are able to deliver better outcomes while upholding our commitment to sustainability and social responsibility. Together, we are building a brighter future for all.

Transforming Paediatric Cardiac Care in India

"It's not a solution if it's not affordable," says Dr. Devi Shetty, reflecting Narayana Health's mission in Paediatric Cardiac Sciences. His focus on accessibility and cost-effectiveness has led to innovative solutions in paediatric cardiac care, providing life-saving treatment to thousands of underprivileged children annually. Dr. Shetty's heartfelt letter to his first 4,000 patients emphasizes his unwavering commitment to ensuring every child receives quality cardiac care, regardless of financial background.

In the letter titled 'Do you want to be my Friend',Dr. Shetty wrote:

When God sent you to this world, it was perhaps the best thing that could have happened to your parents... But unfortunately, this happiness was short lived. That very day you started turning blue in colour. The doctors had found a hole in your heart which shattered the dreams of your parents.

Yes, when you were ten days old you had a price tag on your life. If your parents paid the price, they could have you, if not, you would have to go back to where you came from.

I asked you a question, 'Do you want to be my friend?'... I worked so hard to gain your friendship.

Your friendship and love are the only fee I expect for treating you

All I ask of you is, can you spare a few moments of your precious time every day for someone who needs it and that too without expecting anything back in return.

Transforming Lives: Serving Over 5,000 Children Annually

Each year, Narayana Health provides care for over 5,000 children, many from underprivileged backgrounds. Our dedicated team of skilled pediatric cardiac specialists works tirelessly to deliver life-saving surgeries and treatments, making a profound impact on the lives of these children and their families.

Advanced Paediatric Cardiac Services

40,000+
Paediatric Cardiology consultations annually

13,000+
Paediatric Cardiac Surgery consultations annually

5,500+
Congenital surgeries annually

4,000+
Paediatric Cardiac Diagnostic & Interventions annually

Revolutionizing Pediatric Cardiac Care

Narayana Health has transformed the landscape of pediatric cardiac care in India. Through close collaboration with state governments, we have established world-class cardiac care facilities that cater to children across all socioeconomic backgrounds. Our efforts have significantly reduced mortality rates and improved the quality of life for countless young patients.

Sustainable Healthcare Models: Narayana Health's Collaboration in Assam

In 2015, Narayana Health partnered with the Health & Family Welfare Department of Assam to screen children for congenital heart conditions. Initially, children requiring surgery were transported to Narayana's tertiary care hospital for evaluation and treatment, with Narayana providing logistical support to families. Post-surgery follow-ups were conducted physically or virtually, ensuring continuity of care.

Recognizing the need for local access to specialized healthcare, Narayana developed infrastructure and trained a dedicated team in Guwahati. This has reduced the necessity for long-distance travel. Currently, over half of the pediatric cardiac cases are treated at the Guwahati center, with only the most complex cases referred to other facilities.

This shift towards localized care exemplifies a sustainable healthcare model, ensuring high-quality treatment while minimizing the burden on families. The initiative has evolved from a situation where no services were available to a robust, evolving cardiac care model, significantly impacting social welfare by providing accessible, high-quality cardiac care to children in Assam and neighbouring northeastern states.

Public-Private Partnership: Enhancing Healthcare Access in West Bengal

Narayana Health partnered with the West Bengal government under the Rashtriya Bal Swasthya Karyakram (Sishu Sathi Scheme) to address congenital heart diseases. This PPP has improved healthcare access and affordability, demonstrating how private sector efficiencies combined with public sector outreach can effectively bridge gaps in healthcare delivery.

The success of the Sishu Sathi Scheme in West Bengal underscores the scalability of such models and offers a framework for similar initiatives aimed at achieving universal healthcare, as noted in the World Journal for Pediatric and Congenital Heart Surgery. This model's success in West Bengal highlights its potential for replication and broader impact in achieving universal healthcare, particularly in medium and low-income countries.

