

Medi Assist Healthcare Services Limited
 Consolidated Balance Sheet as at 31 March 2021
 (All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	291.14	318.41
Right-of-use assets	5 (a)	268.47	350.77
Goodwill	6	409.80	409.80
Other intangible assets	7	223.47	296.35
Intangible assets under development	7	6.94	13.82
Financial assets			
Investments	8(a)	74.72	152.35
Loans receivables	8(b)	42.37	59.85
Other financial assets	8(c)	0.62	22.88
Income tax assets (net)	9	303.12	836.68
Deferred tax assets (net)	10	106.42	18.29
Other non-current assets	11	8.76	12.00
Total non-current assets		1,735.83	2,491.20
Current assets			
Financial assets			
Investments	12 (a)	1,030.89	566.80
Trade receivables	12 (b)	1,210.80	1,437.25
Cash and cash equivalents	12 (c)	633.89	139.94
Bank balances other than cash and cash equivalents above	12 (d)	513.45	251.39
Loans receivables	12 (e)	39.36	15.22
Other financial assets	12 (f)	153.20	581.56
Other current assets	13	123.16	87.96
Total current assets		3,704.75	3,080.12
Non-current assets classified as held for sale	45	12.44	-
Total Assets		5,453.02	5,571.32
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	0.37	0.36
Other equity	15	2,903.56	2,113.65
Total equity attributable to owners of the Company		2,903.93	2,114.01
Non-controlling interests		21.57	21.57
Total equity		2,925.50	2,135.58
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	5 (b)	256.76	336.31
Borrowings	16	-	1.77
Provisions	17	85.56	72.87
Total non-current liabilities		342.32	410.95
Current liabilities			
Financial liabilities			
Lease liabilities	5 (b)	96.24	91.17
Borrowings	18 (a)	-	717.50
Trade payables	18 (b)		
total outstanding dues to micro enterprises and small enterprises		31.11	0.48
total outstanding dues to creditors other than micro enterprises and small enterprises		322.55	388.79
Other financial liabilities	18 (c)	173.72	418.17
Contract liabilities		1,221.96	1,100.33
Other current liabilities	19	224.80	279.37
Provisions	20	33.32	28.98
Current tax liabilities (net)	21	81.50	-
Total current liabilities		2,185.20	3,024.79
Total liabilities		2,527.52	3,435.74
Total Equity and Liabilities		5,453.02	5,571.32

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


As per our report of even date attached.

for **BSR & Co. LLP**
 Chartered Accountants
 Firm's Registration Number: 101248W/W-100022


Vikash Gupta
 Partner
 Membership Number: 064597




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


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


Mathew George
 Chief Financial Officer

Place: Bengaluru
 Date: 23 November 2021


Satis Chidugu
 Whole Time Director and CEO
 DIN: 06643677


Megha Matoo
 Chief Compliance Officer and Company Secretary
 ICSI Membership No: F-10665

Place: Bengaluru
 Date: 23 November 2021

Place: Bengaluru
 Date: 23 November 2021

Medi Assist Healthcare Services Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2021
(All amounts are in Indian Rupees in millions except share data and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Continuing operations			
Income			
Revenue from operations	22	3,256.47	3,185.86
Other income	23	225.48	118.56
Total income		3,481.95	3,304.42
Expenses			
Employee benefits expense	24	1,432.64	1,348.80
Finance costs	25	57.26	37.33
Depreciation and amortisation expenses	26	315.19	263.26
Other expenses	27	1,070.42	1,060.53
Total expenses		2,875.51	2,709.92
Profit before tax for the year from continuing operations		606.44	594.50
Income tax expense:			
Current tax	37	284.42	193.18
Deferred tax (credit)/ charge	36	(55.05)	19.78
		229.37	212.96
Profit after tax for the year from continuing operations		377.07	381.54
Discontinued operations			
Loss for the year from discontinued operations	38	(146.56)	(57.00)
Tax credit from discontinued operations		32.23	10.96
Loss for the year from discontinued operations		(114.33)	(46.04)
Profit after tax for the year		262.74	335.50
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Re-measurement of defined benefit (assets)/ liabilities		(5.87)	(16.69)
Fair value changes in equity instrument through other comprehensive income		13.93	(21.46)
Income tax relating to items that will not be reclassified to statement of profit and loss		(3.95)	8.00
Total other comprehensive income for the year, net of income tax		4.11	(30.15)
Total comprehensive income for the year		266.85	305.35
Earnings per share for continuing operation [Face value of Rs. 5 per share (31 March 2020: Rs. 5 per share)]			
Basic	29	5.63	5.71
Diluted		5.57	5.66
Earnings per share for discontinued operation [Face value of Rs. 5 per share (31 March 2020: Rs. 5 per share)]			
Basic	29	(1.71)	(0.69)
Diluted		(1.71)	(0.69)
Earnings per share for continuing and discontinued operation [Face value of Rs. 5 per share (31 March 2020: Rs. 5 per share)]			
Basic	29	3.92	5.02
Diluted		3.88	4.98

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022


Vikash Gupta
Partner
Membership Number: 064597




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


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


Satish Gidugu
Whole Time Director and CEO
DIN: 06643677


Mathew George
Chief Financial Officer


Megha Matoo
Chief Compliance Officer and Company Secretary
ICSI Membership No: F-10665

Place: Bengaluru
Date: 23 November 2021

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Date: 23 November 2021

Medi Assist Healthcare Services Limited
 Consolidated Statement of Changes in Equity for the year ended 31 March 2021
 (All amounts are in Indian Rupees in millions except share data and per share data, unless otherwise stated)

A. Equity share capital

Particulars	Notes	As at 31 March 2021		As at 31 March 2020	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	(a)	36,082	0.36	36,082	0.36
Shares issued during the year	(b)	1,099	(1.01)	-	-
Balance at the end of the year		37,181	0.37	36,082	0.36

(a) Refer Note 18 (a) (B) and Note 14.

(b) For events after Balance sheet date, Refer Note 49.

B. Other equity

Particulars	Notes	Reserve and Surplus					Items of Other Comprehensive Income (OCI) Equity instrument through OCI**	Total attributable to owners of the company	Non-controlling interest (% of NCI)***	Total
		Employee stock option reserve	Securities premium	Retained earnings	General reserve	Debt redemption reserve				
Balance as at 1 April 2019	(a)	54.65	566.80	1,287.08	-	1.36	-	2,234.32	21.57	2,255.89
Transition impact of Ind AS 116, net of tax		-	-	(56.92)	-	-	-	(56.92)	-	(56.92)
Restated balance as at 1 April 2019		54.65	566.80	1,230.16	-	1.36	-	2,177.40	21.57	2,198.97
Profit after tax for the year from continuing operations		-	-	381.54	-	-	-	381.54	-	381.54
(Loss) after tax for the year from discontinued operations		-	-	(46.04)	-	-	-	(46.04)	-	(46.04)
Remeasurements of defined benefit liability/ (asset)		-	-	(12.49)	-	-	-	(12.49)	-	(12.49)
Other comprehensive loss, net of income tax		-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year		-	-	333.01	-	-	-	333.01	-	333.01
Transactions recorded directly in equity:		-	-	-	-	-	-	-	-	-
Transfer to Employee Stock Option reserve	(b)	1.10	-	-	-	-	-	1.10	-	1.10
Distribution of net assets under common control transaction	(c)	-	-	-	(370.18)	-	-	(370.18)	-	(370.18)
Balance as at 31 March 2020		55.75	566.80	1,553.17	-	1.36	-	2,113.67	21.57	2,135.24
Balance as at 1 April 2020		55.75	566.80	1,553.17	-	1.36	-	2,113.67	21.57	2,135.24
Profit after tax for the year from continuing operations		-	-	377.07	-	-	-	377.07	-	377.07
(Loss) after tax for the year from discontinued operations		-	-	(114.33)	-	-	-	(114.33)	-	(114.33)
Remeasurements of defined benefit liability/ (asset)		-	-	(4.39)	-	-	-	(4.39)	-	(4.39)
Other comprehensive income, net of income tax		-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year		-	-	258.35	-	-	-	258.35	-	258.35
Transactions recorded directly in equity:		-	-	-	-	-	-	-	-	-
Premium received on issue of equity shares		-	522.99	-	-	-	-	522.99	-	522.99
Transfer of debt redemption reserve to general reserve	(d)	-	-	-	1.36	-	-	1.36	-	1.36
Balance as at 31 March 2021		55.75	1,089.79	1,811.52	-	1.36	(370.18)	2,902.56	21.57	2,925.13

Notes:

(a) Refer Note 5 (b).

(b) Refer Note 32.

(c) Refer Note 38.

(d) Refer Note 18(a)(B) and Note 15 (i).

* Other Equity (Refer Note 15 (iv)).

** Equity instrument through OCI:

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

*** The employee stock option reserve of Medi Assist Insurance TPA Private Limited (MATPA), a wholly owned subsidiary of the Company, represents the ESOP's granted to counterparty, not forming part of the consolidated reporting entity are classified and presented as NCI. These ESOP's are not exercised as at balance sheet date. Hence, no profit is attributable to NCI.

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

As per our report of even date.

for BSR & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248/W/-100022

Vikash Gupta

Partner

Membership Number: 064597

Place: Bengaluru

Date: 23 November 2021

for and on behalf of the Board of Directors of
 Medi Assist Healthcare Services Limited
 CIN: U74900KA2000PLC02729

Dr. Vikramjit Singh Chhatwal

Chairman and Whole Time Director

DIN: 01606329

Place: Bengaluru

Date: 23 November 2021



Mathew George
 Chief Financial Officer

Place: Bengaluru

Date: 23 November 2021

Sanku Gidugu
 Whole Time Director and CEO

DIN: 06643677

Place: Bengaluru

Date: 23 November 2021

Meppa Maitoo
 Chief Compliance Officer and Company Secretary

ICS1 Membership No: F-10665

Place: Bengaluru

Date: 23 November 2021

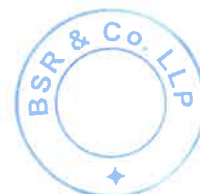
Medi Assist Healthcare Services Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2021
(All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flows from operating activities		
Profit before tax for the year from continuing operations	606.44	594.50
(Loss) before tax for the year from discontinued operations	(146.56)	(57.00)
<i>Adjustments:</i>		
Depreciation and amortisation expenses	315.19	263.26
Allowance for expected credit losses on trade receivables and unbilled receivables	273.61	9.00
Provision for doubtful receivables	-	10.08
Provision for doubtful deposits	0.55	-
Provision for doubtful advances	3.34	10.70
Creditors' Provision no longer required written back	(20.61)	(7.45)
Rent concession	(26.50)	-
Employee stock option expense	-	1.10
Finance costs	47.60	37.33
Profit on sale of investments in mutual funds	(11.72)	(16.37)
Profit on sale of non-current investments	(46.42)	-
Interest income	(78.30)	(18.49)
Net gain on financial assets measured at fair value through profit and loss	(8.94)	(49.82)
Gain on transfer of property, plant and equipment	-	(4.92)
Dividend received	-	(3.17)
Operating cash flows before working capital changes	907.68	768.75
Working capital movements:		
(Decrease) in trade payables	(15.00)	(256.79)
(Decrease)/ Increase in other liabilities	(170.57)	147.79
Increase in provisions	11.16	2.17
(Increase)/ Decrease in trade receivables	(47.16)	367.86
Decrease/ (Increase) in other assets	383.73	(528.85)
Cash generated from operations	1,069.84	500.93
Income taxes refund/ (paid), net	324.53	(332.75)
Net cash flows generated from operating activities (A)	1,394.37	168.18
Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets including capital advances	(119.67)	(201.19)
Capitalisation of software development cost/ internally generated intangible assets	(12.86)	-
Proceeds from sale of non-current investments	138.48	-
Purchase of non-current investments	(0.50)	-
(Purchase of)/ Proceeds from sale of current investments, (net)	(443.41)	205.91
Investment in fixed deposit accounts	(242.02)	(262.90)
Proceeds from maturity of fixed deposits	-	25.70
Dividend received	-	3.17
Interest received	71.98	14.65
Net cash flows used in investing activities (B)	(608.00)	(214.66)
Cash flows from financing activities		
Repayment of non-convertible debentures	(2.00)	-
Repayment of lease liabilities (Refer Note 5(b) A)	(90.15)	(113.89)
Finance costs paid	(5.77)	(1.73)
Net cash flows used in financing activities (C)	(97.92)	(115.62)
Net increase/ (decrease) in cash and cash equivalents	688.45	(162.10)
Cash and cash equivalents at the beginning of the year	(54.56)	107.54
Cash and cash equivalents at the end of the year	633.89	(54.56)
Component of cash and cash equivalents (Refer Note 12 (c))		
Balances with banks		
- In current accounts	633.06	139.65
Deposits with original maturity of less than three months	0.58	-
Cash on hand	0.25	0.29
Bank overdraft (Refer Note 18 (a))	-	(194.50)
Total cash and cash equivalents	633.89	(54.56)



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Medi Assist Healthcare Services Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2021 (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

