SHALBY LIMITED

•Passion••Compassion••Innovation•

Committed to a healthier world.

Creating Synergies | Strengthening Capabilities

Annual Report
2022-23

Corporate Information

BOARD OF DIRECTORS

Dr. Vikram Shah
Chairman & Managing Director

Mr. Sushobhan Dasgupta
Vice Chairman and Global President
(Non-Executive Director)

CA Shyamal Joshi
Independent Director

Dr. Ashok Bhatia
Non-Executive Director
(up to May 18, 2023)
Independent Director
(w.e.f. May 18, 2023)

Dr. Umesh Menon
Independent Director

Mr. Tej Malhotra
Independent Director

CA Sujana Shah
Independent Director

Mr. Vijay Kedia
Non-Executive Director
(up to May 18, 2023)
Independent Director
(w.e.f. May 18, 2023)

AUDIT COMMITTEE

Dr. Umesh Menon, Chairman
CA Shyamal Joshi, Member
Mr. Tej Malhotra, Member
CA Sujana Shah, Member

RISK MANAGEMENT COMMITTEE

Dr. Vikram Shah, Chairman
CA Shyamal Joshi, Member
CA Sujana Shah, Member

NOMINATION AND REMUNERATION COMMITTEE

Dr. Umesh Menon, Chairman
CA Shyamal Joshi, Member
CA Sujana Shah, Member

STAKEHOLDER RELATIONSHIP COMMITTEE

CA Shyamal Joshi, Chairman
Dr. Umesh Menon, Member
Dr. Vikram Shah, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CA Sujana Shah, Chairperson
CA Shyamal Joshi, Member
Dr. Umesh Menon, Member

CHIEF FINANCIAL OFFICER

CA Venkat Parasuraman
(up to May 18, 2023)
CA Amit Pathak (w.e.f. May 19, 2023)

COMPANY SECRETARY

CS Tushar Shah

STATUTORY AUDITORS

T. R. Chadha & Co. LLP
Chartered Accountants

INTERNAL AUDITORS

PricewaterhouseCoopers Services LLP

BANKERS

HDFC Bank Limited
IndusInd Bank
IDFC Bank Limited
Kotak Mahindra Bank Limited
Yes Bank

REGISTRAR & TRANSFER AGENT KFIN TECHNOLOGIES LIMITED

Selenium Building, Tower B,
Plot No. 31 – 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana,
India – 500 032
Phone +91- 40 – 67162222,
+91- 40 – 79611000,
email : einward.ris@kfintech.com

REGISTERED OFFICE

Shalby Limited
Shalby Multi-Specialty Hospitals,
Opp. Karnavati Club,
S. G. Highway, Ahmedabad-380 015
CIN: L85110GJ2004PLC044667
Phone : +91 - 79 - 4020 3000
Fax No : +91 - 79 - 4020 3120
email: companysecretary@shalby.in
Website: www.shalby.org

CORPORATE OFFICE

Shalby Limited
B-301 & 302, Mondeal Heights,
Opp. Karnavati Club,
S G Highway, Ahmedabad-380 015
Phone: +91 - 79 - 4020 3002
Email: companysecretary@shalby.in
Website: www.shalby.org

What's Inside

02
CORPORATE OVERVIEW

56
STATUTORY REPORTS

141
FINANCIAL STATEMENTS

Forward-looking statements / Cautionary statement

In this Annual Report, we have disclosed forward-looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

To download this report or for any other information log on to **www.shalby.org**

Shalby remains steadfast in its focus to drive clinical excellence and enrich patient satisfaction by synergising and strengthening capabilities for building a healthy world.

Shalby, the global leader in knee replacement surgery has established a strong leadership team with rich experience in Orthopedics. As one of the most trusted healthcare service providers, we continue to achieve many milestones in our hospital business backed by clinical excellence and a patient-centric approach. The growing demand for affordable and convenient medical services has led to a robust growth of our homecare services segment. Likewise, our international division has grown by leaps and bounds, helping us drive excellence while positively impacting people's lives.

While growing and becoming the leader in joint replacements, we have expanded to newer geographies nationwide to set up the Shalby Orthopedics Centre of Excellence (SOCE) franchise model. By synergising our expertise and knowledge, we can now provide top-notch orthopedic solutions to more patients across the country while strengthening our brand visibility. The SOCE model enables patients easy access to multi-specialty care while increasing occupancy levels and revenues for our hospital division.

Our synergic efforts and commitment to make Shalby a vertically integrated leader in Orthopedics has seen us venture into manufacturing Knee & Hip implants through our step-down subsidiary in the US - Shalby Advanced Technologies, Inc. Our implant division serves quality implants for use across our hospital and SOCE verticals towards building an ecosystem for Orthopedics in the domestic market. We have primarily sold our quality implants to global customers in the US and Japan markets. To increase the global outreach of our quality and unique implants, we have strategised a roadmap that will strengthen our hold over international markets in a phased manner.

With the right set of talent and team and a strategic focus on backward integration, we continue to strengthen our manufacturing capabilities. It will help us to expand our presence and serve a vast customer base while distributing implants to other hospitals in India to create synergistic value towards a healthier world.

We continue to nurture young talent through our Shalby Academy for building a strong healthcare workforce and strengthen capabilities to offer quality healthcare solutions for improving the quality of healthcare services in the country.

Stepping up our operational efficiency and ensuring consistent performance, we continue to leverage and strengthen our capabilities across key segments. We have adopted the latest technology and digital initiatives to enhance the patient and doctor experience. We continue to onboard expert medical professionals to strengthen our doctor pool to support our growing specialties and strengthen our core specialties while offering the best healthcare solutions.

Led by our strong leadership and orthopedic excellence, we carry forward our strong legacy towards building a healthy and sustainable ecosystem for one and all. We stand committed to leveraging our core capabilities across verticals to deliver innovative, affordable, and superior healthcare solutions for an enhanced patient experience.

About Us

Synergising Excellence for a Healthy Ecosystem

Shalby Limited (Shalby), headquartered in Ahmedabad, is one of India's leading multi-specialty hospital chains with over 29 years of experience in delivering excellent patient care and affordable healthcare. Our ability to constantly upgrade and innovate ourselves helps us provide holistic and integrated health care under one roof. We are the global leader in knee replacement surgery and one of the top Indian hospitals in joint replacement surgery.

We operate under three main verticals, namely, hospital business, Shalby Orthopedics Centre of Excellence (SOCE) franchise and implant business.

Setting high standards of excellence in Healthcare, Clinical Care, Home Care, and Research, we remain committed to serving our patients and providing high-quality healthcare services.

Through our asset-light SOCE franchise model, we continue leveraging our expertise in joint replacement and expand our SHALBY footprint. During the year, we have operationalized 2 more SOCE centers at Lucknow and Gwalior and signed one Memorandum of Understanding (MOUs) for Rajkot.

Our newly diversified knee and hip implant manufacturing business under Shalby Advanced Technologies grew well during FY 2022-23 backed by our focused approach for a better profitable-product mix and changing mix of retail and wholesale customers along with improving our manufacturing capabilities.

Through our SHALBY Academy, we continue to develop new talent as part of our ongoing efforts to deliver medical excellence, upgrade skills, and expand our operations.

Equipped with the right growth levers, we are well positioned for creating long-term value for our stakeholders and achieving sustainable growth.

VISION

Exceeding expectations from health.

MISSION

Leveraging global leadership in joint replacement to establish multi-specialty care across geographies.

VALUES

We value all human lives placed in our hands and are constantly working towards meeting the expectations of our customers and stakeholders by raising the standards of our service deliverables.

EXCELLENCE

Well established leadership in healthcare for building Centers of Excellence to tap growing opportunities.

LEARNING

Focused approach for upgrading team skills and developing our human capabilities to ensure the highest standard of patient care.

INTEGRITY

Highest degree of transparency, accountability, and corporate governance

TEAMWORK

A patient-centric team balancing deep expertise, diversity, and innovative ideas with a solid track record of delivering excellent service.

EMPATHY

Building an equitable healthcare system that prioritizes the needs of patients and families.

Our Strength in Numbers

14 (10 - Multi-specialty & 4 - Single Specialty)
Hospitals

~3 Million
Patients provided healthcare services at Shalby Hospitals

700+
Doctors

60
Outpatient clinics across cities

1,48,000+
Joint Replacement Surgeries Performed

15%
Arthroplasty Market Share*

4,000+
Employees including Doctors

20%
15-Year CAGR Growth - Revenue

22%
15-Year CAGR Growth - EBITDA

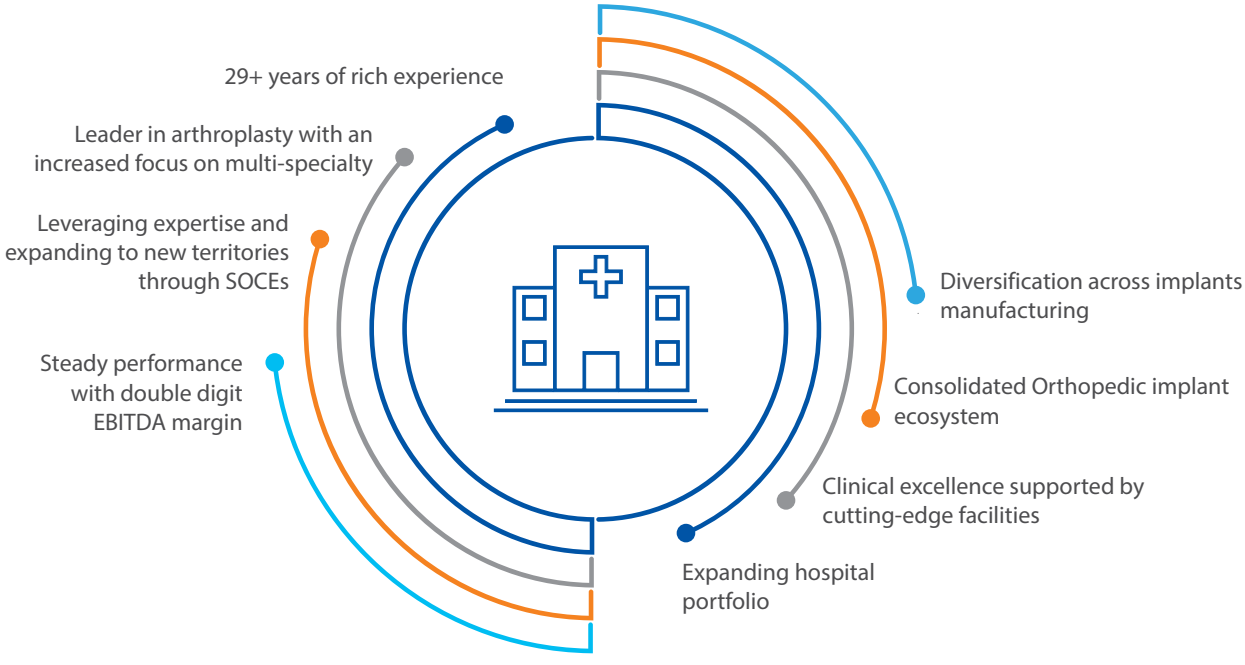
36%
Female Workforce

1,260
Operational Beds

* Market share in terms of volume

Note: All figures are as of March 31, 2023, unless specified otherwise

Key Differentiators



Hospital Accreditations

National Accreditation Board of Hospitals & Healthcare Providers (NABH) certified