Our Journey to Sustainability - The Narayana Health Story (A Healthy Society) contd...

Extending Care Across the Nation: Maharashtra and Karnataka

Our hospitals in Mumbai and Bangalore continue to serve patients from across the country, including many who lack the financial means for treatment. Despite financial constraints, we ensure that these children receive the critical surgeries and care they need. The sheer volume of patients we support underscores the necessity of our intervention. Without our efforts, many of these children would not have access to life-saving procedures, highlighting our pivotal role in providing equitable healthcare.

Extending Care Across the Nation: Maharashtra and Karnataka

Our hospitals in Mumbai and Bangalore continue to treat patients from across the country, many of whom lack the financial means for treatment. Despite financial challenges, we ensure these children receive the critical surgeries and care they need. The volume of patients we support underscores the necessity of our intervention. Without our efforts, many of these children would not have access to life-saving procedures, highlighting the essential role we play in providing equitable healthcare.

Stories of Triumph and Bravery

The true heroes of our story are the children who brave their medical journeys with incredible courage and resilience. Through their stories, we celebrate their triumphs and subtly highlight the advanced proficiency of our doctors. These narratives showcase not just the medical interventions, but the human spirit that drives our mission.

Sanjana's Journey

Sanjana, born on October 6, 1988, in Purulia, West Bengal, experienced severe heart issues from a young age, including shortness of breath and blue nails. Diagnosed with a hole in her heart at age three, her condition worsened over time. In 1998, during a free heart check-up camp at Narayana Hospital RN Tagore Hospital, Dr. Devi Shetty, recommended immediate open-heart surgery. Dr. Shetty later performed the critical operation, successfully correcting the defect and giving Sanjana a new lease on life.

Sanjana pursued her education and inspired by her experience, she joined Narayana Health Kolkata in June 2012, helping cardiac patients coordinate their care.

Little Sujoy's* Journey

Sujoy a 4-day old baby, weighing just 2.7 kg was transferred from Bihar with respiratory distress in the middle of night and was diagnosed with Total Anomalous Pulmonary Venous Connection (TAPVC) a rare congenital heart defect in which the pulmonary veins, responsible for bringing oxygen-rich blood from the lungs to the heart, are not connected to the left atrium as they should be. Instead, they are connected to other veins or directly to the right atrium, causing oxygenated and deoxygenated blood to mix. Sujoy* underwent an emergency TAPVC repair by advanced primary suture less technique and made a steady recovery and was discharged on POD10. Today, he is a lively and healthy boy, attending school and playing with his friends.

Brave Kavya* journey

Kavya, a 3.5-month-old girl, was referred to our hospital with poor feeding and failure to thrive. She was diagnosed with Anomalous Left Coronary Artery from the Pulmonary Artery (ALCAPA) and moderate mitral regurgitation. During surgery, her left main coronary artery was repaired, and she came off bypass with stable pressures. After surgery, she had severe left ventricular dysfunction and was shifted to the ICU with an open chest. The chest was closed the next day and was later discharged after two weeks.

Brave Cleanne Papillon and Sister's journey from Mauritius

Cleanne Papillon and her sister were thoracopagus twins, joined from the neck to the upper abdomen with a shared heart featuring seven chambers instead of four each. Given the complexity of their condition and the critical need for expert care, the Mauritian health department sought assistance from international hospitals. However, due to the high-risk nature and negligible survival chances, many hospitals in Europe and Asia declined the case. Narayana Health City stood up as a Good Samaritan and took up this challenging case owing to their vast experience in handling complex paediatric cases.

Upon arrival at Narayana Health City, the twins were evaluated by a multi-disciplinary team. The initial diagnosis confirmed severe congenital anomalies, including a shared heart, making traditional surgical options unviable.