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

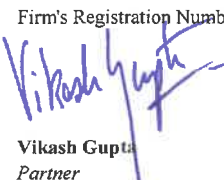
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Borrowings (Non-current and current):		
Opening balance	524.77	524.60
(i) Non-cash movements in financing activities		
Conversion of redeemable preference shares into equity shares	(523.00)	-
Interest accrued on financial liability	0.23	0.17
(ii) Cash movements in financing activities		
Repayment of non-convertible debentures	(2.00)	-
	-	524.77
(b) Lease liabilities (Non-current and current):		
Opening balance	427.48	455.89
(i) Non-cash movements in financing activities		
Additions	9.13	51.99
Deletions	-	(3.71)
Interest expense for the year	33.04	37.20
Rent concession	(26.50)	-
(ii) Cash movements in financing activities		
Repayment of lease liabilities	(63.65)	(113.89)
	379.50	427.48

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

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

As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

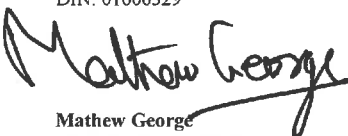

Vikash Gupta
Partner
Membership Number: 064597



Place: Bengaluru
Date: 23 November 2021


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


Dr. Vilram Jit Singh Chhatwal
Chairman and Whole Time Director
DIN: 01606329


Mathew George
Chief Financial Officer

Place: Bengaluru
Date: 23 November 2021


Satish Gidugu
Whole Time Director and CEO
DIN: 06643677


Megha Matoo
Chief Compliance Officer and Company Secretary
ICSI Membership No: F-10665

Place: Bengaluru
Date: 23 November 2021

1 Reporting entity

Medi Assist Healthcare Services Limited ("the Company" or "Parent"), was incorporated on 7 June 2000 under the provisions of Companies Act, 1956. The Company received order from the Registrar of Companies with fresh certificate of incorporation upon conversion from Private Company to Public Company with effect from 20 March 2018. The Company's registered office is Medi Assist Healthcare Services Limited, Tower D, 4th Floor, IBC Knowledge Park, 4/1, Bannerghatta Road, Bengaluru 560 029. The business operations of the Company are carried out at various cities in India.

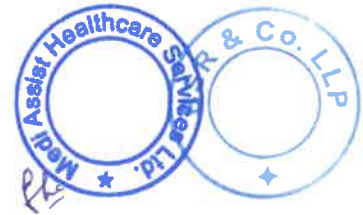
The Company, and its subsidiary i.e. Medi Assist Insurance TPA Private Limited, ("MATPA") (collectively the "Group"), is mainly engaged in the business of Third Party Administration (TPA) services provided by the subsidiary. The Group has signed up contracts with several general and health insurance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

Pursuant to the Scheme of Arrangement, duly sanctioned by the National Company Law Tribunal (NCLT), vide Order dated 4 November 2020, with effect from the Appointed Date i.e. 1 September 2019, the CH Business of the Company has merged into M/s. Mandala Wellness Private Limited ('MWPL'). Accordingly, the Group has disclosed the discontinuation of CH business as discontinued operations as per the requirement of Ind AS 105 'Non current asset held for sale and Discontinued operation', the details of which are stated in Refer Note 38 (i).

The Board of Directors of the Company vide resolution dated 30 December 2020 has approved the discontinuation of the business pertaining to card processing which are mainly generating revenue from Government contracts. Accordingly, the Group has disclosed the discontinuation of card processing business as discontinued operations as per the requirement of Ind AS 105 'Non current asset held for sale and Discontinued operation', the details of which are stated in Refer Note 38 (ii). The Group has re-represented the comparative information due to the discontinued operations.

The Consolidated Financial Statements comprises the financial information of the member of the Group as under:

Name of subsidiary	Country of incorporation	% of Interest	
		As at 31 March 2021	As at 31 March 2020
Medi Assist Insurance TPA Private Limited	India	100	100



2 Basis of accounting and preparation

A Statement of compliance:

The Consolidated Financial Statements has been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013. (the 'Act') and other relevant provisions of the Act as amended from time to time.

These Consolidated Financial Statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective as at 31 March 2021. These Consolidated Financial Statements have been approved by the Board of Directors on 23 November 2021.

B Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees, which is the Group functional currency. All amounts have been rounded to the nearest million, upto two places of decimal, unless otherwise stated.

C Basis of measurement

The Consolidated Financial Statements have been prepared under the historical cost basis, except for the following:

Items	Measurement basis
Financial assets and liabilities (including derivatives instruments)	Fair value
Share based payment at grant date	Fair value
Defined benefit and other long-term employee benefits obligations	Present value of defined benefit obligations

D Use of estimates and judgements

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

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

Judgement, estimates and assumptions are required in particular for:

(a) Determination of the estimated useful lives:

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

(b) Recognition of deferred tax assets:

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

(c) Recognition and measurement of defined benefit obligations:

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

(d) Fair valuation of employee share options:

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

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2 Basis of accounting and preparation (continued)

D Use of estimates and judgements (continued)

(e) Impairment testing:

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

(f) Business combination:

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates), liabilities acquired and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

(g) Leases

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

(h) Expected credit losses on financial assets:

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting years.

E Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises 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 32: Employee Stock Option Scheme.
- Note 33: Financial Instruments.

F Current and non-current classification

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

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

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

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

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

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

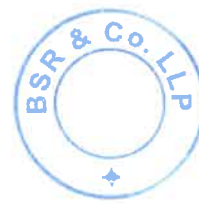
Operating cycle

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

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3 Significant accounting policies

The accounting policies set out below have been applied consistently throughout the period presented in these Consolidated Financial Statements, and have been applied consistently by Group entities:

a. Basis of consolidation

Subsidiary:

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

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

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

Non-controlling interests ("NCI") in the results and equity of subsidiary are shown separately in the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity respectively. Also the employee stock option reserve of the subsidiary Company represents the ESOP's granted to counterparty (employees of the Group) not forming part of the consolidated reporting entity are classified and presented as NCI.

All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

b. Financial instruments

(i) Recognition and initial measurement

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

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

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Recognition and initial measurement – financial assets and financial liabilities:

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

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

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

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

Financial assets

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

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

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

Amortized cost:

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

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

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

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

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

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

Fair value through profit and loss ("FVTPL")

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVOCI. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as 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 investment level because this reflects the best way the business is managed and information is provided to management. The information considered includes:

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

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

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



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3 Significant accounting policies (continued)

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

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and Loss.

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

(iii) **Derecognition**

Financial assets

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

Financial liabilities

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

(iv) **Offsetting financial instruments:**

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

c. **Foreign currency transactions and balances**

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Consolidated Statement of Profit and Loss.



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3 Significant accounting policies (continued)

d. Cash and cash equivalents

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

e. Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

f. Earnings per share

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

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

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

g. Revenue recognition

i. Revenue is recognized upon transferring control of promised services to customers in an amount that reflects that consideration we expect to receive in exchange for those services.

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

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

The Group derives revenue from rendering business support services in accordance with the terms of the relevant service agreement entered with customers, being performance obligations are satisfied over the contract period as the Group's efforts or inputs are expended evenly throughout the contract period.
Revenue from card processing income are recognised at point in time as and when the related services are rendered.
Revenue from licenses where the customers obtains "right to access" is recognized over the access period on straight line basis.

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

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

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

h. Property, plant and equipment

Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that year.

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

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

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

Depreciation

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

Asset categories	Useful life in years
Furniture and fixtures	10
Air conditioners	10
Computer equipment's - end user devices	3
Motor car	10
Computer equipment's - servers and network	6
Electrical equipment's	10
Office equipment	5

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

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



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3 Significant accounting policies (continued)

i. Intangible assets

(i) Recognition and measurement

Acquired intangible assets

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

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 required to obtain the expected future cash flows from the asset.

Internally generated intangible assets

Expenditure on research activities, undertaken with prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Consolidated Statement of Profit and Loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in Consolidated Statement of Profit and Loss as incurred.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Consolidated Statement of Profit and Loss as incurred.

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

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

Amortisation methods and useful lives are reviewed periodically including at each financial years end. Amortisation on additions and disposals during the years is provided on proportionate basis. Goodwill is measured at cost less accumulated impairment loss.

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

Asset categories	Useful life in years
Software and licenses	3
Customer contracts	10
Customer relationship	8

j. Impairment of financial assets

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

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

Loss allowances for trade receivables (including unbilled receivables) is 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. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss. In addition the Group has also considered credit reports and other credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. The Group believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled receivables and other financial assets is adequate.

Write off

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

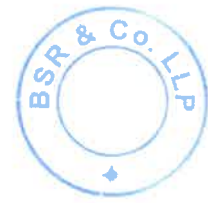
k. Impairment of non-financial assets

Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The impairment test is performed at the level of cash generating unit or groups of cash-generating units which represent the lowest level at which they are monitored for internal management purposes. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGU.

The Group assesses long-lived assets such as property, plant, equipment and acquired/ self generated intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the asset or group of assets.

The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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3 Significant accounting policies (continued)

1. Leases

Policy applicable with effect from 1 April 2019

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

Group as a lessee

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

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

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

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

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

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Critical judgements in determining the lease term

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

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

- (a) If there are significant penalties to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- (b) If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- (c) Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices leases have not been included in the lease liability, because the group could replace the assets without significant cost or business disruption.

m. Employee benefits

(i) Short-term employee benefits:

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

(ii) Post-employment benefits:

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund and employees state insurance to a Government administered scheme which is a defined contribution plan. The Group's contribution is 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 in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

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

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

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

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

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

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

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured by independent qualified actuary using the Projected Unit Credit Method.

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3 Significant accounting policies (continued)

m. Employee benefits (continued)

Share-based compensation

The expenses relating to share-based payments in the Consolidated Statement of Profit and Loss using fair value in accordance with Ind AS 102, Share-Based Payment. These Employee Stock Options Scheme ("ESOS") granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the Consolidated Statement of Profit and Loss with a corresponding increase to the employee stock option plan reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization).

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

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

Employee stock option reserve of share option granted by MATPA is classified as non-controlling interest in the Consolidated Statements of Changes in Equity.

n. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any excess of purchase consideration over the fair value of net assets acquired is considered as goodwill. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

The Group accounts for the common control transactions in accordance with the 'pooling of interest' method prescribed under Ind AS 103 - Business Combination for common control transactions and as per the provisions of respective schemes approved by the regulators, where all the assets and liabilities of transferor companies would be recorded at the book value as at the Appointed date.

o. Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to a business combination, or items directly recognized 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 period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting dates.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to 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 the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction
- temporary differences related to investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

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3 Significant accounting policies (continued)

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

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

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

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

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

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

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

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

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

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

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

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

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

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

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each closing date.

r. Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Group is charged to the Consolidated Statement of the Profit and Loss.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

The Board of Directors of the Group have been identified as being the CODM by the management of the Group. Refer Note 35 for segment information presented.

q. Cash dividend

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

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

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



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4 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Electrical equipments	Air conditioners	Total
Gross carrying value							
Balance at 1 April 2019	134.23	89.21	59.58	227.11	13.20	19.47	542.80
Additions	29.54	31.52	18.25	30.65	4.69	2.55	117.20
Transfer of assets on account of demerger (Note 38 (i))	-	-	(0.54)	(19.60)	-	-	(20.14)
Balance at 31 March 2020	163.77	120.73	77.29	238.16	17.89	22.02	639.86
Accumulated depreciation							
Balance at 1 April 2019	49.75	22.70	31.15	133.89	2.83	4.36	244.68
Depreciation for the year	29.01	9.03	10.74	36.70	1.84	1.93	89.25
Transfer of assets on account of demerger (Note 38 (i))	-	-	(0.49)	(11.99)	-	-	(12.48)
Balance at 31 March 2020	78.76	31.73	41.40	158.60	4.67	6.29	321.45
Net carrying value at 31 March 2020	85.01	89.00	35.89	79.56	13.22	15.73	318.41
Gross carrying value							
Balance at 1 April 2020	163.77	120.73	77.29	238.16	17.89	22.02	639.86
Additions	22.12	8.71	41.89	17.80	-	0.56	91.08
Balance as at 31 March 2021	185.89	129.44	119.18	255.96	17.89	22.58	730.94
Accumulated depreciation							
Balance at 1 April 2020	78.76	31.73	41.40	158.60	4.67	6.29	321.45
Depreciation for the year	37.49	13.14	19.67	37.62	5.03	5.40	118.35
Balance as at 31 March 2021	116.25	44.87	61.07	196.22	9.70	11.69	439.80
Net carrying value at 31 March 2021	69.64	84.57	58.11	59.74	8.19	10.89	291.14

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6 Goodwill

Particulars	Total
Gross carrying value	
Balance at 1 April 2019	409.80
Acquisition	-
Balance at 31 March 2020	409.80
Accumulated impairment loss	
Balance at 1 April 2019	-
For the year	-
Balance at 31 March 2020	-
Net carrying value at 31 March 2020	409.80
Gross carrying value	
Balance at 1 April 2020	409.80
Acquisition	-
Balance as at 31 March 2021	409.80
Accumulated impairment loss	
Balance at 1 April 2020	-
For the year	-
Balance as at 31 March 2021	-
Net carrying value at 31 March 2021	409.80

Impairment testing for goodwill:

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

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

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

Particulars	31 March 2021	31 March 2020
Discount rate	16.30%	14.87%
Terminal growth rate	4.00%	4.00%
Budgeted EBITDA ⁽ⁱ⁾ growth rate	18.00%	17.00%

⁽ⁱ⁾ EBITDA refers to Earnings before interest, tax, depreciation and amortisation.