National Accreditation Board for Testing and Calibration Laboratories (NABL) recognised

Chartered Quality Institute (CQI) accreditation

Key Facts

10
Multi-specialty hospitals across 5 states

4
Single specialty SOCEs across 4 states

#1
Ranking in Arthroplasty (India and globally) (by volume)

2,000+^
Bed capacity

4,50,924
Out-patient count in FY 2022-23 ↑ 41.6% YoY

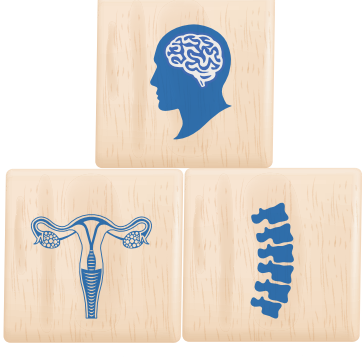
27,352
Surgeries conducted in FY 2022-23 ↑ 35.1% YoY

570
Occupied beds in FY 2022-23 ↑ 1.2% YoY

71,893^^
In-patient count in FY 2022-23 ↑ 17.5% YoY

^ including 150 beds of Zynova

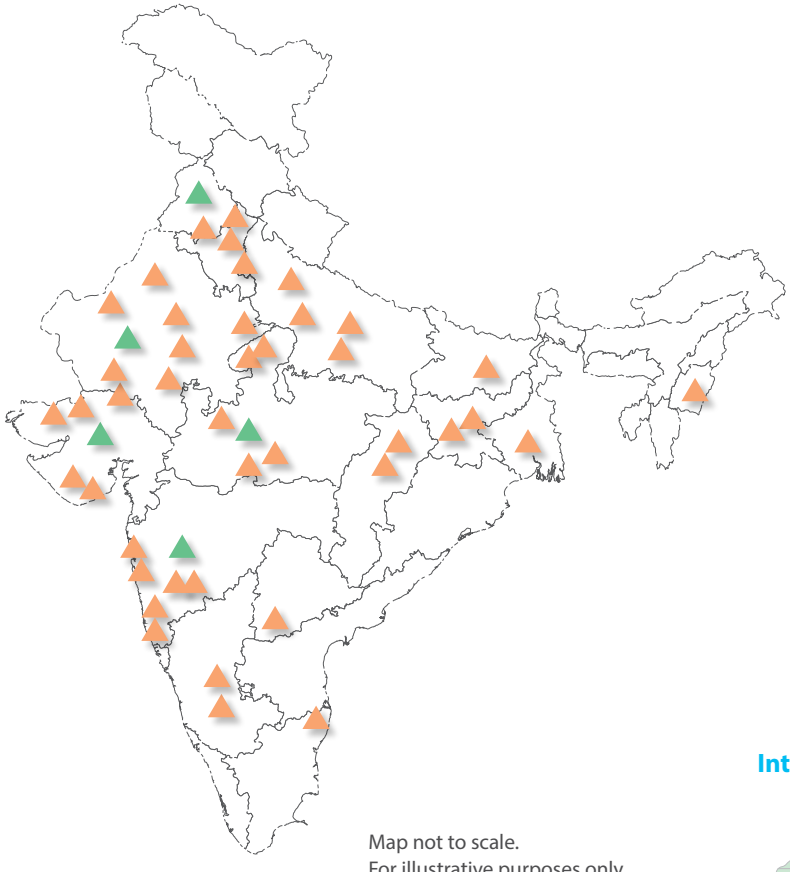
^^ including Day Care patients



Our Expanding Presence

Driven by our mission to leverage global leadership in joint replacement with increased focus on offering multi-specialty care across geographies, we continued to expand our footprint during the year.

Pan India Presence



Map not to scale.
For illustrative purposes only.

Existing 11 Units (2,000+ beds)

59 OPDs across 16 states

Multi-specialty

PUNJAB
Mohali – 145 beds

GUJARAT
Ahmedabad
- o SG – 201 beds
- o Krishna – 220 beds
- o Vijay – 27 beds
- o Naroda – 267 beds

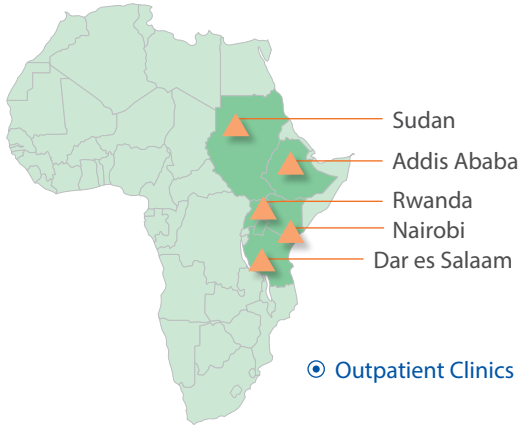
Vapi – 146 beds
Surat – 243 beds

MADHYA PRADESH
Indore – 243 beds
Jabalpur – 233 beds

MAHARASHTRA
Ghatkopar (Zynova) – 150 beds

Upcoming Two Units
Mumbai (Santacruz) – 175 beds
Nashik – 146 beds

International Presence (in Africa)



Note:
Zynova is operating on Revenue-sharing business model
9 OPDs are added in Q1 FY23

Awards and Accolades

At the Corporate Level

The Economic Times Best Orthopedic Hospital, National

Medgate today Magazine

Featured in the List of Top Leading Hospitals of India by Medgate Today Magazine for Orthopedic Category

Best Multispecialty Hospitals Chain By Eminent Research

ASSOCHAM Best Hospital for Patient Safety & Care – Group of Hospitals (Runner-up)

At the Unit Level

Shalby Hospital Ahmedabad

Best Medical Tourism Centre in Gujarat at Tourism Awards 2022 (Supported by Gujarat Tourism)

Shalby Hospital Surat

AHPI Patient Centric Hospital by AHPI (Association of Healthcare Providers of India)

Shalby Hospital Jaipur

Rajasthan Health Icons Award for Cardiac Sciences by The Times of India

Rajasthan Health Icons Award for Neuro Sciences by The Times of India

Excellence in Arthroscopy & Sports Medicine by First India News at Health First Conclave & Awards

Excellence in Internal Medicine & Critical Care by First India News at Health First Conclave & Awards

Awarded at News18 Rajasthan Lifeline Conclave

Shalby Hospital Indore

Awarded as The Best Hospital in MP at News 24 MPCG News Health Conclave

Lifeline Thank You Doctor Award by News 18 MPCG News

Shalby Hospital Mohali

Business & Beyond Award by The Times of India

Shalby Hospital Jabalpur

Swachh Sarvekshan Award in Hospital Category by Jabalpur Municipal Corporation

Chairman's Message

> We are happy to communicate that your Company has reported the highest-ever Annual Revenues and EBITDA in FY 2022-23.

Dear Shareholders,

It gives me immense pleasure to present the Annual Report for FY 2022-23. I would take this opportunity to thank all stakeholders for their significant contribution to upholding your Company's commitment to building a healthier ecosystem while ensuring quality patient care.

The year gone by has been a significant one with economies worldwide slowly showing signs of recovery as the pandemic impact started to wane during the year though global disruptions hampered its speedy recovery. The pandemic emphasized the need for efficient healthcare infrastructure, especially in tertiary and specialty care. This led governments worldwide to focus on the development of the healthcare sector with various initiatives and investments driven to boost the sector. Providing impetus to the development of healthcare infrastructure in India, the Indian Government has allocated ₹ 8,91,550 million to the Ministry of Health and Family Welfare (MoHFW) in the Union Budget 2023-24.

Our Performance Review

We are happy to communicate that your Company has reported the highest-ever Annual Revenues and EBITDA in FY 2022-23. Our consolidated revenues stood at ₹ 8,274 million, up by 16% while consolidated EBITDA reported at ₹1,593 million was up by 20% on a y-o-y basis respectively. The robust performance was primarily driven by the stupendous performance of our core specialties and our continued focus on clinical excellence significantly igniting our financial performance in the year. We reported a major increase in elective surgeries and a rise in in-patient count by 35% and 18% respectively.

The continuous efforts in our marketing and business development initiatives across states saw an increase in the occupancy levels across units from 499 occupied beds in Q4 FY22 to 579 occupied beds in Q4 FY23 (excluding COVID-19 driven footfalls). Further, our consistent focus on clinical excellence saw us perform over 27,350 surgeries across units leading to improved quality of life for our patients. We also saw good growth in our homecare services segment during the year as we made healthcare services affordable and easily available to our in-home patients. We are very optimistic about the steady growth of our homecare services on the back of growing demand of healthcare services at the doorstep in all segments like medical attendant, physiotherapy, diagnostics, doctor's consultation and many more. We are continuously exploring new geographies to grow our thriving international business by capitalizing on the tremendous scope of being the largest player in Western and Central India.

Our Shalby Orthopedics Centre of Excellence (SOCE) franchise model is also gaining a strong foothold in the market.

We are exploring new territories with high catchment areas by offering the best Orthopedics solutions through our expert orthopedic team. Through our asset-light model, we are also working towards taking over franchise operations under our brand name and penetrating deeper into Tier 2 & Tier 3 cities. We remain committed to our target to open 50 SOCE centers in India by FY 2026. We have opened 2 new centers at Gwalior and Lucknow during the year and aim to add 6-8 SOCE in FY 2023-24.