Given the complexity, the team opted for PDA (Patent Ductus Arteriosus) stenting, an interventional procedure where a stent is placed in the PDA to maintain blood flow from the heart. This was chosen over open surgery due to the conjoined nature of the twins and their fused heart. The intervention was successful, providing stable oxygenation to the babies.

Cleanne Papillon was discharged shortly and continues to thrive.

Narayana Health's dedication to transforming paediatric cardiac care has saved numerous lives and significantly improved the quality of life for many children. Their innovative approaches, collaborative efforts, and unwavering commitment to accessible healthcare embody. We continue to success and expansion of Narayana Health's initiatives demonstrate a sustainable and impactful model of healthcare delivery that can inspire similar efforts worldwide.

Our Journey to Sustainability - The Narayana Health Story (A Healthy Society) contd...

Paediatric Cancer Care – Narayana Health's Journey in Bone Marrow Transplants

Narayana Health has established itself as a leader in providing affordable, world-class bone marrow transplant facilities for over a decade. To date, we have performed over 2,100 bone marrow transplants. In 2023, we expanded our Bone Marrow Transplant (BMT) unit at Mazumdar Shaw Medical Center to include 35 state-of-the-art beds and over 150 highly trained nurses. This year alone, we performed over 215 paediatric allogeneic hematopoietic stem cell transplants, achieving outcomes comparable to those in Western countries. This accomplishment positions our center as one of the highest pediatric bone marrow transplant facilities globally for a single year. Under the expert clinical guidance and leadership of Dr. Sunil Bhat and Dr. Sharat Damodar, Narayana Health continues to excel in providing exceptional care.

Innovative Techniques and Advanced Infrastructure

Narayana Health is a pioneer in stem cell graft manipulation techniques in India. We have successfully performed numerous half-matched bone marrow transplants using the latest German graft manipulation technology. This technology removes TCR alpha-beta cells responsible for Graft vs. Host Disease (GVHD), significantly reducing the risk of this complication post-transplant. Additionally, we have implemented CD45 RA depletion techniques, cryopreserving CD45 RO cells in small aliquots to boost immune recovery and combat post-transplant viral activation.

Cutting-Edge Treatments and Prophylaxis

In a groundbreaking case, we utilized adenovirus-specific cytotoxic T cells derived from a donor to treat a patient with post-transplant resistant adenoviremia, achieving remarkable results. In 2023, we also introduced the innovative approach of administering post-transplant cyclophosphamide as GVHD prophylaxis in unrelated bone marrow transplants, which has proven to be highly successful.

Specialized Transplants for Rare Disorders

We have performed over 35 bone marrow transplants for children with lysosomal storage disorders, offering them a renewed chance for a better quality of life. Our dedication to using advanced techniques and upholding the highest standards of care has led to exceptional outcomes for our patients.

By continually pushing boundaries and achieving unprecedented success, Narayana Health remains at the forefront of bone marrow transplant innovation and excellence.

2,300+
Bone Marrow Transplants (BMT's) conducted to date

9
Cancer Centres established

75,000
Chemotherapies administered

Organizing Camps
For HLA Testing and BMT Evaluation

1.5 lacs
Radiation fractions administered

Awareness Camps
Thalassemia and Bone Marrow

Making Cancer Care Accessible and Affordable

At Narayana Health, we are dedicated to making cancer care accessible and affordable for everyone. We have implemented various initiatives to educate the public and facilitate HLA testing and bone marrow transplant (BMT) evaluations, particularly in areas with limited access to specialized care.

- **HLA Testing**

  We collected 1,143 HLA samples to identify HLA-matched siblings or parents within families, aiding in the search for suitable donors for those in need of bone marrow transplants.

- **Bridging the Gap: Financial Support for Bone Marrow Transplants**

  We have supported 203 patients in receiving BMT through funding from Coal India, the Prime Minister's Fund, and various Chief Minister's Funds. This financial assistance has been instrumental in ensuring that patients can access life-saving treatments without facing insurmountable financial barriers.