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

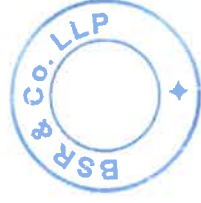
The cash flow projections includes specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of long-term compound annual EBITDA growth rate.

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

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

Note: Based on the assessment, the Group determined that the estimated recoverable value of the CGU is higher than its carrying cost and consequently, the Group has not recorded any impairment loss following the guidance under Ind AS 36 "Impairment of assets". The Group has performed sensitivity analysis for all key assumptions, including the cash flow projections consequent to the change in estimated future economic conditions arising from the possible effects due to COVID-19 and is unlikely to cause the carrying amount of the CGU exceed its estimated recoverable amount.

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7 Other intangible assets

Particulars	Software and licenses	Customer relationship	Customer contracts	Total	Intangible under development *
Gross carrying value					
Balance at 1 April 2019	309.11	297.76	20.30	627.17	32.49
Additions	92.61	-	-	92.61	-
Transfer of assets on account of demerger (Refer Note 38(i))	(27.72)	-	-	(27.72)	-
Disposals / adjustments	-	-	-	-	(18.67)
Balance at 31 March 2020	374.00	297.76	20.30	692.06	13.82
Accumulated amortisation					
Balance at 1 April 2019	225.53	75.60	1.90	303.03	-
For the year	63.93	29.93	2.55	96.41	-
Transfer of assets on account of demerger (Refer Note 38(i))	(3.73)	-	-	(3.73)	-
Balance at 31 March 2020	285.73	105.53	4.45	395.71	-
Net carrying value at 31 March 2020	88.27	192.23	15.85	296.35	13.82
Gross carrying value					
Balance at 1 April 2020	374.00	297.76	20.30	692.06	13.82
Additions	46.20	-	-	46.20	12.86
Capitalisation of intangible assets under development	-	-	-	-	(19.74)
Non-current assets classified as held for sale (Refer Note 45)	(16.19)	-	-	(16.19)	-
Balance as at 31 March 2021	404.01	297.76	20.30	722.07	6.94
Accumulated amortisation					
Balance at 1 April 2020	285.73	105.53	4.45	395.71	-
For the year	74.34	29.76	2.54	106.64	-
Non-current assets classified as held for sale (Refer Note 45)	(3.75)	-	-	(3.75)	-
Balance as at 31 March 2021	356.32	135.29	6.99	498.60	-
Net carrying value at 31 March 2021	47.69	162.47	13.31	223.47	6.94

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

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5 (a) Right-of-use assets

Particulars	Buildings	Total
Gross carrying value		
Balance at 1 April 2019	387.44	387.44
Additions	53.74	53.74
Modifications/ terminations	(2.81)	(2.81)
Balance at 31 March 2020	438.37	438.37
Accumulated depreciation		
Balance at 1 April 2019	-	-
Depreciation for the year*	87.60	87.60
Balance at 31 March 2020	87.60	87.60
Net carrying value at 31 March 2020	350.77	350.77

* For FY 2019-20, out of the total a sum of Rs. 5.75 million has been recharged to MWPL in accordance with the Transitional Service Agreement. The net depreciation charge for the year is Rs. 81.93 million.

Particulars	Buildings	Total
Gross carrying value		
Balance at 1 April 2020	438.37	438.37
Additions	9.30	9.30
Modifications/ terminations	-	-
Balance as at 31 March 2021	447.67	447.67
Accumulated depreciation		
Balance at 1 April 2020	87.60	87.60
Depreciation for the year	91.60	91.60
Balance as at 31 March 2021	179.20	179.20
Net carrying value at 31 March 2021	268.47	268.47

Transition to Ind AS 116

The Group has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 using the modified retrospective method with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

Company as a lessee

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognises right-of-use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

- (1) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (2) Applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition and low value assets.

- (3) Excluded the initial direct costs from the measurement of the right-of-use-asset at the date of transition
- (4) Grandfathered the assessment of contracts which are, or contain leases as was previously identified as leases applying "Ind AS 17- Leases". Accordingly, Ind AS 116 is not applied to those contracts that were not previously identified as containing a lease applying Ind AS 17.
- (5) The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 9.00%.
- (6) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Group has also applied recognition exemptions of short-term leases to all categories of underlying assets.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use assets and finance cost for interest accrued on lease liabilities.

On transition to Ind AS 116 with effect from 1 April 2019, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019.

(a) Impact of adoption of Ind AS 116 on retained earnings:

Particulars	As at 1 April 2019
Increase in lease liabilities	(455.89)
Increase in right-of-use assets	379.63
Increase in deferred tax assets	23.39
Decrease in prepaid rent on present value of security deposit	(4.05)
Impact on retained earning	(56.92)

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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

5 (b) Lease liabilities

A The following is the movement of lease liabilities during the year ended 31 March 2020

Particulars	As at 31 March 2020
Opening Balance	455.89
Additions	51.99
Deletions	(3.71)
Interest expense for the year*	37.20
Repayment of lease liabilities	(113.89)
Closing Balance	427.48

* For FY 2019-20, out of the total a sum of Rs. 2.88 million has been recharged to MWPL in accordance with the Transitional Service Agreement to MWPL. The net interest expense for the year is Rs. 34.32 million.

The following is the movement of lease liabilities during the year ended 31 March 2021

Particulars	As at 31 March 2021
Opening Balance	427.48
Additions	9.13
Deletions	-
Interest expense for the year	33.04
Rent concession	(26.50)
Repayment of lease liabilities	(90.15)
Closing Balance	353.00

B The following is the break-up of lease liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liability	96.24	91.17
Non-current lease liability	256.76	336.31
Total	353.00	427.48

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

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	119.62	121.69
One to five years	287.46	386.66
More than five years	-	10.72
Total	407.08	519.07

D Amount recognized in Consolidated Statement of Profit and Loss

Particulars	For the year ended 31 March 2021	For year ended 31 March 2020
Interest on lease liabilities- presented under Finance costs	33.04	34.32
Depreciation on right-of-use assets- presented under Depreciation and amortisation expenses	90.20	81.93
Expense relating to short-term leases and low value assets- presented under Other expenses- Rent	26.62	28.06
Less: Rent concession due to COVID-19- presented under Other expenses- Rent	(26.50)	-

During the year ended 31 March 2021, the Group incurred expenses amounting to Rs. 26.62 million (31 March 2020 : Rs. 28.06 million) for short-term leases and leases of low-value assets. For the year ended 31 March 2021, the total cash outflows for leases, including short-term leases and low-value assets amounted to Rs. 116.77 million (31 March 2020 : Rs. 141.93 million).

During the year ended 31 March 2021, the Group received rent concessions as a consequence of COVID-19. Since, the change in lease payments is less than the consideration for the lease immediately preceding the change and there was no substantive change to other terms and conditions of the lease, the Group has elected to apply the practical expedient which permits a lessee to elect not to assess whether a COVID-19-related rent concession as a lease modification. Consequently, the change in lease payments resulting from the COVID-19-related rent concession is accounted for in the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

Impact of the Global Pandemic ("COVID-19")

The Group does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Group has entered with lessors for buildings are long term in nature and no changes in terms of those leases are expected due to the COVID-19.



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8 Non-current financial assets

8 (a) Investments

Particulars	As at 31 March 2021	As at 31 March 2020
<i>(i). Quoted equity shares</i>		
Equity shares at Fair Value through Other Comprehensive Income (FVOCI):		
124,992 (31 March 2020: 124,992) equity shares of The New India Assurance Company Limited	19.29	14.04
<i>(ii). Unquoted equity shares</i>		
Investment in equity shares at Fair Value through Other Comprehensive Income (FVOCI):		
(a) 13,719 (31 March 2020: 13,719) equity shares of Re 1 each, fully paid up of Healthvista India Private Limited	54.93	46.26
(b) 5,000 (31 March 2020: Nil) equity shares of Rs. 100 each, fully paid up of Swasth Digital Health Foundation	0.50	-
<i>(iii). Unquoted preference shares</i>		
Compulsorily convertible cumulative preference shares at Fair Value through Profit and Loss (FVTPL):		
(a) Nil (31 March 2020: 358) series A preference shares of Rs. 100 each, fully paid-up of API Holdings Private Limited (91 Streets Media Technologies Private Limited has merged with API Holdings Private Limited effective 27 August 2020 *	-	74.70
(b) Nil (31 March 2020: 83) series C1 preference shares of Rs. 100 each, fully paid-up of API Holdings Private Limited (91 Streets Media Technologies Private Limited has merged with API Holdings Private Limited effective 27 August 2020 *	-	17.35
	74.72	152.35
Aggregate amount of quoted investments and market value thereof	19.29	14.04
Aggregate amount of unquoted investments	55.43	138.31

* Pursuant to merger of 91 Streets Media Private Limited which with its holding company w.e.f. 27 August 2020, 358 Series A Preference shares of Rs 100 and 83 Series C1 preference shares of Rs. 100 each were converted into 20,048 series A preference shares and 4,648 series C1 preference shares of Rs. 10 each, fully paid-up of API Holdings Private Limited respectively. The Board meeting held on 23 December 2020, Board of Directors of the Company granted in-principle approval for sale of non-current investments of 20,048 series A preference shares and 4,648 series C1 preference shares of Rs. 10 each, fully paid-up of API Holdings Private Limited (formerly known as 91 Streets Media Private Limited). The Company on 10 February 2021 sold the above investments for total consideration of Rs 138.32 million.

8 (b) Loans receivables

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Considered good - Unsecured</i>		
Security deposits	32.70	52.28
Earnest money deposit ("EMD")	9.67	7.57
<i>Credit impaired</i>		
Inter-corporate deposit *	-	40.00
Less: Provision for doubtful deposits	-	(40.00)
Security deposits	0.55	-
Less: Provision for doubtful security deposits	(0.55)	-
	42.37	59.85

* Represents inter-corporate deposit ("ICD") provided to Mobiefit Technologies Private Limited ("MTPL"). The term of ICD is 60 months from the date of disbursement and carries an interest of 8%, payable on maturity at 30 August 2021.

The Group's exposure to credit risk is disclosed in Note 33C (ii).

8 (c) Other financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Considered good - Unsecured</i>		
Deposits with original maturity of more than 12 months *	0.62	22.32
Interest accrued but not due on fixed deposits	-	0.56
<i>Unsecured, considered doubtful</i>		
Interest accrued but not due on ICD	-	4.48
Less: Provision for interest accrued on ICD	-	(4.48)
	0.62	22.88

* The above includes bank deposits amounting to Rs 0.62 (31 March 2020: Rs 21.30 million) placed with bankers against which bank guarantees have been issued to customers.

The Group's exposure to credit risk is disclosed in Note 33C (ii).

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Medi Assist Healthcare Services Limited
Notes to Consolidated financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

9 Income tax assets (net)

Particulars	As at	As at
	31 March 2021	31 March 2020
Advance tax and tax deducted at source, net of provisions	303.12	836.68
	303.12	836.68

* Includes taxes paid under protest Rs. 33.95 million (31 March 2020: Rs. 88.97 million).

10 Deferred tax assets (net)

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Deferred tax assets</i>		
Provision for employee benefits	29.91	25.63
Allowance for expected credit losses on trade receivables and unbilled receivables and provisions for doubtful advances and deposits	90.63	19.68
Security deposits at amortised cost	1.35	1.62
Temporary differences on accrued expenses	6.23	3.58
Lease liabilities	88.13	107.59
Other items	5.30	7.75
Total deferred tax assets	221.55	165.85
<i>Deferred tax liabilities</i>		
Excess of depreciation on fixed assets under Income tax act, 1961 over depreciation under Companies Act	(47.56)	(59.22)
Temporary difference arising from fair value adjustment of financial assets and liabilities, net	-	(0.06)
Right of use assets	(67.57)	(88.28)
Total deferred tax liabilities	(115.13)	(147.56)
Deferred tax assets (net)*	106.42	18.29

* Refer Note 36.