Our implant business with backward integration manufacturing has gained steady momentum through our focus on innovating new products through our in-house research and development division. We are focused on achieving operational breakeven through economies of scale and improving overall efficiencies. The strategic measures undertaken saw our revenues jump 3-fold times during the year, while our manufacturing capacity expanded to ~4,500 components per month during FY 2022-23. During February 2023, we received license approval to sell implants in Indonesia and are in the process of receiving registration to launch SAT products in Latin American regions in due course. The growing demand for implants in India is expected to further augment our implant business over the coming years.

Strengthening Capabilities

In today's rapidly evolving healthcare landscape, the assimilation of technology has become imperative for organizations to provide efficient, patient-centric care. Your Company is committed to driving technology and digital initiatives to enhance our patient and doctor experience. Towards this, we have made commendable progress by focusing on building a digital team and laying a strong foundation to deliver our digital vision through ongoing investment in technology and digital solutions to help drive innovation and transform the healthcare landscape. Moreover, our focus on data-driven insights ensures informed decision-making and positions us at the forefront of the industry's data revolution.

As a responsible entity, we are fully committed to adhering to environmental, social and corporate governance norms. We undertake various water management, energy-efficient and safe water disposal initiatives as part of our environmental drive. Our employees are our backbone and integral to our success journey. We continue to provide consistent support to enhance their capabilities and overall well-being through our well-structured HR initiatives. We also undertake activities to benefit the larger communities in which we operate.

The Way Ahead

The government's aim to make India a global healthcare hub is expected to increase public health spending to 2.5% of the country's GDP by 2025. Also, the government's plan to introduce a credit incentive program for ₹ 50,000 million will further boost the country's healthcare infrastructure. These measures open wide opportunities for the highly diversified Indian health sector across segments that encompasses providers, payers, and medical technology leading to better healthcare infrastructure facilities across the nook and corner of India.

Shalby has stayed attuned to the favourable developments happening in the healthcare sector in FY 2022-23. We intend to capitalize on these encouraging measures through our competent team to flawless execution of our strategies towards achieving clinical excellence and patient satisfaction while creating long-term sustainable value to all our stakeholders.

In conclusion, I would like to express my gratitude to all our stakeholders for their unwavering support and trust in our abilities to build a healthy ecosystem. We look forward to your continuing support in our endeavour to leverage capabilities and expand reach to become the preferred multi-specialty hospital chain in India.

Dr. Vikram Shah

Chairman and Managing Director

Vice Chairman and Global President's Message

> We continue to maintain our steadfast focus on driving clinical excellence by performing critical surgeries across many of our units.

Dear Shareholders,

I am delighted to announce the exemplary performance of Shalby Group during FY 2022-23. We have reported higher double digits across all operational and financial parameters especially during the last quarter of FY 2022-23 compared to the same period in FY 2021-22. We continued to add new milestones backed by clinical excellence and an increase in patient satisfaction.

Our robust performance was primarily driven by significant growth across our core specialties and a strong rise in surgical procedures, including critical surgeries. Apart from our hospital business, our other key verticals like the SOCE Franchise business and implant business have also delivered healthy performance during the fiscal.

The underlying performance was ably supported by our health awareness campaigns and continual marketing and business development efforts. External factors like favourable government policies, insurance penetration, and GST in healthcare positively impacted our hospital business while the consistent supply of raw materials and regulatory compliance in the country of operations chiefly influenced our implant business. Additionally, strategic internal factors like technological advancements, skill upgradation, better payer mix, cost optimisation and improved efficiencies had also a positive bearing on our overall performance.

The strong performance across verticals has helped strengthen our position as a core multi-specialty hospital serving scores of patients across India while continuing our dominance as the global Arthroplasty segment giant. At Shalby, we remain committed to standing firmly beside our patients and providing superior healthcare services through each of our business verticals.

Hospital Business

We have a well-established presence in the Indian hospital segment and are the only hospital player to consistently generate positive EBITDA. Our hospital business revenue and EBITDA have been growing at a CAGR of 20% and 22% respectively over the past 15-16 years.

FY 2022-23 was a landmark year wherein we delivered high double-digit growth across in-patient counts (including daycare) and overall surgery count that grew by 18% and 35% y-o-y respectively while ARPOB increased by 11% on a y-o-y basis respectively. Our hospital revenue recorded at ₹ 7,274 million grew by 10% y-o-y and EBIDTA at ₹ 1,615 million by 13% y-o-y while we continued to maintain a double-digit PAT margin of 11% in FY 2022-23 v/s 12% recorded in FY 2021-22.

During the year, we devised a robust marketing plan with various initiatives to improve occupancy levels and brand recognition by leveraging digital media, marketing campaigns, healthcare camps and talks across all units. We used digital mediums effectively to improve our visibility and leads for the hospital.

We continue to maintain our steadfast focus on driving clinical excellence by performing critical surgeries across many of our units. Such surgeries included the first successful case of TAVI (Trans catheter Aortic Valve Implantation) performed in Shalby Jaipur apart from over 220 Kidney and Liver transplants done at our SG and Indore Units. Additionally, we have applied for Hand and Heart transplant licenses at SG Unit and Kidney transplant Licenses at the Naroda Unit. Our homecare services also expanded rapidly indicating growth at a rate of 38% y-o-y with revenues reported at ₹ 98 million and 27,000 patients catering to during the year, a growth of 34% y-o-y basis. Our international revenue grew at a robust rate of over 100% y-o-y with revenues of ₹ 104 million during FY 2022-23.

We recognise the need for having a talented pool of medical professionals for being ahead of the competitive curve. We continue to provide them with strategic in-house learning and development programs to upgrade skills and be abreast with the latest healthcare developments.

Additionally, we take pride in nurturing young talent through the Shalby Academy and help our valued-based culture thrive. Over 2,000 students registered across various healthcare programs during the year. After successfully passing out of the Academy,

we have been able to make various job offers to these students across our hospitals.

Operating efficiently and with an inherent capacity to expand further without additional capital investments, our hospital business continued its consistent performance across all key operational and financial parameters in FY 2022-23 reiterating our Shalby brand as one of the most trusted healthcare service providers in the country.

Shalby Orthopedics Centre of Excellence (SOCE)

Our endeavour to expand our Shalby footprint through the asset-light model strategy is in full swing. The model continues to witness encouraging responses evincing keen interest across various stakeholders. Despite this, we have maintained a standard protocol and have strict guidelines in place to select the right partner to avoid any kind of brand dilution.

We are constantly working towards taking over all operations under our brand name with whom we have undertaken existing MOUs. During FY 2022-23, we have operationalized 2 more Shalby Orthopedics Centre of Excellence (SOCE) at Lucknow and Gwalior locations under Shalby-operated and Shalby-managed business models respectively. With this, we now have a total of 4 SOCE units operating exclusively for orthopedics services, the other 2 are located at Ahmedabad and Udaipur. The total bed capacity under our SOCE vertical stands at over 130+ beds with over 425 surgeries performed during the year at a monthly average of 35 surgeries. We have also an MOU signed at the Rajkot location under this model, which is expected to commence its operations in FY 2023-24.

By pooling the right set of talent and team, we are optimistic about the positive developments happening in the coming year towards achieving our aspirations. Moreover, we will continue our focus on capitalizing our expertise and Orthopedics excellence to have over 50 Shalby franchise hospitals across India.

Implant Business

Our backward integration-oriented knee and hip implant manufacturing business under Shalby Advanced Technologies, Inc in California, USA has made steady progress during the year. Revenues in the implant business grew nearly by 3x to ₹ 939 million of which sales in the USA and India contributed 60% and 40% respectively, supported by the growth in the production of components which grew to 4,500 components on monthly basis. We reported a positive EBITDA in FY 2022-23 backed by significant cost reductions in raw material and freight cost while maintaining a healthy customer mix from the retail and wholesale USA customer segment.

We strive to integrate implant design and the latest technology for innovating new products and surgical solutions for creating a synergistic healthcare environment. Backed by this vision, we launched the product - Tahoe Unicompartmental Knee System or TUKS during FY 2022-23 first quarter in the USA.

During the year, we have received very positive responses from the consumption of our Shalby-Consensus implants from both in-house and external surgeons. Additionally, we received the license approval to sell our implants in Indonesia in February 2023. Further, we are in expectation of receiving registration approvals to launch our SAT products in Latin America countries like Argentina, and Columbia in the coming quarters.

We aim to build a robust implant business through our strategic focus towards building a strong team with the right attitude, maintaining a healthy customer sales mix, increasing operational capacity and efficiencies while adding new products pipeline supported with extensive research and development activities and substantially reducing procurement costs.

Outlook

We oversee a huge opportunity in the healthcare sector over the next 5-10 years in India. The low doctors/nurse to patient ratio and the lack of good healthcare infrastructure specially in Tier-2 and 3 cities opens immense opportunities for Shalby to expand its presence in nearby markets and state capitals while growing its existing hospital units.

We are very optimistic about the steady growth of our homecare services on back of growing demand of healthcare services at doorstep in all segments like medical attendant, physiotherapy, diagnostics, doctor's consultation and many more. We are continuously exploring new geographies to grow our international business by capitalising on the tremendous scope of being the largest player in Western and Central India.

Our efforts towards making Shalby a vertically integrated player in Orthopedics by venturing into manufacturing of Knee & Hip implants and building an ecosystem for Orthopedics in the domestic market has started showing good visibility. Similarly, we are focussed on our agenda to establish ourselves as a prominent brand in orthopedics implants industry globally over the period of five to six years in a phased manner through our good quality and unique products.

Conclusion

We have made strategic investments in technology, people, culture and infrastructure towards building a healthy ecosystem and driving growth while creating sustainable and long-term value for all our stakeholders.

I would take this opportunity to thank you for your continued support in our holistic healthcare journey.