  By providing these essential services, Narayana Health continues to advance its mission of delivering high-quality, affordable cancer care to communities across India.

- **Empowering and Educating Communities**

  At Narayana Health, we believe that education is a powerful tool in the fight against childhood cancer. We regularly organize awareness sessions to empower communities with knowledge about cancer and its available treatments. In the past financial year, we conducted 18 BMT awareness talks, reaching over 3,300 individuals. These sessions provided crucial information about bone marrow transplants and their potential to save lives, fostering a well-informed community better equipped to make healthcare decisions.

- **Continuing Medical Education (CME) Programs for Doctors**

  To enhance the knowledge and skills of healthcare professionals, Narayana Health organized two Continuing Medical Education (CME) programs for doctors. These programs were attended by a total of 122 doctors and were held in Bhopal and Patna.

Through these all-encompassing initiatives, we aim to:

- Raise awareness about bone marrow transplants.
- Improve early detection of conditions requiring BMT.
- Provide support for patients in need of bone marrow transplants.

By investing in the education and training of medical professionals, we strive to ensure that high-quality care is accessible to all patients.

A Journey to Health: Manashvi's Triumph Over Thalassemia Major

Manashvi, a young girl from Nagpur, was diagnosed with Thalassemia Major, a life-threatening blood disorder that required lifelong blood transfusions, medications, regular hospital visits, missed school days, and constant monitoring for potential organ damage. The only cure was a bone marrow transplant.

The diagnosis was a devastating blow to Manashvi's family. They faced the daunting task of managing a complex medical condition that required frequent hospital visits and constant vigilance. The family desperately sought a permanent solution to offer Manashvi a chance at a normal, healthy life.

Learning about the largest pediatric transplant center at Mazumdar Shaw Medical Center in Bangalore, the family turned to Narayana Health for help.

Under the guidance of Dr. Sunil Bhat and his dedicated team, the transplant process began. Despite the challenges inherent in such a complex procedure, Manashvi faced each moment with remarkable resilience and optimism. The medical team closely monitored her progress, providing expert care and unwavering support throughout her journey.

Manashvi's story is a testament to the hope, resilience, and exceptional medical care that Narayana Health provides.

Our Journey to Sustainability - The Narayana Health Story (A Healthy Society) contd...

Our Commitment to Employee Well-being and Inclusive Excellence

At Narayana Health, we prioritize employee engagement and fostering a supportive workplace environment. We understand that engaged employees are essential for delivering exceptional healthcare. To empower our team, we encourage open communication, regular feedback, and provide opportunities for professional growth. We celebrate diversity and strive to create an inclusive workplace where everyone feels respected, regardless of gender, race, ethnicity, sexual orientation, disability, or other characteristics. This commitment strengthens our organizational culture and enhances our ability to meet the diverse healthcare needs of our patients.

Our Organizational Composition

We believe that a diverse and inclusive workforce is key to delivering service excellence. Women comprise 60% of our workforce, and we actively recruit individuals with diverse abilities, placing them in roles where they can thrive.

13702	5509	8193	4200
Total employees	No. of male employees	No. of female employees	No. of contractual employees

Enhancing Employee Stewardship at Narayana Health involves a comprehensive dual approach:

1. **Employee Engagement, Safety and Organisational Compliance**
   - We prioritize a culture of engagement, safety, and adherence to organisational standards. This includes robust safety protocols and compliance measures to ensure a secure workplace environment for all employees.
2. **Learning & Development**
   - Continuous learning and development opportunities are pivotal. We foster growth through various initiatives that empower our employees to expand their skills and capabilities.

HR Initiatives for a Vibrant and Supportive Work Environment

At Narayana Health, we are committed to nurturing a vibrant and supportive work environment that encompasses emotional, financial, and physical well-being, alongside engagement and recognition programs.

- **Sampark:** This series integrates virtual and unit level in-Person townhalls, serving as pillars of corporate communication. It allows leaders to share insights and strategies, aligning our workforce with a unified organisational vision.