11 Other non-current assets

Particulars	As at	As at
	31 March 2021	31 March 2020
Prepaid rent	0.35	-
Capital advances	8.41	12.00
	8.76	12.00

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Medi Assist Healthcare Services Limited
Notes to Consolidated financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

12 Current - Financial assets

12 (a) Investments

Particulars	As at 31 March 2021	As at 31 March 2020
(i) <i>Investments in mutual funds - Unquoted- Fair Value through Profit and Loss (FVTPL)</i>	1,030.89	516.80
(ii) <i>Unquoted preference shares- Fair Value through Profit and Loss (FVTPL)</i> Series B Compulsorily convertible preference shares (Series B CCPS) of Buddhimed Technologies Private Limited: Nil (31 March 2020: 49,99,900) preference shares of Rs. 10 each, fully paid-up of Buddhimed Technologies Private Limited *	-	50.00
(iii) <i>Unquoted equity shares- Fair value through other comprehensive income</i> Nil (31 March 2020: 100) equity shares of Rs. 10 each, fully paid-up of Buddhimed Technologies Private Limited *^	-	-
	1,030.89	566.80

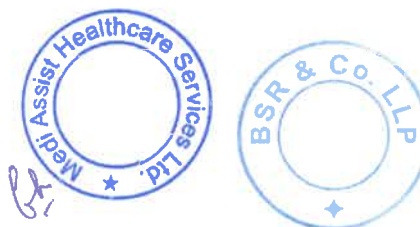
Aggregate amount of unquoted investments 1,030.89 566.80

* On 30 March 2021, the Group has sold 100 equity shares and 49,99,900 Series B CCPS of Buddhimed Technologies Pvt Ltd for a total sale consideration of Rs. 50 million whereas the total fair value of investment as at 30 March 2021 was Rs. 50 million.

^ Amount less than a million.

12 (b) Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Considered good - Unsecured	433.61	678.84
Credit impaired - Unsecured	283.00	52.14
Total receivables	716.61	730.98
Less: Allowance for expected credit losses	(283.00)	(52.14)
Total (A)	433.61	678.84
Unbilled receivables		
<i>Considered good - Unsecured</i>		
Unbilled receivables	777.19	758.41
<i>Unsecured, considered doubtful</i>		
Unbilled receivables	42.75	-
Less: Allowance for expected credit losses	(42.75)	-
Total (B)	777.19	758.41
Total (A+B)	1,210.80	1,437.25



The Group's exposure to credit risk and loss allowances are disclosed in Note 33C (ii).

12 (c) Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	0.25	0.29
Balances with banks		
In current accounts	633.06	139.65
Deposit with original maturity of less than 3 months*	0.58	-
	633.89	139.94

* Includes bank deposit of Rs. 0.54 million (31 March 2020: Rs Nil) placed with bank against which bank guarantee have been issued to insurance companies.

The Group's exposure to credit risk is disclosed in Note 33C (ii).

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

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity of more than three months but less than 12 months *	512.22	248.49
Balances with banks		
-Balance with Self funded schemes **	1.23	2.90
	513.45	251.39

* The above includes bank deposits amounting to Rs 3.76 million (31 March 2020: Rs. 11.59 million) placed with bankers against which bank guarantees have been issued to customers and lien against corporate credit cards.

* Includes bank deposit of Rs. 229.14 million (31 March 2020: Rs. 236.50 million) which are under lien with bank towards overdraft facility availed by the Holding company.

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

The Group's exposure to credit risk is disclosed in Note 33C (ii).

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Medi Assist Healthcare Services Limited
Notes to Consolidated financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

12 (e) Loans receivables

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Considered good - Unsecured</i>		
Security deposits	39.36	15.22
<i>Credit impaired</i>		
Inter-corporate deposit *	40.00	-
Less: Allowance for doubtful deposits**	(40.00)	-
Security deposits	0.08	0.08
Less: Allowance for doubtful deposits	(0.08)	(0.08)
	39.36	15.22

* Represents inter-corporate deposit ("ICD") provided to Mobiefit Technologies Private Limited ("MTPL"). The term of ICD is 60 months from the date of disbursement and carries an interest of 8%, payable on maturity at 30 August 2021.

** Refer Note 44.

12 (f) Other financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Considered good - Unsecured</i>		
Accrued interest	5.30	1.96
Other receivables*	147.90	579.60
<i>Unsecured, considered doubtful</i>		
Interest accrued but not due on ICD	4.48	-
Less: Allowance for interest accrued on ICD	(4.48)	-
<i>Credit impaired</i>		
Other receivables	15.35	15.35
Less: Allowance for doubtful receivables	(15.35)	(15.35)
	153.20	581.56

* Refer Note 41.

13 Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Considered good - Unsecured</i>		
Balances with government authorities	79.66	42.81
Advances to suppliers	28.22	21.79
Advances to employees	4.02	2.85
Prepaid expenses	11.26	20.51
<i>Considered doubtful - Unsecured</i>		
Advances to suppliers	18.43	10.70
Less: Allowance for doubtful advances	(18.43)	(10.70)
	123.16	87.96

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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

14 Equity share capital

Particulars	As at	As at
	31 March 2021	31 March 2020
Authorised:*		
45,350,000 (31 March 2020: 45,200,000) equity shares of Rs. 10 each	453.50	452.00
Nil (31 March 2020: 1,40,000) preference shares of Rs. 10 each	-	1.40
Nil (31 March 2020: 5) preference shares of Rs. 20,000 each	-	0.10
	453.50	453.50
Issued, subscribed and paid-up capital		
37,181 (31 March 2020: 36,082) equity shares of Rs. 10 each	0.37	0.36
	0.37	0.36

* Pursuant to a resolution passed by the Shareholders of the Company on 15 March 2021 through extra-ordinary general meeting, the authorized share capital of the Company of Rs. 453.50 million divided into 45,200,000 Equity Shares of Rs. 10 each, 140,000 Preference Shares of Rs. 10 each and 5 Series A Compulsorily Convertible Preference Shares of Rs 20,000 each, were reclassified to Rs. 453.5 million divided into 45,350,000 Equity Shares of Rs. 10 each. Refer Note 48.

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Balance at the beginning of the year	36,082	0.36	36,082	0.36
Shares issued during the year*	1,099	0.01	-	-
Balance at the end of the year	37,181	0.37	36,082	0.36

* Pursuant to a resolution passed by Board of Directors of the Company on 4 March 2021, Company has converted 9,175 Redeemable Preference Shares into 9,175 Series B Compulsorily Convertible Preference Shares ("Series B CCPS") and then extinguished the above 9,175 Series B CCPS of Rs 10 each by issue of 1,099 Equity Shares of Rs. 10 each effective 5 March 2021. Refer Note 18 (a).

b) Rights, preference and restrictions attached to the equity shares:

The Company has single class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sum presently payable has not been paid. Failure to pay any amount called up on shares may lead to forfeiture of shares.

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity shares of Rs. 10 each fully paid up held by				
Medimatter Health Management Private Limited	10,389	27.94%	9,290	25.75%
Bessemmer Health Capital LLC	3,567	9.59%	3,567	9.89%
Investcorp Private Equity Fund I (previously IDFC Private Equity Fund III)	8,051	21.65%	8,051	22.31%
Bessemmer India Capital Holdings II Limited	13,354	35.92%	13,354	37.01%

d) Shares reserved for issue under employee stock option scheme of the company

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of options	Amount	Number of options	Amount
Under Employee Stock Option Scheme, 2013: 654 equity shares of Rs. 10 each*	654	0.01	654	0.01

Refer Note 32 for ESOP scheme details.

e) The Company has not allotted any fully paid up equity share by way of bonus shares, or in pursuant to contract without payment being received in cash nor has bought back any class of equity shares during the period of five year immediately preceding the balance sheet date.

f) The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans, long-term and other strategic investment plans. The funding requirements are met through equity, external borrowings and operating cash flows generated.

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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

15 Other equity

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Securities premium *			
Balance at the beginning of the year		566.80	566.80
Movement during the year			
Premium on issue of equity shares		522.99	-
Balance at the end of the year	(i)	1,089.79	566.80
Debenture redemption reserve			
Balance at the beginning of the year		1.36	1.36
Movement during the year			
Transfer of Debenture redemption reserve		(1.36)	-
Balance at the end of the year	(ii)	-	1.36
Retained earnings comprises of the Company's prior years' undistributed earnings after taxes			
Balance at the beginning of the year		1,490.09	1,241.66
Transition impact of Ind AS 116, net of tax		-	(56.92)
Movement during the year			
Total comprehensive income for the year		266.90	305.35
Balance at the end of the year		1,756.99	1,490.09
Employee stock option reserve			
Balance at the beginning of the year		55.75	54.65
Movement during the year			
Transfer to Employee Stock Option reserve		-	1.10
Balance at the end of the year	(iii)	55.75	55.75
Other equity			
Balance at the beginning of the year		369.85	369.85
Movement during the year			
Balance at the end of the year	(iv)	369.85	369.85
Demerger deficit balance			
Balance at the beginning of the year		(370.18)	(370.18)
Movement during the year			
Balance at the end of the year	(v)	(370.18)	(370.18)
General reserve			
Balance at the beginning of the year		-	-
Movement during the year			
Transfer of Debenture redemption reserve		1.36	-
Balance at the end of the year		1.36	-
		2,903.56	2,113.67

* Refer Note 18 (a) (B).

(i) Securities premium

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

(ii) Debenture redemption reserve

The company has issued debentures in India and as per the provisions of Companies Act, 2013, is required to create debenture redemption reserve out of the profits of the company available for payment of dividend.

(iii) Employee stock option reserve

Share based payment reserve is used to recognise the fair value of equity settled share based payments provided to the employees. For further details refer Note 32(a) and 32(b) for ESOP scheme details.

(iv) Other equity

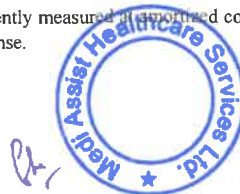
Preference shares and debentures were initially recognized as financial liability in accordance with the nature of the instrument at fair value. The difference between fair value and transaction price is accounted under other equity. These financial liabilities are subsequently measured at amortized cost with unwinding of the interest on this component is recognised in the Consolidated Statement of Profit and Loss and classified as interest expense.

(v) Demerger deficit balance

The reserve arising on account of demerger of CH business. Refer Note 38.

Dividends

After the reporting date, dividend of Rs. 2.50 (31 March 2020: Rs. Nil) per equity share was proposed by the directors subject to approval at the Annual General Meeting. The proposed dividend has not been recognised as liability.



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Non-current financial liabilities

16 Borrowing

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Unsecured</i>		
0.0001% Non-convertible debentures of Rs 100 each [Refer Note (A)]*	-	1.77
	-	1.77

Movement in carrying value of liability component of financial instrument

(i) 0.0001% Non-convertible debentures

Particulars	As at	As at
	31 March 2021	31 March 2020
Face value of debentures	2.00	2.00
Amount classified as 'Other equity'	(1.28)	(1.28)
Accrued interest on financial liability	1.28	1.05
Repaid	(2.00)	-
	-	1.77

Note:

(A) 0.0001% Non-convertible debentures

The Group had originally issued 20,000 Optionally Convertible Debentures ("OCD's") at face value of Rs. 100 each to Medimatter Health Management Private Limited.

The term of the OCD is 10 years from the date of issuance (15 June 2011), unless redeemed earlier in accordance with the terms of the agreement and after obtaining approvals from requisite stakeholders. The maturity date of the OCD's is 14 June 2021.

The OCD's are entitled to fixed coupon rate of interest at 0.0001% per annum.

In the financial year 2013-14, the OCDs were converted into Non-Convertible Debentures ("NCDs"). The term of the NCD is 10 years from the date of issuance (i.e. 15 June 2011), unless redeemed earlier in accordance with the terms of the agreement and after obtaining approvals from requisite stakeholders. The NCD's are entitled to fixed coupon rate of interest at 0.0001% per annum payable at the end of maturity (i.e. 15 June 2021) along with principal.

On 5 March 2021, 20,000 Non-Convertible Debentures ("NCD") held by Medimatter Health Management Private Limited in the Company were approved for redemption and the principal amount was paid on 24 March 2021 and the NCDs were redeemed.

* Refer Note 41.

17 Provisions (non-current)

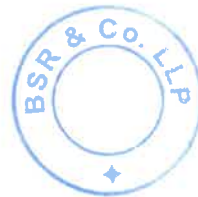
Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Provision for employee benefits:</i>		
Gratuity*	85.56	72.87
	85.56	72.87

*Refer Note 31 (b).



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18 Current financial liabilities

18 (a) Borrowings

Particulars	As at	As at
	31 March 2021	31 March 2020
<i>Secured</i>		
Bank overdraft [Refer Note (A)]	-	194.50
<i>Unsecured</i>		
Redeemable cumulative preference share [Refer Note (B)] **	-	523.00
	-	717.50

Note:

(A) Nature of Security:

The overdraft facility is fully secured by fixed deposits provided by Medi Assist Insurance TPA Private Limited, a wholly owned subsidiary of the company.

Interest rate and terms of repayment:

The Group shall pay interest at fixed deposit rate + 100 bps at monthly rests on the outstanding balance (except for the interest not due for the month) on the first day of the subsequent month. The loan is repayable on demand. However, the loan is available for a period of 12 months subject to review at periodical intervals wherein the facilities may be continued/ cancelled/ reduced depending upon the conduct and utilization of the facilities.

(B) Redeemable cumulative preference shares

The Group has two series of preference shares having par value of Rs. 10 per share. 9,000 Series A 0.01% redeemable cumulative preference shares and 175 Series B 0.01% redeemable cumulative preference shares of Rs. 10 each which have been issued to Medimatter Health Management Private Limited at a premium of Rs. 56,990 per share and Rs. 57,133 per share respectively.