Warm regards,

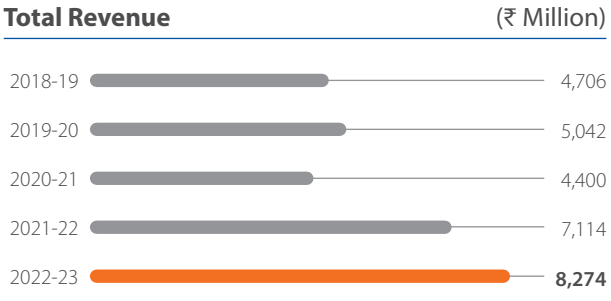
Sushobhan Dasgupta

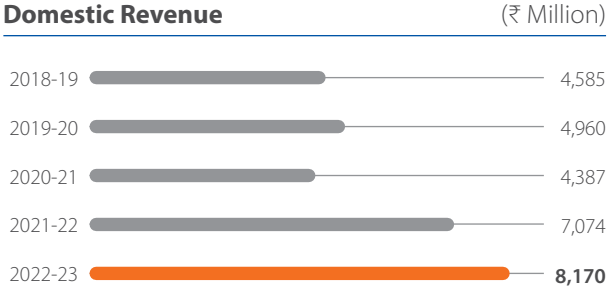
Vice-Chairman & Global President

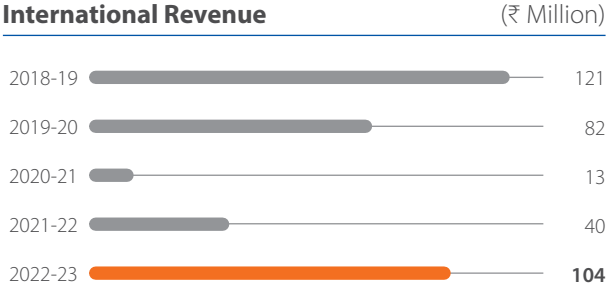
Financial Performance

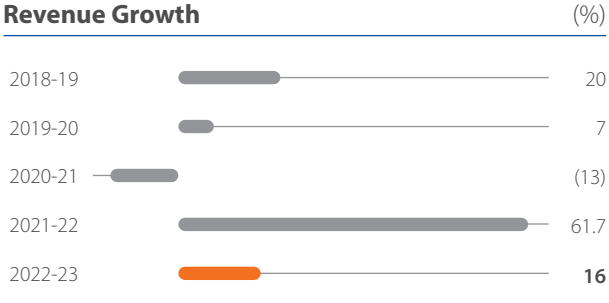
Robust Profits Boost Growth

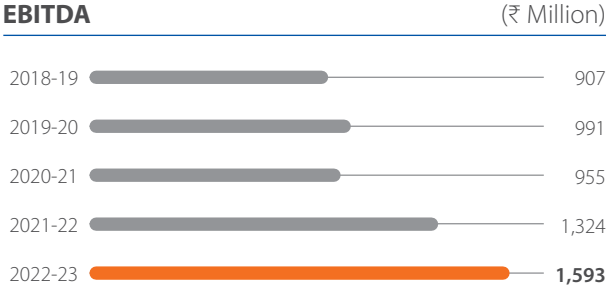
Shalby Group reports highest ever annual revenues and EBITDA in FY 2022-23 backed by clinical excellence and patient satisfaction.

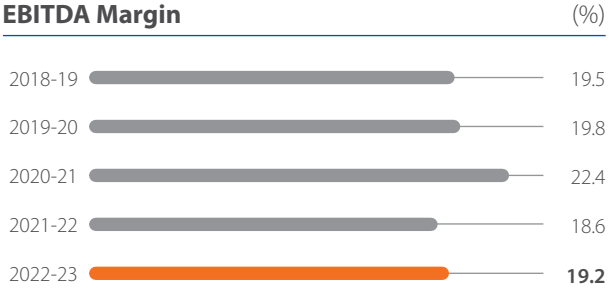




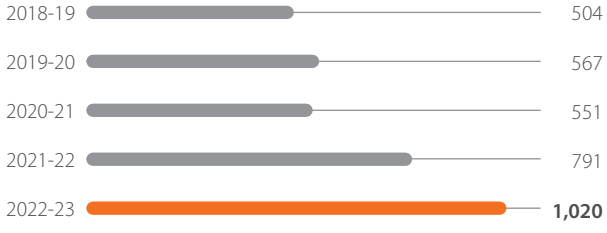




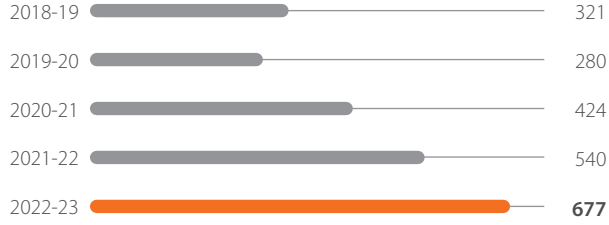




Profit Before Tax (₹ Million)

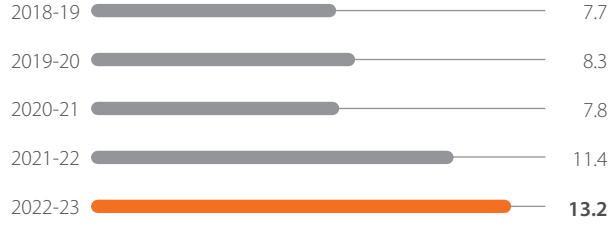


Profit After Tax (₹ Million)

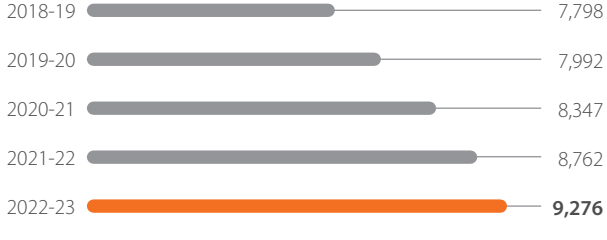


Capital Employed (₹ Million)

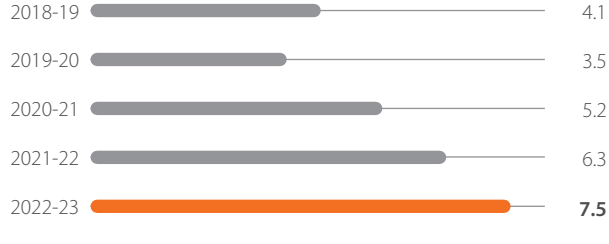
ROCE (%)



Net Worth (₹ Million)



ROE (%)



Note: All numbers are on a Consolidated basis

Hospital Business

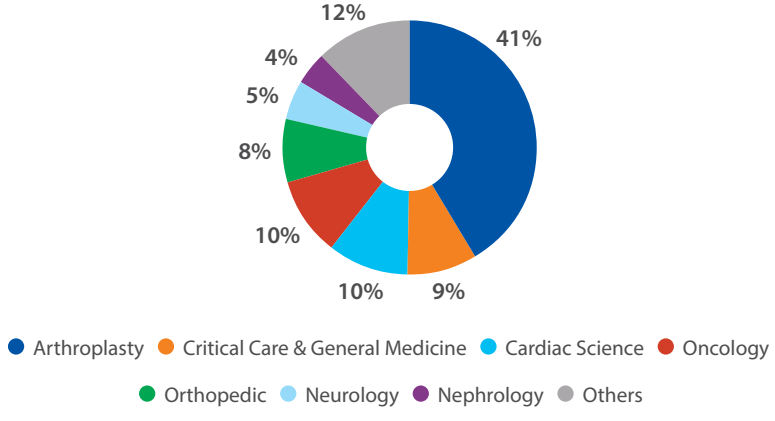
Performance Snapshot

We are the global leader in the arthroplasty segment. Additionally, we have a robust presence across tertiary and quaternary specialties including Cardiology, Neurology, Oncology and Cardiac Science among others for providing all-inclusive healthcare services under one roof.

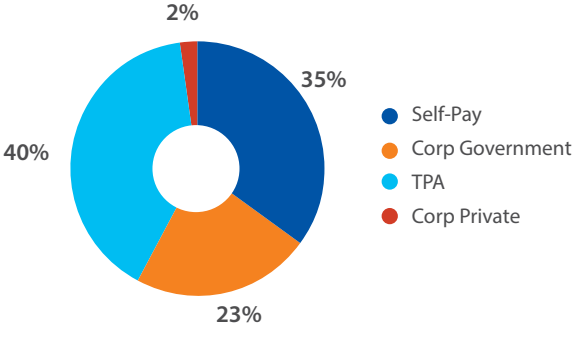
Our focus during the fiscal was on expanding our hospital capabilities in new towns and cities in terms of improving our occupancy level. We also focussed on surgeries to help us get a better revenue and profitable mix.

Our core specialties have contributed 88% to the revenues respectively in FY 2022-23.

Specialty Revenue Mix FY 2022-23

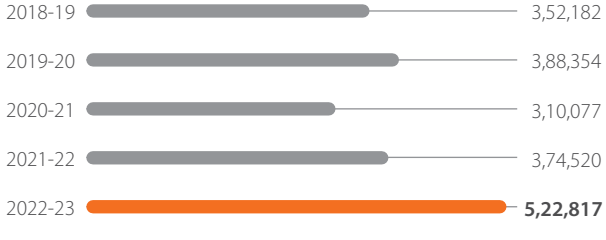


Payer Mix (Revenue) FY 2022-23

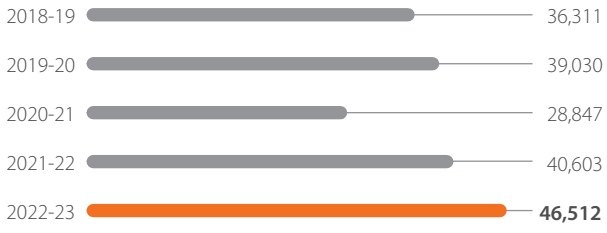


Operational Performance

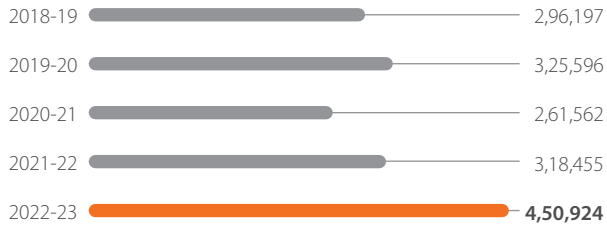
Patients Treated



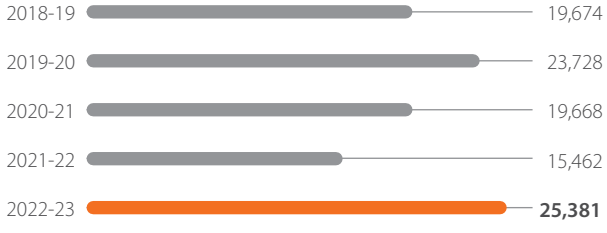
In-patient Count



Out-patient Count



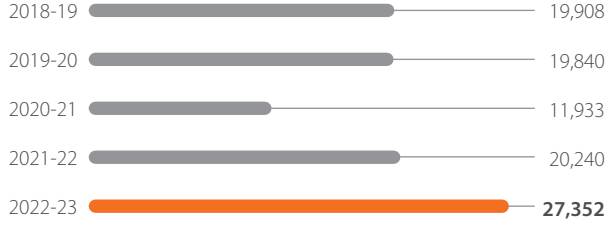
Day Care Patient Count



Occupied Beds (Nos.)