- Sammaan and Swastha Programs:

- Sammaan: Recognises and celebrates high performance
- Swastha: Focuses on emotional well-being, offering personalized counselling services to support mental health.

- **Samruddhi Program:** Addresses financial well-being with innovative solutions like on-demand salary and emergency funds, promoting financial security and literacy.

- **Sportify:** Promotes physical health through diverse sporting activities and elite fitness packages, ensuring wellness is accessible to all employees.

- **Samvad:** The Employee Listening Program fosters open communication and feedback, enhancing retention and engagement.

- **Unit-specific Engagement Activities and Patient Engagement Initiatives:** These initiatives strengthen camaraderie among teams and prioritize patient satisfaction, elevating care standards and community relationships.

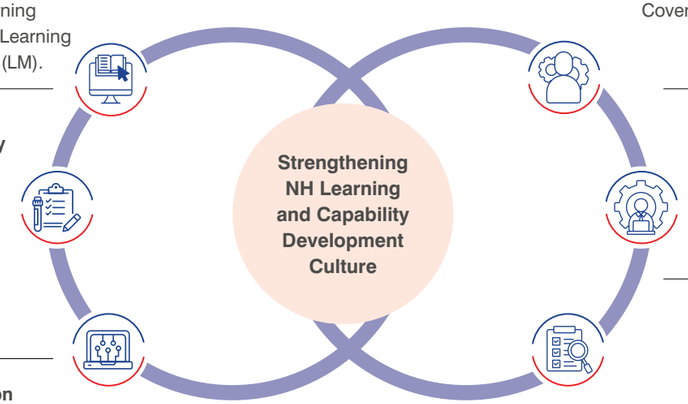
These initiatives underscore our commitment to holistic employee welfare, continual growth, and a supportive workplace culture at Narayana Health.

Learning & Development Agenda Snapshot - 2024

Building Digital Learning Infrastructure
Launch of Digital Learning Modules on EdSpark Learning Management System (LM).

Clinical Skills / Functional Capability Building Programs
Design and Implementation with internal SME's and External Partners
Digital Tools Adoption Training

Digital Tools Adoption Training
Sphere / ATHMA / ITSM / Fusion Platform Trainings



Service Excellence / HCCI Programs Implementation
Coverage for Admin / Para and Nursing across NH Units

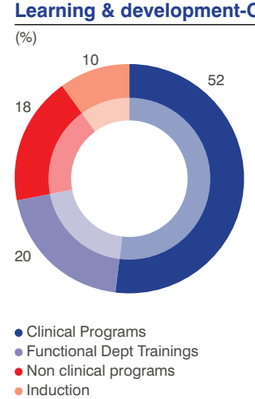
Nursing Capability Building Programs
Programs designed for Staffs, Supervisors and Managers

L&D Process standardisation and Digitisation
Digital Learning Records Creation, Induction / Functional Orientation and Audit process Standardisation

Clinical Learning Programs

Clinical learning programs constitute a significant portion, comprising 52% of our diverse training initiatives. We uphold rigorous audits across all functions to ensure ongoing evaluation of their effectiveness.

Learning & development-Overall Coverage



Breakdown of Clinical Programs

3919 Lab	9145 Infection Control	4387 cathlab	69 Endoscopy	1121 Physiotherapy
1885 Dialysis	2661 Nursing Critical Care	49914 Clinical Training	4387 OT	2153 Clinical Pharmacology
1448 Biomedical	3283 Quality	1111 CSSD	1477 Blood Bank	

At Narayana Health, our commitment to delivering exceptional patient experiences is unwavering, with a steadfast focus on satisfaction. Our associates are dedicated to ensuring every patient receives a delightful experience.

Through our meticulously crafted Service Excellence Training Programs, we empower our associates with essential skills and behaviours to consistently deliver outstanding service at every interaction point across the entire patient journey, both within our facilities and beyond.