The rights and obligations in relation to the preference share are as follows:

- The share holder does not carry any voting rights on these shares and are entitled to a fixed dividend at the rate of 0.01% per annum.
- These preference shares are to be redeemed within a maximum of 7 years, increased to 12 year with effect from 21 March 2017 as approved by board of directors in board meeting held on 21 March 2017, from the date of issuance (29 June 2011 and 22 March 2012 for Series A and Series B shares respectively) with an option to redeem shares in whole or part at any time once there are sufficient cash flows in the Company or such extended terms as may be determined by the board with the prior consent of the preference share holders. Each preference share is entitled to a redemption premium equal to the issue premium.
- Each preference share is freely transferable at all times, and to any person, without prior consent of any of the other parties.
- In the event of liquidation of the Company, the preference share holder is entitled to receive the subscription price together with the accrued dividend in priority to any other payments by the Company to its shareholders or any other stakeholder in the Company.

In accordance with the terms of the redeemable cumulative preference shares issue, these have been classified from non-current financial liabilities to current financial liabilities from financial year 2014-15, as these are repayable on demand.

* Pursuant to a resolution passed by Board of Directors of the Holding Company on 4 March 2021, Company has converted 9,175 Redeemable Preference Shares into 9,175 Series B Compulsorily Convertible Preference Shares ("Series B CCPS") and then extinguished the above 9,175 Series B CCPS of Rs. 10 each by issue of 1,099 Equity Shares of Rs. 10 each effective 5 March 2021.

Refer Note 40.

(C) List of preference shareholders holding more than 5% shares of a class of shares

Particulars	As at	As at
	31 March 2021	31 March 2020
9,000 Series A held by Medimatter Health Management Private Limited	-	100%
175 Series B held by Medimatter Health Management Private Limited	-	100%

18 (b) Trade payables

Particulars	As at	As at
	31 March 2021	31 March 2020
Total outstanding dues of micro, small and medium enterprises*	31.11	0.48
Total outstanding dues of creditors other than micro, small and medium enterprises**	322.55	388.79
	353.66	389.27

* Refer Note 43.

** Refer Note 41.

18 (c) Other financial liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Employee benefits payable *	38.68	42.92
Interest accrued	-	1.10
Creditors for capital goods ^	3.63	9.35
Payable pursuant to demerger **	-	363.83
Interest accrued on income tax	9.66	-
Advance received*	61.60	-
Other payables	60.15	0.96
	173.72	418.17

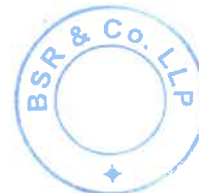
* Refer Note 41.

** Refer Note 38.

^ Includes dues of micro, small and medium enterprises amounting to Rs. 0.29 million (31 March 2020: Nil). Refer Note 43.



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Medi Assist Healthcare Services Limited
Notes to Consolidated financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

19 Other current liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Statutory liabilities	224.80	279.37
	224.80	279.37

20 Provisions (current)

Particulars	Note	As at	As at
		31 March 2021	31 March 2020
<i>Provision for employee benefits:</i>			
Gratuity	31 (b)	28.18	25.14
Employee compensated absences	31 (c)	5.14	3.84
		33.32	28.98

21 Current tax liabilities (net)

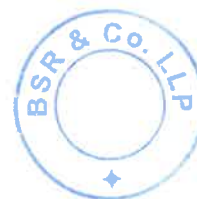
Particulars	As at	As at
	31 March 2021	31 March 2020
Provision for taxation, net of advance tax	81.50	-
	81.50	-

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22 Revenue from operations

Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue			
<i>Sale of services:</i>			
Third Party Administration (TPA) fees		3,236.62	3,122.34
Non Government card processing income		-	3.60
Add: opening contract liabilities		1,100.33	984.23
Less: closing contract liabilities		4,336.95	4,110.17
Income from TPA services	(a)	3,120.87	3,009.84
Income from health management services	(b)	74.93	85.88
Income from license fee		7.91	-
Less: closing contract liability		(5.88)	-
	(c)	2.04	-
<i>Other operating revenues:</i>			
Business support services*	(d)	58.63	90.14
Total (a+b+c+d)		3,256.47	3,185.86

* Refer Note 41.

(A) Disaggregate of revenue information

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

Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of services			
Income from TPA services		3,120.87	3,006.24
Income from card processing		-	3.60
Income from health management services		74.93	85.88
Income from license fee		2.04	-
Business support services		58.63	90.14
		3,256.47	3,185.86
Contract counterparties			
Government customers		499.25	569.48
Others		2,757.22	2,616.38
		3,256.47	3,185.86
Revenue by contract type			
Fixed price		3,256.47	3,185.86
		3,256.47	3,185.86

(B) Contract balances

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Trade receivables	12 (b)	1,210.80	1,437.25
Contract liabilities		1,221.96	1,100.33

Trade receivables are non-interest bearing and are generally on payment terms of 30 to 90 days.

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

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

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Movement in contract liabilities:</i>		
Opening balance	1,100.33	984.23
Revenue recognised that was included in the contract liability balance at the beginning of the year	(1,100.33)	(984.23)
Increases due to cash received, excluding amounts recognised as revenue during the year	1,221.96	1,100.33
Closing balance	1,221.96	1,100.33

(C) Transaction price allocated to remaining performance obligations

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

Particulars	As at 31 March 2021	As at 31 March 2020
Within 1 year	1,217.59	1,100.14
1-3 years	3.00	0.19
More than 3 years	1.37	-
	1,221.96	1,100.33

The Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

The Group has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID-19 is not material based on such evaluation. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.



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23 Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net gain on financial assets measured at fair value through profit and loss	8.94	49.82
Profit on sale of investment in mutual funds	11.72	16.37
Dividend income	-	3.17
Interest income:		
on term deposits and loans	41.31	4.55
on other financial assets	3.54	3.11
on other services*	33.45	10.23
on income tax refund	52.04	17.47
Creditors/ Provision no longer required written back	20.61	7.45
Profit on sale of investment	46.42	0.15
Gain on transfer of property, plant and equipment*	-	4.92
Miscellaneous income	7.45	1.33
	225.48	118.56

* Refer Note 41.

24 Employee benefits expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, bonus and allowances	1,295.47	1,212.67
Contribution to provident and other funds*	106.21	98.57
Employee stock option expense **	-	1.10
Staff welfare expenses	30.96	36.46
	1,432.64	1,348.80

* Refer Note 31.

** Refer Note 32 (a) and (b).

25 Finance costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Bank guarantee commission	0.52	0.80
Interest on income tax	9.66	-
Interest on debentures*	0.23	0.18
Interest on bank overdraft	13.51	1.95
Other interest	0.30	0.08
Interest expense on lease liabilities**	33.04	34.32
	57.26	37.33

* Refer Note 41.

* Refer Note 5 (b).

26 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on property, plant and equipment	118.35	88.20
Depreciation on right-of-use assets*	90.20	81.93
Amortisation on intangible assets	106.64	93.14
	315.19	263.26

* Refer Note 5(a).



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27 Other expenses

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Sub-contracting expenses		329.28	288.62
Legal and professional		152.91	165.66
Allowance for expected credit losses on trade receivables and unbilled receivables		153.89	13.99
Repair and maintenance		81.35	73.39
Postage and communication		73.81	73.91
Printing and stationery		45.53	116.53
Claims disallowed		44.79	27.25
Power and fuel charges		24.31	42.21
Advertisement and business promotion		21.25	5.20
Travelling and conveyance		16.79	79.14
Security expenses		15.85	16.91
Corporate social responsibility	40	13.08	12.08
Enrolment card charges		10.01	13.03
Rates and taxes		10.27	40.77
Software subscription charges		7.50	10.23
Provision for doubtful advances		3.34	10.70
Provision for doubtful receivables		-	10.08
Provision for doubtful deposits		0.55	-
Insurance awareness initiatives		2.74	11.29
Business support services		-	0.01
Housekeeping charges		4.66	6.98
Insurance		6.17	3.96
Auditor's remuneration*		4.50	3.80
Bad debts written off		61.77	3.01
Less: Utilisation of provision		(22.96)	-
Seminar, training and conference expenses		0.53	1.18
Recruitment		4.05	-
Rent**		0.12	28.06
Director sitting fees	41	0.83	0.45
Miscellaneous expenses		4.03	3.26
		1,070.42	1,060.53

* Auditors' remuneration (excluding Goods and services tax)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Statutory audit fees	4.40	3.50
Tax audit fees	-	0.20
Certification fees	0.10	0.10
Other services (included in Legal and professional)	7.10	-
	11.60	3.80

** Represents lease rentals for short term leases and leases of low value assets

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Medi Assist Healthcare Services Limited**Notes to Consolidated financial statements (continued)***(All amounts are in Indian Rupees in millions, unless otherwise stated)***28 Contingent liabilities and commitments**

Particulars	As at 31 March 2021	As at 31 March 2020
Contingent liabilities:		
i) Bonus as per The Payment of Bonus (Amendment) Act, 2015 for the period from 1 April 2014 to 31 March 2015 (Refer Note a)	6.15	6.15
ii) Demands raised by income-tax authorities for various assessment years with regard to taxation of non-deduction of tax on payments made by the Group to various hospitals towards settlement of cashless claims. [Gross amount paid to Income tax authority under protest of Rs. Nil million (31 March 2020: Rs. 55.02 million)]	-	55.02
iii) Demands raised by income-tax authorities for assessment years 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance u/s 14A to the extent applicable [Amount paid to Income tax authority under protest of Rs. 8.02 million (31 March 2020: 8.02 million)]	20.75	20.75
iv) Disallowance of Employee stock option expenses and disallowance under section 14A for Assessment year 2017-18	3.74	3.74
v) Disallowed u/s 40(a)(ia) of the Income-tax Act, 1961, for payments made to various hospitals during the financial year 2007-08 and 2008-09 (Refer Note b)	464.96	464.96
vi) Employee Provident Fund (Refer Note c)	-	-
vii) Bank guarantee	180.83	9.42
Commitments:		
i) Estimated amount of contracts, remaining to be executed on capital account and not provided for	40.20	4.25

Notes:

- (a) The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from 1 April 2014. The Honorable High Court, Karnataka based on the writ Petition no 5272/2016 and 5311/2016, has vide its order dated 2 February 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the Bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Company has taken a view that an amount of Rs 6.15 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as an contingent liability.
- (b) As per Income tax assessment order, the Assessing Officer has disallowed u/s 40(a)(ia) on payments made to various hospitals during the financial year 2007-08 and 2008-09 totaling to Rs 118.92 million Rs 964.75 million respectively and accordingly raised a demand of Rs. 29.71 million and Rs. 435.25 million u/s 143(3) of the IT Act respectively against Dedicated Healthcare Services TPA (India) Private Limited (DHS). DHS filed an appeal against these above Orders as the payments to hospitals were made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under said section. The DHS received favorable orders from CIT(A) on 8 August 2012, ITAT on 10 December 2014, and the High Court on 30 November 2015. However, the IT department has filed an appeal with The Honorable Supreme Court of India. Further, the subsidiary company had acquired DHS on dated 30 September 2016 and pursuant to the merger order dated 6 April 2018, DHS merged with the subsidiary company from the appointed date specified in the Scheme i.e. 1 October 2016.
- (c) In light of judgment of Honorable Supreme Court dated 28 February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.