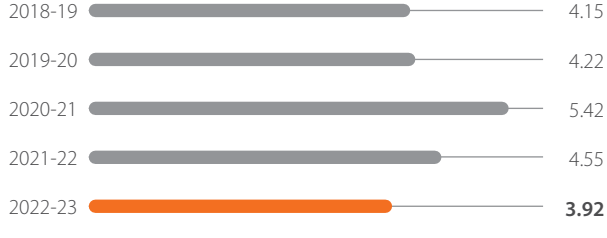
Occupancy Rate (%)

Surgeries (Nos.)



Average Revenue Per Operating Bed (ARPOB) (In ₹)

Average Length of Stay (Days)*



*without day care

Significant Growth Pathway

All our hospitals, at different maturity stages, continue to deliver steady performance helping us leverage operational excellence while increasing occupancy levels and driving growth.

Hospital Performance (Maturity-Wise)

Hospital (10+ Years)

366 Operational Beds	**₹2,801 mn** Revenue from operation
40% Revenue Contribution	**₹1,002 mn** EBITDA
36% EBITDA Margin	

Shalby SG, Krishna, Vapi

Hospital (5-10 Years)

844 Operational Beds	**₹4,136 mn** Revenue from operation
60% Revenue Contribution	**₹643 mn** EBITDA
16% EBITDA Margin	

Jaipur, Jabalpur, Surat, Indore, Naroda, Mohali

Note: Revenue and EBITDA above are at the unit level (standalone)

During FY 2022-23, our hospital business continued its consistent performance reporting hospital revenues worth ₹ 7,274 million and EBITDA of ₹ 1,615 million, indicating a Y-O-Y growth of 11% and 13% respectively.

There was a robust recovery across our hospitals in India across all key operational and financial parameters with surgery count and in-patient count (including day care) recording a Y-O-Y growth of 35% and 18% respectively during the current fiscal. These achievements are an outcome of our impactful marketing and business development initiatives across states to improve occupancy levels.

Our outpatient division has also experienced significant growth, which has boosted our patient outreach and helped us create a positive impact on our patients. We have served 4,50,924 outpatients at various places across the nation to continue serving more outpatients, increase patient traffic, and further improve our hospital business.

At each of our hospitals, we have engaged top consultants and full-time doctors who are highly skilled, experienced, and qualified to care for patients and deliver high-quality healthcare services. Additionally, we ran numerous medical camps to consult patients during the fiscal and helped them avail our top-notch services.

Through our quality healthcare service, we strive to strengthen our position as a core multi-specialty hospital serving thousands of patients across India.

18

Clinical trials closed across all hospital units during FY 2022-23

28

Clinical trials underway across all hospital units during FY 2022-23

The Way Ahead

- Global Leader in Joint Replacement with diversification across core specialty segments
- Accelerating occupancy levels at each of our hospitals through a robust process of closely monitoring unit level performances across KPIs and taking necessary actions to improve occupancy across our units with each passing quarter
- Prudent Capital Allocation via a sustainable capex business model and leveraging operational efficiency to double ROCE in next 2-3 years
- Undertaking completion of ongoing hospital projects (Nashik and Mumbai) to cater to significant demography across local markets
- Innovative and need specific training programs to have a motivated and dedicated medical workforce
- Enhancing 24/7 Homecare Services through cutting-edge digital systems and expanding market reach
- Adoption and leveraging technology for better medical outcomes, patient reach, and efficiency
- Leveraging digital and marketing initiatives to improve occupancy levels and brand visibility
- Growing implant business both domestically and internationally

Unlocking Capabilities

Clinical Excellence Across Specialties

We strive for clinical excellence across specialties by offering holistic expert healthcare solutions under one roof, helping our patients lead healthier lives.

Throughout the year, our healthcare experts from various specialties undertook various initiatives and delivered outstanding health services in accordance with global standards, aided by cutting-edge medical infrastructure, assisting us in strengthening our operations and Shalby brand outreach.

Key FY 2022-23 Clinical Initiatives

- **Shalby Jaipur successfully performed the first case of TAVI (Trans catheter Aortic Valve Implantation)**
- **A novel device called 'Micra AV leadless pacemaker' was successfully implanted in a patient who had infection from a previously implanted ordinary pacemaker. Micra is the world's smallest wireless pacemaker**
- **For the first time, a complex Rotatripsy (combination of Rota Ablation and Intra vascular Lithotripsy) patient in a highly calcified right coronary lesion was successfully performed on a 73-year-old male patient**
- **Shalby Jabalpur successfully conducted a high risk hernia surgery that was earlier refused by other hospitals**
- **Six times failed hip replacement surgery of a Ghana patient was successfully performed at Shalby Krishna**
- **A 165 kg heavy woman patient from Sudan successfully undergoes knee replacement on both legs**
- **Shalby Jaipur saves the life of an extremely pre-term baby (27 weeks) with 55 days long treatment in NICU**
- **Septic shock patient with multi organ failure treated successfully at Shalby Hospital Jabalpur**
- **Angiography performed in a novel way via radial artery at anatomical snuff box**
- **A first-of-its-kind Post MI Septal rupture with double vessel CAD device closure of VSD was successfully done along with double vessel stenting on a patient**

Infrastructure Excellence

Holistic Care with Cutting-Edge Infrastructure

At Shalby, we regularly undertake strategic investments in modern medical equipment and infrastructure across all our units for pursuing medical excellence, operational efficiency and making quality treatment easily accessible.

3D Neuro / Spine Navigation

Enables clear visualization and surgical navigation of Spine & Neuro segment

Cath Lab

For Angiography & Angioplasty

CT Machine

Detecting abnormalities like tumours, abscesses, abnormal blood vessels, etc., in the body that are suspected by symptoms or other tests

Linear Accelerator

A Linear accelerator can be used to treat Cancer through Radiation Therapy across any area of the body

MRI Machine

Radiology Equipment is specifically used to look at soft tissues and the nervous system

IVUS System

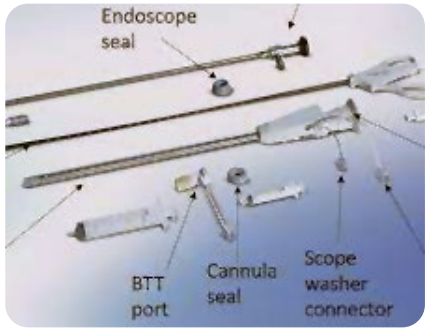
IVUS is an imaging technique using a transducer or probe for generating sound waves and producing pictures related to insides of blood vessels

ECMO Machine

Similar to the heartlung by-pass machine, it is used in open-heart surgery. It allows the heart and lungs to rest by pumping and oxygenating a patient's blood outside the body.

Breast Biopsy System

Helps diagnose a lump or mass in the breast. It checks problems seen on a mammogram like small calcium deposits in breast tissue or a fluid-filled mass (cyst).



EVH System

Endoscopic Vessel Harvesting system works at improving vessel harvesting for coronary artery bypass graft (CABG) surgery

CRRT System

While undergoing the blood purification therapy - CRRT, a patient's blood passes through a special Filter, wherein fluid and uremic toxins are removed and clean blood is returned to the body.

Expanding Hospital Portfolio

We have a commanding presence in the western, central, and north-western parts of India. To further strengthen our brand presence in these regions, we have initiated projects for expanding our hospitals to enrich more patients through our excellent patient care facilities.

Our two ongoing hospital projects in Maharashtra are in Nashik and Mumbai. We will be managing the two hospitals which have been set up on a revenue sharing model basis. For the Mumbai hospital, we have invested in both infrastructure and equipment while we have invested only in medical equipment for the Nashik hospital.

Mumbai

We have diversified our presence by entering the lucrative Mumbai market. Our hospital project is underway in the heart of Mumbai city at the Santacruz location. We have formed a wholly-owned subsidiary 'Shalby Hospitals Mumbai Private Limited' to manage the Mumbai hospital. Equipped with state-of-the-art equipment and technology and leveraging our quality multi-specialty services, the hospital will be able to cater to a highly health-conscious demography.

MUMBAI HOSPITAL (SANTACRUZ)

Project Type
Greenfield Expansion

Operational Year
2025-26

Business Model
Revenue Sharing

Estimated Cost
₹ 1,600 million

Bed Capacity
175

Development Update
Approval awaited from Brihanmumbai Municipal Corporation (BMC)

Operating and Management Period
30 + 30 years

Nashik

We have initiated a Brownfield expansion project in Nashik to cater to the highly evolving needs of the patients in and around the region. The infrastructure for the project will be built by our partner – Samruddhi. On completion, it will be handed over to us and we will be managing the hospital.

NASHIK HOSPITAL

Project Type
Brownfield Expansion

Operational Year
2023-24

Business Model
Revenue Sharing

Estimated Cost
₹ 310 million

Bed Capacity
146

Development Update
Shell structure is ready. MEP and interior work underway

Operations and Management Period
30 years

Department Synopsis

DEPARTMENT OF ORTHOPEDICS

Our experts provide the best and latest treatment for various musculoskeletal disorders, especially knee and hip ailments towards improving our patient's quality of life.

Overview

Sedentary lifestyles have led to rising cases of musculoskeletal disorders, especially in the urban belt of the country. Congenital issues, injuries, accidents, degenerative wear and tear due to ageing, genetics, and infection could also result in musculoskeletal disorders. Asians are 15% more prone to orthopedic problems than Americans due to their genetic make-up.

Total Knee Replacement (TKR) surgical procedure involves resurfacing a damaged knee due to arthritis. Total Hip Replacement (THR) surgery removes the damaged bone and cartilage and replaces it with prosthetic components or implants. Due to technological advancements, there has been no significant rise in the cost-to-patient resulting in more affordable TKR and THR procedures. Additionally, the rise in the purchasing power of the middle-class section in India has made the treatment affordable to a large section of society.