Our Journey to Sustainability - The Narayana Health Story contd...

A Healthy Institution

At Narayana Health, our culture of innovation and governance is the cornerstone of our dedication to healthcare excellence. We are committed to pioneering advancements in medical care while upholding the highest standards of governance and regulatory compliance. This ethos fuels our relentless pursuit of innovation across clinical practices, patient care, and operational efficiencies.

Our robust governance framework ensures transparency, accountability, and adherence to global healthcare standards, fostering trust among our patients, partners, and stakeholders. This strong foundation enables us to achieve and maintain prestigious accreditations and certifications, reaffirming our leadership in delivering exceptional healthcare services. At Narayana Health, innovation and governance work hand in hand to empower our teams to continuously raise the bar in healthcare, providing our patients with unparalleled medical expertise and compassionate care.

Accreditation and Certification Achievements at Narayana Health

Narayana Health consistently meets rigorous national and international standards, as evidenced by our numerous esteemed accreditations and certifications:

National Accreditation Board for Hospital and Healthcare Providers (NABH):

We proudly hold NABH accreditation for 17 units. This recognition reflects our adherence to stringent quality and patient safety standards.

National Accreditation Board for Testing and Calibration Laboratories (NABL):

13 of our units have achieved accreditation, affirming our proficiency in laboratory testing and calibration.

Joint Commission International (JCI):

8 units have been accredited by JCI, a testament to our adherence to global best practices in healthcare quality and patient care.

Nursing Excellence Certification by NABH:

Recognizing our commitment to nursing excellence, 16 units have received this prestigious certification.

College of American Pathologists (CAP) Accreditation:

The Narayana Institute of Cardiac Sciences holds accreditation from CAP, highlighting our dedication to high-quality pathology and laboratory medicine.

Additionally, our adherence to the ISO 13485:2016 standard for Quality Management Systems for Medical Devices across all units further demonstrates our commitment to patient safety and quality outcomes.

Accreditation Status – 2023-24

Unit	JCI		CAP	NABH	Nursing Excellence	NABL	ISO Medical Device (ISO13485)		ISO27001
	Enterprise	Units					Corporate	units	
Corporate Office	✓						✓		✓
SDC									✓
Health City Cayman Islands	✓	✓							
Narayana Institute of Cardiac Sciences, Bommasandra, Bengaluru	✓	✓	✓	✓	✓	✓		✓	
Mazumdar Shaw Medical Center, Bommasandra, Bengaluru	✓	✓		✓	✓	✓		✓	
Narayana Superspeciality Hospital, HSR, Bengaluru				✓	✓				
Narayana Multispeciality Hospital, Mysore				✓	✓				
Sahyadri Narayana Multispeciality Hospital, Shimoga				✓	✓	✓			
SRCC Children's Hospital, Mumbai	✓	✓		✓	✓	✓			
Narayana Multispeciality Hospital, Ahmedabad				✓	✓	✓			
NH Rabindranath Tagore International Institute of Cardiac Sciences, Kolkata	✓	✓		✓	✓	✓		✓	
Narayana Superspeciality Hospital, Howrah	✓	✓		✓		✓		✓	
Narayana Superspeciality Hospital, Guwahati				✓	✓	✓			
Narayana Multispeciality Hospital, Barasat				✓		✓			
Brahmananda Narayana Multispecialty Hospital, Jamshedpur				✓	✓				
MMI Narayana Superspeciality Hospital, Raipur				✓	✓	✓			
Dharamshila Narayana Superspeciality Hospital, Delhi				✓	✓	✓			
Narayana Superspeciality Hospital, Gurugram	✓	✓		✓	✓	✓		✓	
Shri Mata Vaishno Devi Narayana Superspeciality Hospital, Jammu				✓	✓				
NMH-Jaipur	✓	✓		✓	✓	✓		✓	

Our commitment to excellence is not only affirmed through rigorous accreditations that recognise our adherence to the highest standards in patient care and safety but also celebrated through prestigious industry awards for our dedication to providing world-class healthcare services and our continuous efforts to innovate and improve.