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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

29 Earnings per share

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to ordinary shareholders			
Net profit for the year attributable to the equity share holders from continuing operations	(a)	377.07	381.54
Net (loss) for the year attributable to the equity share holders from discontinued operation	(b)	(114.33)	(46.04)
Weighted average number of equity shares outstanding for basic EPS	(c)*	66,973,876	66,823,864
Weighted average number of equity shares outstanding for diluted EPS	(d)**	67,652,946	67,396,074
Earnings per equity share			
Basic earning per share of Rs 5 each (for continuing operation)	[a/c]	5.63	5.71
Diluted earning per share of Rs 5 each (for continuing operation)	[a/d]	5.57	5.66
Basic earning per share of Rs 5 each (for discontinued operation)	[b/c]	(1.71)	(0.69)
Diluted earning per share of Rs 5 each (for discontinued operation)	[b/d]	(1.71)	(0.69)
Basic earning per share of Rs 5 each (for continuing and discontinued operation)	[(a+b)/c]	3.92	5.02
Diluted earning per share of Rs 5 each (for continuing and discontinued operation)	[(a+b)/d]	3.88	4.98

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance	36,082	36,082
Bonus element in rights issue #	-	-
Conversion of Redeemable Preference share into CCPS and thereafter Equity (Refer Note 18(a))	81	-
Capitalization due to share split from paid-up capital of Rs.10 per equity share to Rs. 5 per equity share (Refer Note 1 below)	36,163	36,082
Capitalization of bonus shares issued (925 Bonus share issued per equity share) (Refer Note 1 below)	66,901,550	66,751,700
Weighted average number of equity shares	66,973,876	66,823,864

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

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Weighted average number of equity shares outstanding during the period for calculating basic EPS	66,973,876	66,823,864
Effect of dilutive potential equity shares:		
Employee stock options	679,070	572,210
Weighted average number of equity shares	67,652,946	67,396,074



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30 Additional information pursuant to paragraph 2 of Schedule II of the Companies Act, 2013 'General instructions for the preparation of Consolidated financial statements

As of 31 March 2021

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	39.85%	1,165.73	-148.39%	(389.89)	202.43%	8.32	-142.99%	(381.57)
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	60.15%	1,759.77	248.39%	652.63	-102.43%	(4.21)	242.99%	648.42
	100.00%	2,925.50	100.00%	262.74	100.00%	4.11	100.00%	266.85

As of 31 March 2020

Name of the entity	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	18.84%	402.32	-88.25%	(296.08)	73.00%	(22.01)	-104.17%	(318.09)
<i>Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	81.16%	1,733.26	188.25%	631.58	27.00%	(8.14)	204.17%	623.44
	100.00%	2,135.58	100.00%	335.50	100.00%	(30.15)	100.00%	305.35

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31 Employee benefits

The Group contributes to the following post-employment plans.

a) Defined contribution plan:

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

The Group makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund and employees state insurance, which are defined contribution plans. The Group has no obligation other than to make the specified contribution. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to provident fund and employee state insurance for the year amounts to Rs. 81.37 million (31 March 2020: Rs. 88.59 million)

b) Defined benefit plans:

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

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

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

Particulars	As at	As at
	31 March 2021	31 March 2020
Defined benefit obligation	121.45	105.89
Fair value of plan assets	(7.69)	(7.85)
Net defined benefit obligation	113.76	98.01
Current liabilities	28.18	25.14
Non-current liabilities	85.56	72.87

i Movement in net defined benefit liability

Reconciliation of present value of defined benefit obligation

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	105.89	88.10
Addition through business combination	-	-
Benefits paid	(14.31)	(10.39)
Current service cost	17.30	17.07
Past service cost	2.75	-
Interest cost	5.40	5.43
Actuarial gains/(losses) recognised in other comprehensive income		
Changes in demographic assumptions	1.85	-
Changes in financial assumptions	0.88	4.22
Experience adjustment	1.69	11.48
Effect of acquisition/ (divestiture)	-	(10.02)
Balance at the end of the year	121.45	105.89

Reconciliation of present value of plan assets

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	(7.85)	(9.13)
Addition on business combination	-	(2.86)
Contributions paid by the employer	(14.71)	(6.60)
Benefits paid	14.31	10.39
Interest income	(0.41)	(0.65)
Return on planned assets recognised in other comprehensive income		
Re-measurements on Plan Assets – Loss/ (Gain)	0.74	-
Experience adjustment	0.23	1.00
Balance at the end of the year	(7.69)	(7.85)

Expense recognised in statement of profit and loss

Particulars	For the year ended	For the year ended
	31 March 2021	31 March 2020
Current service cost	17.30	17.07
Past service cost	2.75	-
Interest cost	5.40	5.43
Interest income	(0.41)	(0.65)
	25.04	21.85

Expense recognised in other comprehensive income

Particulars	For the year ended	For the year ended
	31 March 2021	31 March 2020
Changes in demographic assumptions	1.85	-
Changes in financial assumptions	0.88	4.22
Experience adjustment	1.69	11.48
Re-measurements on Plan Assets – Gain/ (loss)	0.74	-
	5.16	15.70



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31 Employee benefits (continued)

ii. Plan assets

Plan assets comprise the following

Particulars	As at	As at
	31 March 2021	31 March 2020
Managed by - Reliance Nippon Life Insurance and LIC Limited - 100% funded	7.72	7.88
	7.72	7.88

iii. Actuarial assumptions

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

Particulars	As at	As at
	31 March 2021	31 March 2020
Discount rate	4.50%	5.10%
Expected return	5.10%	6.60%
Future salary growth	8.00%	8% - 10%
Mortality	IALM 2012-14 Ult	IALM 2012-14 Ult
Rate of employee turnover	35% - 37%	37% - 38%

iv. Sensitivity analysis

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.56)	3.84	(2.90)	3.07
Future salary growth (1% movement)	3.62	(3.53)	2.94	(2.84)
Rate of employee turnover (1% movement)	(0.75)	0.86	(0.65)	0.66

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

v. Expected future cash flows

Particulars	As at 31 March 2021		As at 31 March 2020	
	Discounted	Undiscounted	Discounted	Undiscounted
1 st Following year	43.18	44.14	44.43	45.55
2 nd Following year	34.30	36.64	30.03	32.36
3 rd Following year	27.55	30.75	21.66	24.52
4 th Following year	23.12	26.97	15.17	18.05
5 th Following year	19.14	23.33	10.46	13.08
Thereafter	40.84	55.51	26.93	38.29

vi. Description of Risk Exposures:

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

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

(c) Other long-term employee benefits:

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended 31 March 2021, the Group has incurred an expense on compensated absences amounting to Rs. 1.30 million [31 March 2020: Rs. (0.21) million]. The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.



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32 Employee stock option scheme

32 (a) 2013 plan

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

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

The Company had below share based payment arrangement under ESOS 2013 as on 31 March 2021

Particulars	Date of grants	Number of option granted	Exercise price (in Rs)
Grant I	1-Oct-13	108	66,603
Grant II	1-Sep-15	254	407,275
Grant III	5-Sep-18	29	339,213

Conditions:

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

Vesting period

Particulars	Grant I	Grant II	Grant III
At the end of one year	0%	50%	100%
At the end of two year	50%	25%	0%
At the end of three year	25%	25%	0%
At the end of four year	25%	0%	0%

Modification of Employee stock option scheme

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

Particulars	Grant I	Grant II
Revised exercise price	32,696	199,877
Additional ESOS issued	112	265
Revised ESOS in force	220	519

Reconciliation of outstanding share options:

For the year ended 31 March 2021

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2020	654	32,696 to 339,213	178,959	3.00
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Options outstanding at 31 March 2021	654	32,696 to 339,213	178,959	2.75
Exercisable options at 31 March 2021	654	32,696 to 339,213	178,959	2.75

For the year ended 31 March 2020

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	654	32,696 to 339,213	178,959	3.00
Less: Options lapsed during the year	-	-	-	-
Less: Options exercised during the year	-	-	-	-
Options outstanding at 31 March 2020	654	32,696 to 339,213	178,959	3.50
Exercisable options at 31 March 2020	654	32,696 to 339,213	178,959	3.50

Valuation of stock option

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

Particulars	Grant I	Grant II	Grant III
Grant date	1-Oct-13	1-Sep-15	5-Sep-18
Share price in Rs	316,032	407,275	339,213
Exercise price in Rs	339,213	407,275	339,213
Expected volatility	27.50%	27.50%	26.37%
Expected life	5.42	4.50	2.57
Expected dividend	0%	0%	0%
Risk-free interest rate (based on government bonds)	8.82%	7.79%	7.80%
Fair value in Rs	274,744	153,254	88,004

Expenses summary of shared-based payment

For details on employee benefit expenses refer Note 24.

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32 (b) Employee stock option scheme of subsidiary:

Medi Assist Insurance TPA Private Limited

2012 plan

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

The Company has granted to its employee 87,842 employee stock options on 30 April 2012, 17,333 employee stock options on 30 April 2013, 28,198 employee stock options on 1 June 2014, 6,374 employee stock options on 1 June 2015, 13,500 employee stock options on 15 September 2015, 29,000 employee stock options on 15 July 2016 and 45,394 employee stock options on 1 July 2017. These options which confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the Employee Stock Option Scheme 2012 ("ESOS 2012") and the option agreement have been met. Vesting of options would be subject to continued employment with the Company and meeting the requisite performance parameters. As at the balance sheet date 86,257 options were vested to the employees.

The Company had below share based payment arrangement under ESOS 2012 as on 31 March 2021

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

Conditions

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

Vesting schedule

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

	Grant X	Grant XI	Grant XII
At the end of 1 year	35%	65%	100%
At the end of 2 year	30%	35%	0%
At the end of 3 year	35%	0%	0%
At the end of 4 year	0%	0%	0%

Modified Vesting schedule

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

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

Fair value of options Pre and Post modification:

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

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



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

Reconciliation of outstanding employee stock options:

For the year ended 31 March 2021

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Options outstanding as at 31 March 2021	86,257	140 - 1,505	709	1.00
Exercisable as at 31 March 2021	86,257	140 - 1,505	709	1.00

For the year ended 31 March 2020

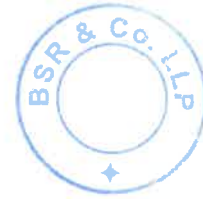
Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2019	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Options outstanding at 31 March 2020	86,257	140 - 1,505	709	1.00
Exercisable options at 31 March 2020	86,257	140 - 1,505	709	1.00

Expenses summary of shared-based payment

For details on employee benefit expenses refer Note 24.



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33 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are presented below, other than those with carrying amounts that are reasonable approximations of fair values"

As at 31 March 2021

Particulars	Carrying amount			Total	Fair value			Total
	FVTPL	FVOCI	Amortised cost		Level 1	Level 2	Level 3	
Financial assets								
Non-current								
Non-current investments	-	74.72	-	74.72	19.29	-	55.43	74.72
Loans receivables	-	-	42.37	42.37	-	-	-	-
Other financial assets	-	-	0.62	0.62	-	-	-	-
Current								
Investments	1,030.89	-	-	1,030.89	1,030.89	-	-	1,030.89
Trade receivables	-	-	1,210.80	1,210.80	-	-	-	-
Cash and cash equivalents	-	-	633.89	633.89	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	513.45	513.45	-	-	-	-
Loans receivables	-	-	39.36	39.36	-	-	-	-
Other financial assets	-	-	153.20	153.20	-	-	-	-
	1,030.89	74.72	2,593.69	3,699.30	1,050.18	-	55.43	1,105.61
Financial liabilities								
Non-current								
Lease liabilities	-	-	256.76	256.76	-	-	-	-
Current								
Lease liabilities	-	-	96.24	96.24	-	-	-	-
Trade and other payables	-	-	353.66	353.66	-	-	-	-
Other financial liabilities	-	-	173.72	173.72	-	-	-	-
	-	-	880.38	880.38	-	-	-	-

As at 31 March 2020

(Rs in millions)

Particulars	Carrying amount			Total	Fair value			Total
	FVTPL	FVOCI	Amortised cost		Level 1	Level 2	Level 3	
Financial assets								
Non-current								
Non-current investments	92.05	60.30	-	152.35	14.04	-	138.31	152.35
Loans receivables	-	-	59.85	59.85	-	-	-	-
Other financial assets	-	-	22.88	22.88	-	-	-	-
Current								
Investments	566.80	-	-	566.80	566.80	-	-	566.80
Trade receivables	-	-	1,437.25	1,437.25	-	-	-	-
Cash and cash equivalents	-	-	139.94	139.94	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	251.39	251.39	-	-	-	-
Loans receivables	-	-	15.22	15.22	-	-	-	-
Other financial assets	-	-	581.56	581.56	-	-	-	-
	658.85	60.30	2,508.10	3,227.26	580.84	-	138.31	719.14
Financial liabilities								
Non-current								
Borrowing	-	-	1.77	1.77	-	-	-	-
Lease liabilities	-	-	336.31	336.31	-	-	-	-
Current								
Borrowing	-	-	717.50	717.50	-	-	-	-
Lease liabilities	-	-	91.17	91.17	-	-	-	-
Trade and other payables	-	-	389.27	389.27	-	-	-	-
Other financial liabilities	-	-	418.17	418.17	-	-	-	-
	-	-	1,954.19	1,954.19	-	-	-	-

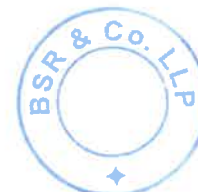
B. Measurement of fair values

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

- The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.
- The fair values of the equity shares invested in 'The New India Assurance Co Ltd' is as per the closing market price at the reporting date
- All other financial assets except mutual funds and financial liabilities are recognised at amortised cost. Hence, there are no financial assets/ liabilities classified under Level 2 and Level 3.

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

Particulars	Investment in financial assets
Opening balance as on 1 April 2019	110.73
Addition during the year	-
Fair value movement recognised in statement of profit and loss	39.22
Fair value movement recognised in other comprehensive income	(11.64)
Closing balance as on 31 March 2020	138.31
Opening balance as on 1 April 2020	138.31
Addition during the year	0.50
Deletion during the year	(138.48)
Fair value movement recognised in statement of profit and loss	46.43
Fair value movement recognised in other comprehensive income	8.67
Closing balance as on 31 March 2021	55.43



A one percentage change in the unobservable inputs used in the fair valuation of level 3 assets does not have a significant impact in the fair value of the financial instrument. There have been no transfers among Level 1, Level 2 and Level 3 during the year ended 31 March 2021.

Description of significant unobservable inputs to valuation:

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

These investments in unquoted equity shares and preference shares are carried at fair value based on recent round of funding received by investee companies.

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

C. Financial risk management

Risk management framework

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

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

Management assessment of recoverability of trade receivables: During the year, the Group carried out a detailed customer-wise assessment of the recoverability of the trade receivables. Basis that assessment, the group has created a provision for expected credit loss on trade receivables which the management considers as adequate

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

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

i. Market risk

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

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

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

Currency risk

The Group primarily renders services and avails goods and services in domestic currency i.e. Indian rupees. Hence, no exposure to currency risk.