SHALBY's Approach

Shalby Hospitals is one of the largest and globally recognised tertiary centre for Orthopedics. Our services include all types of joint replacement surgeries, trauma, revisions, scopy, deformity, spine & paediatric and onco-orthopedics. We are the leading joint replacement centre with world-class facilities and a dedicated, skilled and experienced team of doctors to provide excellent patient-centric care. Our staff of sports medicine specialists is one of the best at treating all different kinds of complex conditions. Our team of orthopedic surgeons, specially trained sports medicine physiotherapists, and dieticians use a comprehensive approach to assist faster patient recovery.

Minimally Invasive Spine Surgery (MISS) is performed by our top notch spine surgeons. This cutting-edge method guarantees precise restoration of spine movements and aids in quick recovery. Our hospitals, recognised as among the top spine surgery facilities in India, treat patients across domestic and international borders.

Technology Applied
How We Thrive

- 60% of all treated cases are complex cases that includes revision Scoliosis & other complex revision surgeries
- Growing annually at a rate of 43% in terms of the no. of joint replacements and 73% revenue earned
- Being recognised as one of the best orthopedic centres in India has led to many doctors from other facilities visiting us for observership

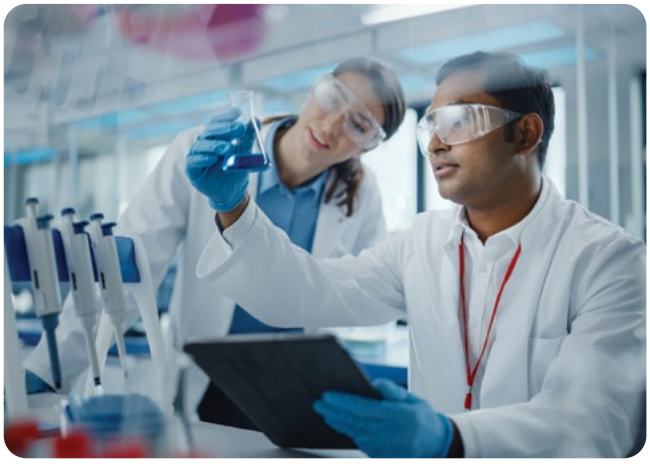
Key FY 2022-23 Numbers

13,187

Total TKR and THR surgeries

SHALBY CANCER & RESEARCH INSTITUTE (ONCOSCIENCES)

Globally-renowned oncologists, onco surgeons and radiation oncologists offer advanced research-based care to cancer patients using ultra-modern equipment.



Services

- Oncology
- Onco Surgery
- Radiation Therapy
- Immunotherapy
- Targeted Drug Therapy

Technology Applied

- Ultra-modern Radiation Therapy Units
- Varian Trilogy Linear Accelerator with FFF Technology & Brachytherapy Unit

Overview

According to the report of the Indian Council of Medical Research-National Cancer Registry Programme (ICMR-NCRP), the number of cancer cases in the country is expected to increase from 14.6 lakh in 2022 to 15.7 lakh in 2025. Given the gravity of the problem, there is an urgent need for multidisciplinary treatment to offer effective and empathetic care for cancer patients.

SHALBY's Approach

Shalby Hospitals is the one-stop destination to avail of world-class diagnosis and treatment for cancer. At Shalby, it is our constant endeavour to alleviate the pain of cancer patients at our state-of-the-art Cancer and Research Institute equipped with the latest facilities and catering to both domestic and overseas patients. Our experts are experienced in evaluating and treating all types of cancer, from early-stage lesions to advanced-stage metastasis as well as the rarest and most challenging cases.

Key FY 2022-23 Numbers

13,160
No. of Patients Treated

1,474
No. of Onco Surgeries

DEPARTMENT OF CRITICAL CARE & GENERAL MEDICINE

Our advanced intensive and critical care unit handled by a team of dedicated and expert doctors offers the best non-surgical treatment for various diseases, including treating COVID-19 patients.

Overview

While general medicine is important to address routine healthcare issues, critical care is vital to address emergency situations such as heart attack, stroke, accidental injuries, burns etc.

SHALBY's Approach

At Shalby, we have always maintained a patient-centric through our multi-specialty hospitals with world-class infrastructure and renowned doctors. We endeavour to improve the survival rate of critically-ill patients and our staff is well-versed with the 'Golden Hour' in emergency situations. Assessment and stabilization begin in 60 seconds for critically-ill patients in our emergency departments.

Critical Care

Our hospitals are equipped with cutting-edge infrastructure and employ highly qualified and experienced doctors. Each of our staff is aware of the significance of 'Golden Hour' in emergency situations. Critically-ill patients are assessed and stabilised immediately in our emergency departments. Our critical care staff continues to tirelessly, like in the past COVID-19 waves in India to provide the best medical care and save patients' lives.

Dedicated Intensivists 24x7

We have a team of experienced intensivists providing 24/7 intensive care, assuring our patients immediate and best treatment.

Internal/General Medicine

We have a dedicated and patient-centric General Medicine/ Internal Medicine department dealing with non-surgical treatment procedures like prevention and diagnosis. Our expert general physicians help prevent, diagnose and treat acute and chronic diseases, including various adult illnesses.

Our highly trained and experienced intensivists ensure efficient handling of patients suffering from various diseases and ensure they get timely treatment. Our internal medicine experts treat various medical conditions, including diagnosing uncommon conditions leading to better patient care and improvement in health.

Technology Applied

- Latest Ventilators & Bipap Machines
- C Pap and ECMO
- X-ray/USU/CT/MRI/Doppler/ECHO
- 24x7 bedside and Central Haemodynamic monitoring
- Haemodialysis facility & CRRT machine in ICU
- IABP
- Cath lab in IC

6,718

No. of Patients treated in Critical Care

DEPARTMENT OF CARDIAC SCIENCES

At Shalby, we stand committed to offering top notch cardiac care at affordable prices through our team of highly skilled team and renowned doctors and adopting the latest innovative technologies matching global standards.

Overview

With the rising incidences of sudden cardiac arrest cases in India, there is a need for top-notch cardiac care facilities and expert heart surgeons equipped to treat any cardiac issue including a heart attack or a heart blockage. Cardiac care encompasses a comprehensive approach to diagnosing, treating, and managing heart conditions.

Shalby's Approach

Shalby Hospitals stands out as a prominent choice for people looking for a wide range of specialized cardiac services, including advanced diagnostics, interventional procedures, and surgical interventions. Our team of doctors includes full-time leading cardiologists, cardiothoracic surgeons, and cardiac anaesthetists. We use cutting-edge technology to offer services and treatments having latest innovations matching the global benchmark.

Cardiothoracic & Vascular Surgery Procedures

- Combined surgery with Onco Surgeons for Carotid body tumour, Retrosternal goitre
- Combined surgery with Arthroplasty team – Disarticulation of hip
- CABG surgeries, Valve replacement surgery
- Emergency & Planned Vascular repairs & reconstructions
- Permanent pacemaker
- Thoracic surgery

Cardiology Procedures

- Angiography
- Angioplasty
- IVUS
- Rotablation

Technology Applied

- Advanced Cardiac Cath Labs
- Dedicated Cardiac Operation Theatres
- Fractional Flow Rate (FFR) for better diagnosis
- External Counter Pulsation (ECP) for Refractory Cardiac Failure patients
- Cardiac Electrophysiology to manage Cardiac Rhythm abnormalities
- Non-Invasive Cardiology Program with Stress Test, 2D Echo, Tilt Table Testing, 128 - Slice Dual Source CT scan for CT Coronary Angiography and Nuclear Medicine Department

How We Thrive

- Practical application of ECMO therapy in a greater number of patients with acute cardiac and Pulmonology failure
- Heart failure clinic

Key FY 2022-23 Numbers

6,643

No. of Patients treated (Cardiology and CVTS)

870

No. of Cardiac Surgeries

DEPARTMENT OF RENAL SCIENCES – NEPHROLOGY, UROLOGY & KIDNEY TRANSPLANT

Our expert team of doctors continue to offer the best patient care aided by advanced technology to help our patients lead healthier lives.

Overview

Early detection of any kidney problems is a half-battle one. In case of delayed treatment, the symptoms might worsen and lead to Chronic Kidney Disorder (CKD). Alarmingly, every year over 1,00,000 patients are diagnosed with End Stage Kidney Disease (ESKD) in India. Healthcare institutions should be equipped with the latest technologies and expert doctors and nephrologists to provide the best treatment.

Shalby's Approach

At Shalby Hospital, we offer comprehensive care to our patients with world-class nephrology and urology prevention, diagnosis, and treatment services. We boast of a dedicated and highly-skilled team of kidney transplant specialists, nephrologists, urologists and other nursing staff for the best clinical outcomes. Also, we maintain state-of-the-art facilities for dialysis, CRRT & Urology surgeries including Kidney Transplant (Live & Cadaveric).

Facilities

- Dialysis Machine
- CRRT
- Holmium Laser
- Thulium Laser

Procedures & Surgeries

- Dialysis
- AV Fistula
- All types of minor and major Urology surgeries
- Kidney Transplant

Technology Applied

- Cutting-edge Radiation Therapy Units
- Varian Trilogy Linear Accelerator with FFF Technology & Brachytherapy Unit

Rare Cases Treated (FY 2022-23)

- Shalby Indore successfully performed a complex marginal kidney transplant on a 19-year-old girl patient who was earlier refused treatment by other hospitals. The donor was a 61-year-old brain-dead female patient having 3 vessal rather than one.

Key FY 2022-23 Numbers

17,014
No. of Patients treated (Nephrology & Urology)

44
No. of kidney transplants

2,070
No. of Surgeries

DEPARTMENT OF G. I. HEPATOBILIARY, BARIATRIC SURGERY, LIVER DISEASE & LIVER TRANSPLANT

Our comprehensive services and treatment facility helmed by expert doctors and sophisticated technology are meant to treat diseases of the pancreas, biliary tract, liver and spleen efficiently leading to better outcome and patient satisfaction.

Overview

Hippocrates famously said, 'All Disease Begins in the Gut'. A healthy gut plays an important role in guarding one's body against illnesses and keeping one's immune system strong. The disorders of the gastrointestinal or digestive system can lead to various diseases. Expert gastro care that diagnoses and treats abdominal conditions is the need of the time.

Shalby's Approach

Shalby Hospital's Department of Gastrointestinal Surgery and Minimal Access Surgery provides comprehensive care for conditions related to stomach, liver, pancreas, esophagus, colon, small intestine, spleen, gall bladder, appendix and anal canal. We have a dedicated GI surgery team led by an experienced gastrointestinal surgeon for providing multidisciplinary services under one roof. Along with well-equipped operation theatres, we follow standardized procedures recommended by National Health Guidelines.