Awards and Accolades: Celebrating Innovation and Excellence

Narayana Health has been at the forefront of pioneering innovative and responsible healthcare models. Our commitment to the highest standards of clinical care and community engagement has earned us recognition on numerous prestigious platforms. We are honoured to have been named the best hospital to work for and acknowledged for our impactful green initiatives, reflecting our dedication to sustainability alongside exceptional patient care.

CAHO-Environment Sustainability – Regional Winner - North Zone Award to SMVDNSH Katra

AHPI-Excellence in Hospital Operations (Non-Clinical)-SRCC Children's Hospital, Mumbai

CAHO-Fire & Life Safety Excellence Award- Narayana Institute of Cardiac Sciences, Bommasandra, Bengaluru

Healthcare Changemakers Awards 2024- Dharamshila Narayana Superspeciality Hospital, Delhi

Golden AIM Conference Awards 2024
Dr Sunil Bhat honored with the title of most trusted Paediatric Hematologist & BMT specialist held at Bengaluru

CM Awards for Excellence in Healthcare- NICS Bengaluru & SRCC Children's Hospital Mumbai awards by the honorable former chief minister of Odisha, Shri Naveen Patnaik under Biju Swasthya Kalyan Yojna

Excellence in Business Responsibility and Sustainability Report: The Sustainability Standard Reporting Board of The Institute of Charted Accountants of India (ICAI) awarded gold award to Narayana Health.

The Disruptor Best Human Experience Management award delivered to NH in : recognition of constant endeavour to deliver engaging and individualized experiences at 17th edition of the SAP Achievement in Customer Excellence (ACE) 2023

Excellence in Patient Safety & Special Contribution to Assam & Northeast: NSH Guwahati has been awarded for Year 2023, Special contribution to Assam and Northeast in Healthcare and Excellence in Patient Safety by News18

The Dhanvantari Samman 2023: received by MMI Narayana Superspeciality Hospital Raipur. Award ceremony organized by IBC24 and presented by Mr. Kapil Dev, the former captain of the Indian Cricket team

Sustainability Highlights

Social

- Women constitute **60%** of our workforce
- Invested **3,92,000+** manhours in including upskilling Training & Development
- Narayana Institute of Cardiac Sciences, Bengaluru won the Fire & Life Safety Excellence award from the Consortium of Accredited Health Care Organisation (CAHO)
- Supported six UN DSG's through our social impact investments via health and education
- **INR 75 Crore+** discount towards subsidised Cardiac Surgeries, BMT and support to under privileged patients
- **7,000+** students benfitted through feeding & santitation programs

Environmental

- Reduction of carbon footprint by **21,182 tons**
- Sourced **28%** of electricity from renewable energy sources
- Wastewater from hospitals treated in onsite wastewater treatment plants & reused in the hospitals for suitable non-contact purposes like flushing, gardening, etc.
- **100%** Segregation of waste at point of generation & safe disposal to authorised vendors
- Presence of a comprehensive Environmental Management System (EMS) across all our hospitals & facilities
- SMVDNSH Katra won Environment Sustainability award from the Consortium of Accredited Health Care Organisation (CAHO)

50% reduction in paper usage through digital initiatives

Governance

- Board Stakeholder Relationship Committee to oversee ESG Performance
- Deployed ESG Committees at a corporate and unit level to implement ESG activities across NH
- Cross-functional ESG committee members under the direct purview of the ESG Committee chairman.
- A 5-layer Clinical Governance Framework that aligns the board, governance, clinical team, quality department, audit team and front-line staff to ensure highest safety standards
- Dedicated ESG policy capturing the organisation's position and responsibilities related to Environmental Conservation, OHS, & Community Health & Safety practices

Narayana Health

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