Equity price risk

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

Sensitivity risk - equity price risk

The Group's investment in listed equity shares on Bombay Stock Exchange in India, for such investments being classified as fair value through other comprehensive income, an increase of 2% in BSE index at the reporting date.

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
2% change in index	0.25	(0.25)	0.26	(0.26)

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

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

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

Trade receivables

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

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

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

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

Particulars	As at	As at
	31 March 2021	31 March 2020
Trade receivables	716.61	730.98
Unbilled receivables	819.94	758.41
	<u>1,536.55</u>	<u>1,489.39</u>

Impairment analysis

The ageing of trade receivables that were not impaired was as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Less than 1 year	409.47	407.63
1-2 years	78.32	167.05
2-3 years	118.06	123.66
More than 3 years	110.77	32.65
Unbilled receivables	819.94	758.41
	<u>1,536.55</u>	<u>1,489.39</u>

The movement in the allowance for expected credit losses in respect of trade receivables during the year was as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	52.14	46.90
Impairment loss recognized	253.82	8.25
Amounts written off	(22.96)	(3.01)
Balance at the end of the year	<u>283.00</u>	<u>52.14</u>

Management assessment of recoverability of trade receivables

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

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

ii. Credit risk (continued)

Unbilled receivables

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

The movement in the allowance for expected credit losses in respect of unbilled receivables during the year was as follows:

Particulars	As at	As at
	31 March 2021	31 March 2020
Balance at the beginning of the year	-	-
Impairment loss recognized	42.75	-
Balance at the end of the year	42.75	-

Cash and cash equivalents and other bank balances

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

Loans receivables

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

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

Exposure to liquidity risk

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

As at 31 March 2021

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
Financial liabilities						
Trade and other payables	353.66	353.66	-	-	-	353.66
Other current financial liabilities	173.72	173.72	-	-	-	173.72
	527.38	527.38	-	-	-	527.38

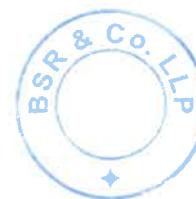
As at 31 March 2020

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
Non-current, non-derivative financial liabilities						
20,000 0.0001% Non-convertible debentures	1.77	-	2.00	-	-	2.00
Financial liabilities						
Bank overdraft	194.50	194.50	-	-	-	194.50
Redeemable preference share capital	523.00	523.00	-	-	-	523.00
Trade and other payables	389.27	389.27	-	-	-	389.27
Other current financial liabilities	418.17	418.17	-	-	-	418.17
	1,526.71	1,524.93	2.00	-	-	1,526.93

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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

34 Capital management

The Group policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Capital Management policy focusses to maintain an optimal structure that balances growth and maximizes shareholder value.

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

Particulars	As at	As at
	31 March 2021	31 March 2020
Total borrowings	-	719.27
Less : Cash and cash equivalent	(633.89)	(139.94)
Adjusted net debt (restricted to Nil)	-	579.33
Total equity (Including NCI)	2,925.50	2,135.58
Adjusted net debt to adjusted equity ratio	-	0.27

The Group has Nil borrowing as at 31 March 2021.

35 Segment reporting

- (a) Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that business enterprises reporting information about the operating segment and related disclosure made by the Chief Operating Decision Maker (CODM).

The Group is engaged in the business of Health Benefits Administration and Health Management Services, The CODM reviews these activities under the context of Ind AS 108 Operating Segment as one single primary segment to evaluate the overall performance assessment of entity's operating segment.

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

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

(i) For the year ended 31 March 2021, revenue from operations of two customers of the Group represented approximately 35% and 16%, of the Group's revenue from operations.

(ii) For the year ended 31 March 2020, revenue from operations of three customers of the Group represented approximately 32%, 16% and 13%, of the Group's revenue from operations.



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36 Movement in deferred tax assets (net)

i. Movement in deferred tax balances for the year ended 31 March 2021

Particulars	Deferred tax (liabilities)/ assets as at 1 April 2020	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2019	Recognized in Consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 March 2021	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(59.22)	-	(59.22)	11.66	-	(47.56)	-	(47.56)
Employee benefits	25.63	-	25.63	2.80	1.48	29.91	29.91	-
Allowance for expected credit losses	19.68	-	19.68	70.95	-	90.63	90.63	-
Financial liabilities	(0.06)	-	(0.06)	0.06	-	-	-	-
Financial assets	7.75	-	7.75	2.98	(5.43)	5.30	5.30	-
Security deposit	1.62	-	1.62	(0.27)	-	1.35	1.35	-
Other items	3.58	-	3.58	0.54	-	4.12	4.12	-
Temporary differences on expenses	-	-	-	2.11	-	2.11	2.11	-
Right-of-use assets	(88.28)	-	(88.28)	20.71	-	(67.57)	-	(67.57)
Lease Liability	107.59	-	107.59	(19.46)	-	88.13	88.13	-
	18.29	-	18.29	92.08	(3.95)	106.42	221.55	(115.13)

ii. Movement in deferred tax balances for the year ended 31 March 2020

Particulars	Deferred tax (liabilities)/ assets as at 31 March 2019	Recognised in equity	Deferred tax assets/ (liabilities) as at 1 April 2019	Recognized in Consolidated statement of profit and loss	Recognized in OCI	Deferred tax (liabilities)/ assets as at 31 March 2020	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(54.09)	-	(54.09)	(5.13)	-	(59.22)	-	(59.22)
Employee benefits	24.16	-	24.16	(2.67)	4.14	25.63	25.63	-
Allowance for expected credit losses	30.32	-	30.32	(10.64)	-	19.68	19.68	-
Financial liabilities	(0.12)	-	(0.12)	0.06	-	(0.06)	-	(0.06)
Financial assets	3.88	-	3.88	0.01	3.86	7.75	7.75	-
Security deposit	(0.84)	-	(0.84)	2.46	-	1.62	1.62	-
Other items	2.37	-	2.37	1.21	-	3.58	3.58	-
Temporary differences on expenses	-	-	-	-	-	-	-	-
Right-of-use assets	-	(109.37)	(109.37)	21.09	-	(88.28)	-	(88.28)
Lease Liability	-	132.75	132.75	(25.16)	-	107.59	107.59	-
	5.68	23.38	29.06	(18.77)	8.00	18.29	165.85	(147.56)

(a) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(b) Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.



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37 Tax expense relating to continuing operations

(a) Amounts recognised in consolidated statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax	289.08	173.79
Income tax (credit)/ charge for earlier years	(4.66)	19.39
Deferred tax (credit)/ charge	(55.05)	19.78
Tax expense for the year	<u>229.37</u>	<u>212.96</u>

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020		
	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
Items that will not be reclassified subsequently to the statement of profit and loss						
Remeasurements of defined benefit (assets)/ liabilities	(5.87)	1.48	(4.39)	(16.69)	4.14	(12.55)
Net gain on financial assets measured at fair value through OCI	13.93	(5.43)	8.50	(21.46)	3.86	(17.60)
	<u>8.06</u>	<u>(3.95)</u>	<u>4.11</u>	<u>(38.15)</u>	<u>8.00</u>	<u>(30.15)</u>

Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax for the year from continuing operations	606.44	594.50
Domestic tax rate	25.17%	25.17%
Tax using company's domestic rate	152.64	149.64
Tax effect of:		
Employee stock option scheme accounted at fair value	-	0.28
Tax rate change	-	9.25
Exempt income	(11.68)	(0.80)
Expenses not allowed for tax purpose	6.07	3.04
Tax expense of previous years	(4.66)	19.39
Effect of tax base of goodwill non deductible for amortisation*	23.16	-
Demerger expenses	(0.26)	1.03
Effect of expenses not deductible for tax computation	-	23.50
Tax effect of dividend income from subsidiary Company	78.03	-
Others	(13.93)	7.64
	<u>229.37</u>	<u>212.96</u>

Current tax	289.08	173.79
Income tax (credit)/ charge for earlier years	(4.66)	19.39
Deferred tax charge/(credit)	(55.05)	19.78

During the year 19-20, the Group decided to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the FY 19-20 and onwards.

* Pursuant to the Finance Bill enacted in February 2021, the amortisation of goodwill will not be allowed as tax deduction with effect from 1 April 2020, hence the corresponding tax base of goodwill as at 1 April 2020 became Nil. Therefore, deferred tax charge for the year ended 31 March 2021 includes Rs. 23.16 million being the difference between the book base and tax base of goodwill consequent upon enactment of above provisions.



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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

38 (i) Note on Demerger of Consumer health business division

A Summary of demerger

During the financial year 2019-20, the Group approved demerger of its Consumer Facing Health and Wellness division ("CH Business") to a newly incorporated Group i.e. Mandala Wellness Private Limited ("MWPL" or "Resulting Group"). Further, the Group filed a demerger scheme with National Company Law Tribunal (NCLT), Bengaluru Bench, with appointed date 1 September, 2019, as per Sections 230 to 232 and Section 66 of the Companies Act, 2013.

The NCLT, Bengaluru Bench on 4 November, 2020 sanctioned the Scheme of Arrangement amongst MWPL and the Group and their respective shareholders and creditors ("the Scheme") for the demerger of the CH Business. Upon the scheme becoming effective, the shareholders of the Group holding fully paid up equity shares would be entitled to either:

- 1) 15 (Fifteen) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten Only) each of the Resulting Group shall be issued and allotted for every 1 (One) equity share of face value of Rs. 10 (Rupees Ten only) each held in the Group, or
- 2) 15 (Fifteen) fully paid-up OCRPS of face value of Rs. 10 (Rupees Ten Only) each of the Resulting Group shall be issued and allotted in physical form for every 1 (One) equity share of face value of Rs. 10 (Rupees Ten only) each held in the Group."

Further, preference Shareholders holding fully paid up Redeemable Preference shares in Group would be entitled to 1,000 (One Thousand) fully paid-up OCRPS of face value of Rs. 10 (Rupees Ten only) each of the Resulting Group against 9,175 redeemable preference share of face value of Rs. 10 (Rupees Ten only) in the Group.

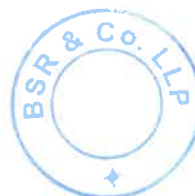
The above transfer of CH Business into MWPL has been considered as a common control transaction as the per requirements of Appendix C of Ind AS 103 "Business Combination" Accordingly, the Group has accounted for demerger of Consumer Facing Health and Wellness division ("CH Business") with effect from its appointed date 1 September 2019. Net assets of CH business of Rs. 370.18 million is transferred to Demerger deficit balance.

B The following identified assets and liabilities of the Group have been transferred to Resulting Group with effect from appointed date: (at carrying value)

Particulars	As at 1 September 2019
Assets to be transferred	
Non-current assets	
Property, plant and equipment	12.60
Other intangible assets	24.70
Financial assets	
Loans receivables	1.62
Current assets	
Financial assets	
Trade receivables	131.91
Unbilled receivables	286.34
Cash and cash equivalents	0.22
Other receivables	363.83
Other current assets	0.34
Total assets	821.56
Less: liabilities to be transferred	
Financial liabilities	
Trade payables	116.89
Other financial liabilities	309.05
Other current liabilities	14.58
Provisions	10.86
Total current liabilities	451.38
Amount transferred to demerger deficit balance	370.18

C The results of discontinuing operation - Consumer Facing Health and Wellness division ("CH Business") for period ended:

Particulars	For the period ended 1 April 2019 to 31 August 2019
Revenue	
Revenue from operations	645.27
Other income	-
Total income	645.27
Expenses	
Employee benefits expense	151.72
Finance costs	1.33
Depreciation and amortisation expenses	7.70
Other expenses	548.20
Total expenses	708.95
Loss before tax from a discontinued operation	(63.68)
Tax (expense)/ credit	
Tax credit from discontinued operations	15.12
Loss after tax from a discontinued operation	(48.56)



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Medi Assist Healthcare Services Limited

Notes to Consolidated financial statements (continued)

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

D Phasorz Technologies Private Limited (referred to as "DocsApp") and Medi Assist Healthcare Services Limited (referred to as "MAHS") have entered into a Transitional Services Agreement dated 20 December 2019 for receiving the management services from MAHS relating to CH business via MWPL w.e.f appointed date of demerger till initial period of 6 months. As per the said agreement expenses pertaining to CH business which are subject to cross charge to DocsApp has been shown as receivable from DocsApp and corresponding liability has been shown as liability associated from discontinued operations under CH business. MAHS has recognised interest income on receivables from Docsapp as per the aforesaid agreement.

Particulars	For the period 1 September 2019 to 31 March 2020
Interest Income*	10.23

*Interest income pertaining to balance amount recoverable from CH business which has been debited to Docsapp as per the aforesaid agreement.