Facilities

- State-of-the-art Operation Theatres
- Harmonic Scalpel
- CUSA

Rare Cases Treated (FY 2022-23)

3,556
No. of Patients treated

2,045
No. of Surgeries

DEPARTMENT OF NEUROSCIENCES

Our constant endeavour to treat diverse neurological disorders and complex tumours with innovative technology and advanced surgeries has increased patient footfalls and driven growth.

Overview

Neurology is a medical specialty that deals with the diagnosis and treatment of disorders of the nervous system, including the brain, spinal cord, and the nerves. As the nervous system controls and coordinates all bodily functions, excellent neurology care that can diagnose and treat simple as well as complex neurological disorders with advanced facilities and skilled doctors, is the need of the hour.

Shalby's Approach

At Shalby Hospitals, our neurologists and neurosurgeons are committed to providing patients with the best treatment for neurological disorders and diseases like brain tumours, spinal tumours and degenerative spine disease. We offer the latest treatment for disorders like seizures, epilepsy, and Parkinson's disease. Also, we are 24/7 stroke ready.

Procedures

- Micro-neurosurgical procedures for treating various chronic neurological cases
- Specialty clinics like Headache clinic, Stroke Clinic etc. planned in the coming year
- Dedicated Neuro ICU & Rehab Center

Technology Applied

- KARL ZEISS OPMI-vario model Microscope (One of the best operating microscopes in the world)
- Craniotome
- Valleylab diathermy machine
- Xenon overhead operating lights
- Maquet remote-operated O.T. Table
- Post-operative neurosurgery ICU backup
- World-class emergency room

Key FY 2022-23 Numbers

452
Number of neurosurgeries performed

2,727
No. of Patients treated

DEPARTMENT OF SPINE SURGERY

Our team of experts, comprising the best spine surgeons treat various kinds of spine diseases that ensures faster recovery and better quality of life.

Overview

With back pain and other spinal cord problems being one of the commonest issues due to a sedentary lifestyle and poor posture, there is a need for a dedicated spine clinic that treats spinal deformity, spinal trauma, and spinal infection. While simple problems of the spine can be effectively managed with non-invasive procedures, complex spine problems require surgical intervention.

Shalby's Approach

At Shalby Hospitals, our state-of-the-art spine center treats patients from all over the world for various spine disorders with conservative as well as surgical treatment. Our surgeries include digital navigation spine surgery, keyhole spinal surgery, kyphoplasty surgery, and disc replacement. Apart from being one of the best spine surgery hospitals in India, our team of experts comprise the best spine surgeons who perform Minimally Invasive Spine Surgeries (MISS) that aids fast recovery and ensures restoration of spine movements with pinpoint precision.

Technology Applied

- Minimally Invasive Spine Surgeries
- Digital Spine Navigation
- Endoscopic Surgeries

How We Thrive

- Treated a number of international patients
- 60% of all treated cases are complex cases wherein most cases related to revision Scoliosis & other complex revision surgeries
- Each year, we are growing at a rate of 20% in terms of number of patients treated and revenue generated
- Recognized as one of the best centers in the country, many Doctors from other centers come for observership

Key FY 2022-23 Numbers

1,452
No. of Patients treated

1,346
Number of Spine Surgeries

DEPARTMENT OF DENTAL COSMETIC & IMPLANTOLOGY

Our ability to treat different types of periodontal diseases using modern technology has led to happier smiles for an increasing number of patients.

Overview

Good dental health is linked to overall health. Maintaining good dental hygiene is also seen to lead to greater confidence. According to one of the studies, people with gum disease are likely to be more at risk of heart disease. Hence, regular dental check-ups and cleanings are vital to improving one's health and appearance.

Shalby's Approach

Shalby Hospitals provide a wide range of dental services. For over 29 years, we have focused on treatments related to dental cosmetics and dental implantology. Dr. Darshini Shah, Head of the Department of Dental Cosmetic and Implantology Centre, has performed over 10,000 dental implant procedures. We continually strive to provide effective and painless dental care to all our patients.

Dentistry Procedures

- Preventive Dentistry: Prophylaxis, placement of sealants, detection of caries
- Restorative Dentistry
- Periodontics: Gum Disease Treatment for Adults & Children
- Dental Implants
- Immediate & Partial Dentures
- Endodontic Dentistry: Root Canal Treatment
- Laser Dentistry
- Oral-Maxillofacial Surgery
- Paediatric Dentistry
- Cosmetic Dentistry Services
- Teeth Whitening
- Dental Crown & Bridges
- Orthodontic Treatment
- Sedation Dentistry

Key FY 2022-23 Numbers

5,562

No. of Patients treated

Superior Homecare Services

Under the umbrella of Shalby Homecare, we offer quality and affordable in-home healthcare services to our patients requiring special care.

Shalby Homecare

At Shalby, we remain committed to staying in tune with the changing needs of our patients.

Many patients owing to their old age and other challenges find it difficult to visit or stay at hospitals. They prefer healthcare services with special care that can be provided from the comforts of their home. The COVID-19 pandemic also saw an increase in the need for home-based healthcare services reflecting the need for good in-home healthcare facilities.

Our Shalby Homecare offers holistic homecare services to such vulnerable patients. We focus on improving the availability of healthcare services and providing economical services to our in-home patients compared to hospitals. We are also focusing on providing quality homecare services by adopting modern digital systems.

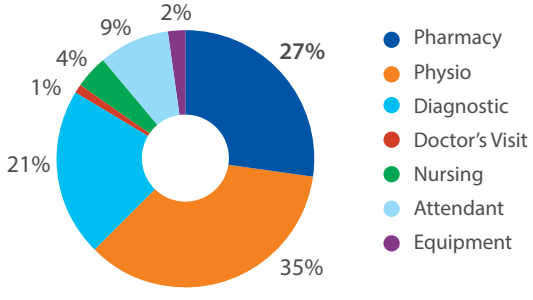
Initiatives undertaken during the year required

We have started ICU@home services in addition to our other service like Pharmacy, Medical equipment, Nursing care, Physiotherapy, Diagnostics, Patient attendant, Doctors visit and consultations across all our units.

Our Comprehensive Homecare Services

- ICU@Home
- Diagnostic
- Pharmacy
- Medical Equipment
- Doctor Visit
- Nursing Care
- Physiotherapy
- Patient Attendant

Homecare Revenue Mix



24/7 Homecare Services

5

Homecare service presence across states in FY 2022-23

1,02,000+

Homecare visits in FY 2022-23

27,000+

Patients Served in FY 2022-23

420+

Number of tele consultations in FY 2022-23

₹ 98.36 mn

Revenue earned in FY 2022-23

Creating a Healthy Ecosystem

We regularly run health awareness campaigns to achieve better health for one and all. Promoting health awareness helps people to better understand illnesses and disorders and better manage them through timely medical interventions. Apart from creating a healthier world, our health awareness camps help broaden our reach while enhancing brand visibility.

Key FY 2022-23 Numbers

935+
Number of healthcare camps held

5
Number of states where healthcare camps were held

60
Number of cities where healthcare camps were held

388+
Number of healthcare talks held

250+
Number of healthcare videos (~ 1,000 minutes)

28+
Long and short videos as part of YouTube partnership project

Patient Testimonials

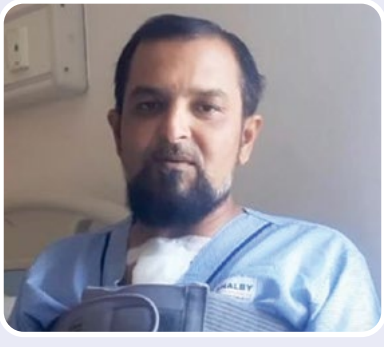
Happy patient from Kolkata - 10 years of pain in legs & fear of surgery ended with a Knee Replacement by Dr. Vikram Shah

I am Mira Jain from Kolkata. I want to share my profound gratitude for Dr. Vikram I Shah at Shalby Multi-Specialty Hospital.

For 10 years, I suffered from severe leg pain and tried countless treatments, fearing surgery. However, meeting Dr. Pranay at a Kolkata hospital changed everything. His motivation and trust in Dr. Vikram I Shah's Joint Replacement skills gave me the courage to proceed. Dr. Vikram's surgical skills transformed my life. The hospital staff, especially Mrs. Shah, provided immense mental support. I am incredibly fortunate to have encountered this remarkable team who guided me through my recovery. Dr. Shah is a beacon of hope, and I wholeheartedly recommend Joint Replacement through him to anyone seeking exceptional care. Thank you for giving me a new lease on life.

Mrs. Mira Jain
Kolkata

Bypass surgery for 4 blockages in the heart was smoothly performed by Dr. Mohammad Ali; patient from Indore says he didn't feel the pain



I am Mr. Shamim Ahmed Qureshi, and I underwent a successful bypass surgery at Shalby Hospital Indore under the expert care of Dr. Mohammad Ali and his team. With four heart blockages, surgery was a necessity. I was impressed by the smooth and professional experience provided by the hospital. Surprisingly, I felt no pain during the major surgery, only minor discomforts of injections before the surgery. The doctors and team were highly professional, visiting frequently and maintaining a positive approach that kept me at ease. I am grateful to Dr. Mohammad Ali and the ICU team for their exceptional care during my critical days. Shalby Hospital provides economic pricing, cleanliness, and a neat environment. I recommend choosing Shalby Hospital for outstanding treatment and care.

Mr. Shamim Ahmed Qureshi

Mapping Technology-Enabled Growth

As a modern healthcare organization, we continue to adopt and leverage the latest technologies and digital platforms to increase overall operational efficiency, expand outreach and better outcome.

Digitization of Patient Feedback System

Digitization has made it easier for patients to provide their feedback through online portals and mobile applications, increasing their accessibility and convenience apart from improved response rates and data accuracy. Digitizing patient feedback has resulted in more efficient analysis of collected data while allowing our healthcare providers to drive data-driven decisions. The proactive approach has transformed the way patient feedback is collected and utilized, paving the way for improved patient experiences, enhanced care delivery, and overall system efficiency.

Arthroplasty Clinical Data

Recognizing the importance of clinical data on arthroplasty, we have rolled out initiatives to capture comprehensive arthroplasty clinical data, encompassing pre-operative, post-operative, and operative findings. Such initiatives will help gather detailed patient information, including medical history, imaging data, and pre-operative assessments, enabling surgeons to make informed decisions and personalize treatment plans. Post-operative data collection facilitates the monitoring of patient recovery, identifying potential complications, and assessing the effectiveness of interventions. This robust data-driven approach promotes evidence-based practice and fosters innovation in arthroplasty towards improving surgical outcomes, enhancing patient safety, and driving advancements in the field of joint replacement.