E Net cash flows attributable to the discontinued operations

Particulars	Notes	For the period ended 1 April 2019 to 31 August 2019
Net cash generated from operating activities	(A)	(233.30)
Net cash generated from investing activities	(B)	3.81
Net cash used in financing activities	(C)	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(229.49)

F The Honorable National Company Law Tribunal, Bengaluru bench on 4 November, 2020 sanctioned the Scheme of Arrangement amongst Mandala Wellness Private Limited ("MWPL") and the Group and their respective shareholders and creditors ("the Scheme") for the demerger of the Consumer Health Business (CH Business). Upon the scheme becoming effective, MWPL continued to use the legal entity name of Medi Assist Healthcare Services Limited including the GSTIN registration details for the conduct of their CH business activity i.e., raising of their tax invoices for services rendered.

Based on an independent opinion, Management is of the view that deficiency in tax invoices, if any, owing to the contractual and legal changes which is yet to take place does not invite any penal consequences on the Group. As per the independent opinion, the Group is in the process of putting the following safeguards in place:

- Declaration are to be made in the invoices raised stating these are raised on behalf of MWPL by the Group
- Preparing the necessary reconciliation between the books of accounts, financial statement and GSTIN return along with reasons by the Group
- Intimating the jurisdictional GST officer explaining the demerger transactions and accounting and the reasons for using GSTIN of the Group in the tax invoices of MWPL.

Subsequently, the Group has entered into an indemnity arrangement dated 14 November 2021 with MWPL, whereby MWPL has agreed to indemnify the Group for any losses suffered, expenses incurred and claims/ interest/ penalty for non-compliances (if any) as may be imposed by the regulatory authorities on the Group for usage of the Holding Company name and GSTIN registration by MWPL.

Based on its assessment and the independent opinion obtained by the Group, the management believes that the abovementioned matter would not have any financial or regulatory impact on the Group.

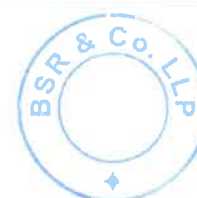
(ii) Discontinued Operations - Card Processing Business

A During the Financial year 2020-21, the Group has decided to discontinue the business operations pertaining to card processing which are mainly generating from government contract. The Group has disclose the discontinuation of card processing business as discontinued operations as per the requirement of Ind AS 105 'Non current asset held for sale and Discontinued operation'. The Group has re-represented the comparative information due to the discontinued operations.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue		
Revenue from operations	366.78	197.41
Total income	366.78	197.41
Expenses		
Employee benefits expenses	18.51	9.84
Other expenses	494.83	180.88
Total expenses	513.34	190.72
(Loss)/ Profit before tax from a discontinued operation	(146.56)	6.69
Tax Credit		
Related to current pre-tax profit/ (loss)	32.23	4.16
	32.23	4.16
(Loss)/ Profit after tax from a discontinued operation	(114.33)	2.53

B Net cash flows attributable to the discontinued operations

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Net cash generated/ (used in) from operating activities	(A)	94.35	(22.80)
Net cash generated/ used in investing activities	(B)	-	-
Net cash generated/ used in financing activities	(C)	-	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		94.35	(22.80)



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Medi Assist Healthcare Services Limited**Notes to Consolidated financial statements (continued)***(All amounts are in Indian Rupees in millions, unless otherwise stated)***39 Expenditure incurred in foreign currency**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Fees for technical services	1.02	-

40 Corporate Social Responsibility ("CSR")

enhancement and employment enhancing vocational skills by way of providing training in a wide array of functional areas to persons at various locations of the Group across India.

a) Gross amount required to be spent by the Group during the year Rs. 12.49 million (31 March 2020: Rs 9.73 million)

b) Amount spent during the year:

For the year ended 31 March 2021

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	13.08	-	13.08
	13.08	-	13.08

For the year ended 31 March 2020

Particulars	Amount paid	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	12.08	-	12.08
	12.08	-	12.08

41 Related party disclosures

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

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

(i). Subsidiary	Medi Assist Insurance TPA Private Limited
(ii). Key management personnel	Dr. Vikram Jit Singh Chhatwal - Chairman cum Whole Time Director w.e.f. 1st March 2021 Satish Gidugu - Whole Time Director and CEO w.e.f. 1st March 2021 Vishal Vijay Gupta - Director Sanjay Kalra - Independent Director - Retired w.e.f. 11th March 2021 Himani Atul Kapadia- Independent Director w.e.f. 15th March 2021 Gaurav Sharma - Nominee Director Gopalan Srinivasan - Independent Director w.e.f. 15th March 2021 Anil Chanana - Independent Director w.e.f. 15th March 2021 Dr. Ritu Niraj Anand - Independent Director w.e.f. 15th March 2021 Ananda Mukerji - Independent Director w.e.f. 15th March 2021 Mathew George - Chief Financial Officer w.e.f. 3rd March 2021 Megha Matoo - Chief Compliance Officer and Company Secretary w.e.f. 5th March 2021
(iii). Entity having significant influence	Medimatter Health Management Private Limited
(iv). Entities under common control	Mandala Wellness Private Limited Phasorz Technologies Private Limited
(v). Entities having common director	Buddhimed Technologies Private Limited



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Medi Assist Healthcare Services Limited
Notes to Consolidated financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

41 Related party disclosures (continued)

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

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Consultancy fees paid to			
Medimatter Health Management Private Limited		0.90	1.40
Buddhimed Technologies Private Limited		2.00	-
Support service income from			
Phasorz Technologies Private Limited		58.60	90.13
Health Management services from			
Mandala Wellness Private Limited		36.74	-
Support service fee paid to			
Mandala Wellness Private Limited	(a)	47.38	26.26
Interest on debentures			
Medimatter Health Management Private Limited		0.23	0.17
Conversion of Redeemable preference shares to Series B CCPS			
Medimatter Health Management Private Limited		523.00	-
Conversion of Series B CCPS to equity shares			
Medimatter Health Management Private Limited		523.00	-
Advance received			
Mandala Wellness Private Limited		61.60	-
Reimbursement of expenses to			
Mandala Wellness Private Limited			
Health screenings		-	100.62
Medi Assist Healthcare Services Limited (On behalf of MWPL)			
Health screenings	(a)	186.28	-
Accrued Expenses			
Mandala Wellness Private Limited	(a)	5.29	-
Gain on transfer of property, plant and equipment			
Mandala Wellness Private Limited		-	4.92
Reimbursement of charges from			
Phasorz Technologies Private Limited			
Facilities and other expenses		2.61	-
Mandala Wellness Private Limited			
Facilities and other expenses		1.69	-
Expenses cross charge	(b)	73.12	-
Repayment of Non Convertible Debenture			
Medimatter Health Management Private Limited		2.00	-
Interest income			
Phasorz Technologies Private Limited		33.45	10.23
Reimbursement of expense to Director			
		1.52	-
Payable pursuant to demerger (including net asset transferred)			
Mandala Wellness Private Limited		-	370.18
Compensation of key management personnel			
i) Short term employee benefits	(c)	30.31	18.60
ii) Director sitting fees		0.83	0.45
iii) Sub-contracting charges		-	5.76

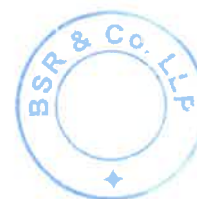
(a) These transaction are carried out with MWPL by the subsidiary Company through the Holding Company, who acted on behalf of MWPL.

(b) The expenses reflected in Consolidated Statement of Profit and Loss are net of those cross charged to the Mandala Wellness Private Limited and that the management is confident of recovering the entire other receivable balance including the cross charge amount.
In the opinion of the management, all transactions were made on normal commercial terms and conditions and at arm's length price.

(c) As the liability for gratuity and compensated absence is provided on an actuarial basis for the Group as a whole, the amount pertaining to Director is not ascertainable and, therefore not included above.



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41 Related party disclosures (continued)

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Amount receivable towards rendering of services		
(i) Trade receivables		
Phasorz Technologies Private Limited	3.08	-
Mandala Wellness Private Limited	45.34	-
(ii) Unbilled receivables		
Mandala Wellness Private Limited	30.03	30.00
Phasorz Technologies Private Limited	22.40	-
Amount payable towards rendering of services (Trade payables)		
Mandala Wellness Private Limited	50.70	-
Non-convertible debentures		
Medimatter Health Management Private Limited	-	1.77
Other payables		
Mandala Wellness Private Limited	58.64	-
Accrued expenses		
Medimatter Health Management Private Limited	-	1.40
Current Borrowings		
Redeemable cumulative preference shares		
Medimatter Health Management Private Limited	-	523.00
Other receivables		
Mandala Wellness Private Limited	145.22	486.64
Phasorz Technologies Private Limited	-	90.13
Advance balance		
Mandala Wellness Private Limited	61.60	-
Other financial liabilities		
Employee benefits payable	6.70	3.60
Payable pursuant to demerger (including net asset transferred)		
Mandala Wellness Private Limited	-	363.83

42 Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	As at	Non-cash changes		As at
	31 March 2020	Fair value changes	Repayment	31 March 2021
Non-current financial liabilities - Borrowings	1.77	0.23	(2.00)	-

(Rs in millions)

Particulars	As at	Non-cash changes		As at
	31 March 2019	Acquisitions	Fair value changes	31 March 2020
Non-current financial liabilities - Borrowings	1.60	-	0.17	1.77

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Medi Assist Healthcare Services Limited
Notes to Consolidated financial statements (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

43 Micro, small and medium enterprise

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 and 31 March 2020 has been made in the consolidated financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group have following dues to micro and small enterprises as at 31 March 2021.

The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
Principal	31.39	0.48
Interest	0.11	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.11	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

45 Non-current assets classified as held for sale

Particulars	Notes	As at 31 March 2021
Other intangible assets		
IHX platform *	6	12.44
		12.44

* The Board meeting held on 7 December 2020, the Board of Directors of the Group granted in-principle approval for sale of IHX platform (included under other intangible assets) and consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets held for Sale and Discontinued Operations, the Group has classified the assets as at 31 March 2021 as Non-current assets classified as held for sale. The Management is reasonable certain the fair value less cost to sale will be higher than the carrying value of the non-current asset held for sale.

46 In the month of July 2019 the Subsidiary Company during its internal reconciliation process review, identified certain mismatches in the cashless insurance claim settlement process, where the payments made by the Insurance Company to some of the hospitals that are part of a Government Insurance Scheme could not be reconciled and matched with the corresponding hospital records. On further investigation, it was found that two of the employees of the Subsidiary Company gained unauthorized access to the insurance company's system login and made changes to the hospital bank account details. The employees misappropriated an amount of Rs. 13.13 million includes amounts for previous years starting from 2015-16 using this unauthorized access. During the internal inquiry, both the employees confessed to misappropriating the funds, subsequently, both the employees were terminated from their services.

On informing the Insurance Company about the incident, the Insurance Company raised a demand of Rs. 13.13 million on 24 October 2019. In accordance with the terms of service agreement as a TPA the employees of Subsidiary Company do not have any access to the process of making any changes to the bank account numbers in the master database of the Insurance Company System. The Subsidiary Company agreed to deposit the entire amount with the Insurance Company so that the impacted hospitals are not deprived of funds.

The Subsidiary Company filed a complaint before the Commissioner of Police on 10 September 2019. The Police have registered the FIR. Of the aforesaid amount the Subsidiary Company has recovered an amount of Rs. 3 million till date. Further, the Subsidiary Company has formally lodged an insurance claim under the relevant Insurance policies relating to this matter and the claim is being reviewed by the Insurer.

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



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48 Events after the reporting date

Pursuant to a resolution passed by the Shareholders of the Company on 7 April 2021 through extra-ordinary general meeting, the authorized share capital of the Company of Rs. 453.5 million divided into 45,350,000 Equity Shares of Rs. 10 each were sub-divided to Rs. 453.5 million divided into 90,700,000 of Rs. 5 each.

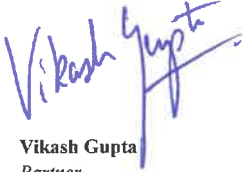
Pursuant to a resolution passed by the Shareholders of the Company on 7 April 2021 and by Board of Directors of the Company on 9 April 2021, the Company has sub-divided the face value of its equity shares from Rs. 10 each to Rs. 5 each. Further, the Company has allotted 68,784,850 equity shares of face value of Rs. 5 each by way of bonus issue to its shareholders and consequently the paid-up share capital of the Company has been increased to Rs. 344.30 million divided into 68,859,212 equity shares of face value of Rs. 5 each.

Pursuant to Business Transfer Agreement dated 30 June 2021 between the Company ("Transferor") and IHX Private Limited ("Transferee"), the transferor has sold the Platform Business on a slump sale basis and as a going concern to the transferee for a total consideration of Rs. 92.50 millions.

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

As per our report of even date.

for **BSR & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022



Vikash Gupta
Partner
Membership Number: 064597



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



Dr. Nitam Jit Singh Chhatwal
Chairman and Whole Time Director
DIN: 01606329



Mathew George
Chief Financial Officer



Satish Gidugu
Whole Time Director and CEO
DIN: 06643677



Megha Matoo
Chief Compliance Officer and Company Secretary
ICSI Membership No: F-10665

Place: Bengaluru
Date: 23 November 2021

Place: Bengaluru
Date: 23 November 2021

Place: Bengaluru
Date: 23 November 2021