Patient Engagement & Touchpoints

In tandem with today's digital age, we strive towards optimizing patient touchpoints to deliver exceptional care and experiences ensuring seamless patient interactions.

Implant Business Website Development

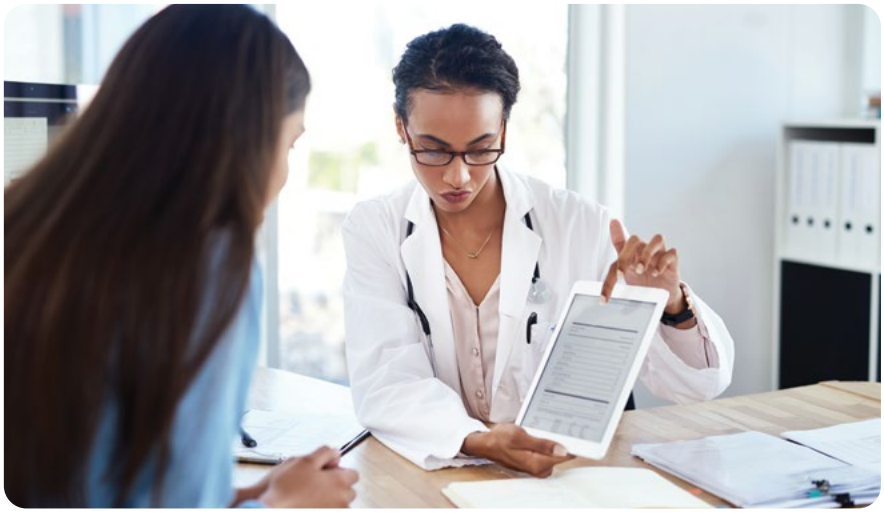
Our implant business website is now fully operationalized and well-equipped with all implant product portfolio, surgical documents, geographical footprints, distributors showcase and touchpoints. The website's go-live was a part of our digital marketing initiative that enabled us to explore unexplored territories and increase our business.

Hospital Business Micro Website

Our revamped hospital unit individual micro websites now feature intuitive navigation, clear presentation of services, online patient portals, appointment requests, and access to medical records. Enhancing the website functionality has empowered our patients with self-service options, medical educational resources, and seamless communication channels. These initiatives have resulted in elevated patient experiences, improved accessibility while fostering effective communication leading to enhancing the overall quality of care provided.

Strengthening of BCP & DR

At Shalby, we uphold the significance of our patient's data. Hence, we prioritized strengthening the Business Continuity Planning (BCP) and Disaster Recovery (DR) strategies and made them even more robust by including comprehensive risk assessments, backup systems, data protection, and contingency plans. This has helped us to safeguard patient care, maintain operational continuity, and swiftly recover from disruptions, benefiting the well-being of both patients and healthcare professionals.

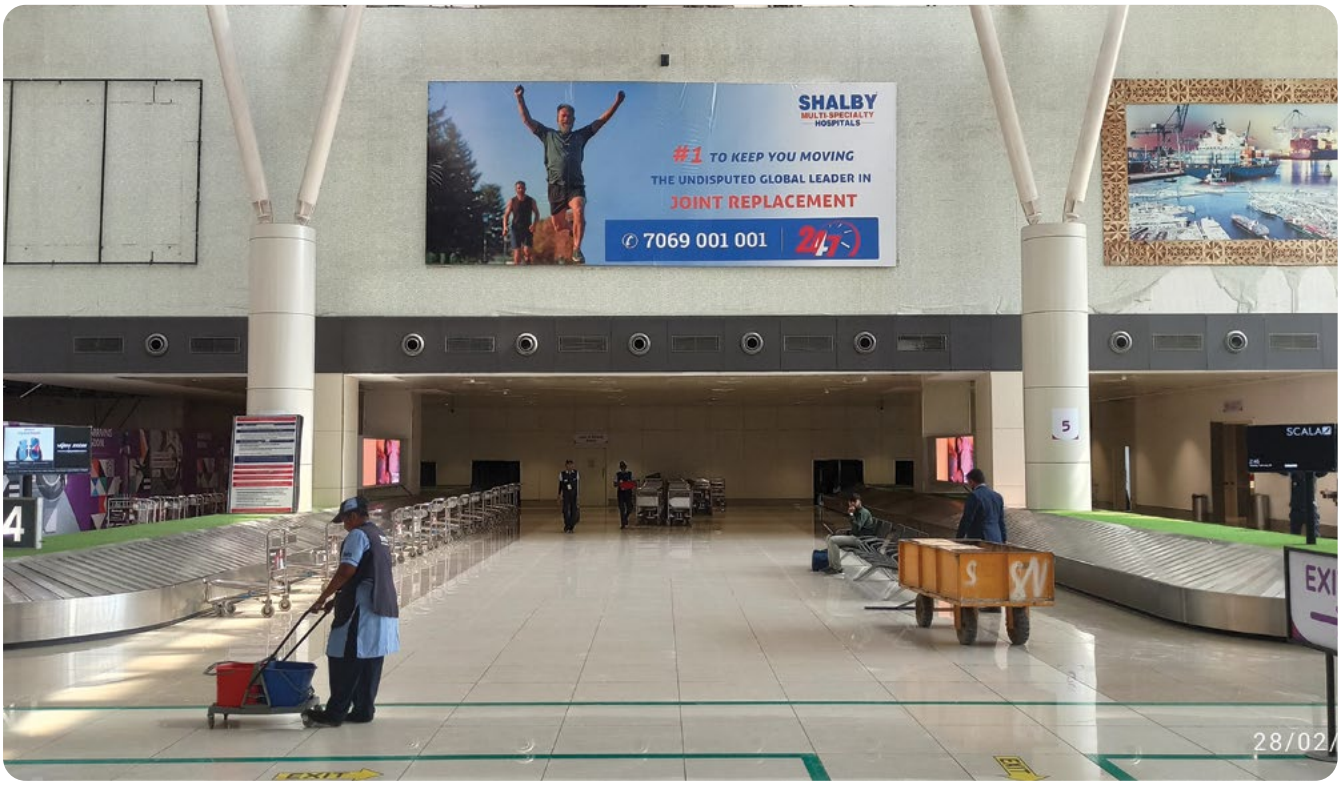


Strengthening Our Brand Connect

Our focused marketing initiatives during the year resulted in an increase in occupancy levels across our hospitals, helping strengthen our 'Shalby' brand.

We initiated a dynamic marketing plan with the strategic intent to elevate occupancy levels and our brand visibility using various digital media and marketing campaigns. These initiatives included use of advertising kiosks at the airport for the first time besides digital LED hoardings. Also, undertaken a maximum number of videos of Doctors' and patient testimonials to enhance our brand recognition. Adopting the digital medium has enabled us to increase visibility and leads for the hospital.

We have also conducted several medical camps in international markets that have helped us to strengthen our brands in those markets.



SOCE

Leveraging Our Expertise and Excellence

Our efforts to expand our Shalby footprint through the asset-light model strategy are in full gear and receiving encouraging responses from various stakeholders.

Along with being an established market leader in India for arthroplasty, our brand enjoys a stellar reputation across the whole orthopedics spectrum. We are continuing in our drive to leverage Shalby expertise and brand equity through the asset-light franchise model strategy to meet India's growing need for orthopedic procedures while also expanding our footprint pan India.

Shalby Orthopedics Centre of Excellence (SOCE)

We set up SOCE as a standalone orthopedics hospital as a franchise model to offer a comprehensive orthopedic center with easy access and quality treatment for all orthopedic-related issues, including joint replacement surgeries at affordable rates. Our asset-light franchise model will help leverage Shalby expertise across arthroplasty and orthopedics for faster market penetration without any additional investment in capital.
The strategy will enable our Orthopedic centers at each SOCE hospital to be equipped with advanced arthroscopic systems and world-class joint replacement facilities. The model while helping expand our business will also help strengthen our brand equity for other surgeries in the coming years.

SOCE Franchise Model

We undertake screening of key positions in the franchisee hospital for which interviews are conducted by our hospital panels. We train all franchise employees with respect to Shalby's standard operating procedures, organization culture and customer services to enable them to service in line with Shalby's standard code of conduct.

We continue to monitor and control the quality of services of the franchise through our two franchise models:

- Franchise Owned - Shalby Operated (FOSO)
- Franchise Owned - Shalby Managed (FOSM) business model

We changed the Franchise Owned Franchise Operated (FOFO) to the FOSM model during the year for better management control from our end.

SOCE - Asset-Light Franchise Models

FOSO Model

- Franchisee responsible for all capex to set up SOCE centre
- Managed and operated by Shalby
- Investments for operational expenses and new medical equipment borne by Shalby
- Franchisee to receive revenue share (%)

FOSM Model

- Franchisee responsible for all capex & opex to set up SOCE centre
- Management by Shalby
- Provide Shalby systems (HIS, procurement, manpower planning etc.)
- All hospital activities will be supervised and governed by Shalby SOP with respect to clinical, non-clinical, admin etc.
- Investments for operational expenses and new medical equipment borne by Franchisee
- Shalby to receive management fees as % age of revenue

Tapping Opportunities

The franchise models have garnered great responses and evinced deep interest from different stakeholders. Despite such encouraging prospects, we adhere to a standard protocol and stringent guidelines for selecting the right partner to maintain our strong brand equity and avoid any kind of dilution.

Our first franchise-owned franchise-operated (FOFO) hospital at Udaipur now FOSM model has performed in line with targets during the year. We continued to take advantage of expanding opportunities in our focused areas throughout the year to increase our local presence through franchising. We added 2 SOCE franchise units at Lucknow and Gwalior under FOSO and FOSM models respectively. These additions take up our SOCE count to 4 units under SOCE vertical at Ahmedabad, Udaipur, Lucknow and Gwalior.

Our constant goal is to take over all business operations for those with whom we have so far signed MOUs under our brand name.

Key FY 2022-23 Numbers

425

Total number of surgeries in SOCE units

130+

Total bed capacity across SOCE units

Upcoming Centre

Bed Capacity

30

Rajkot (MOU signed)

Model

FOSO

Rajkot (MOU signed)

Looking Ahead

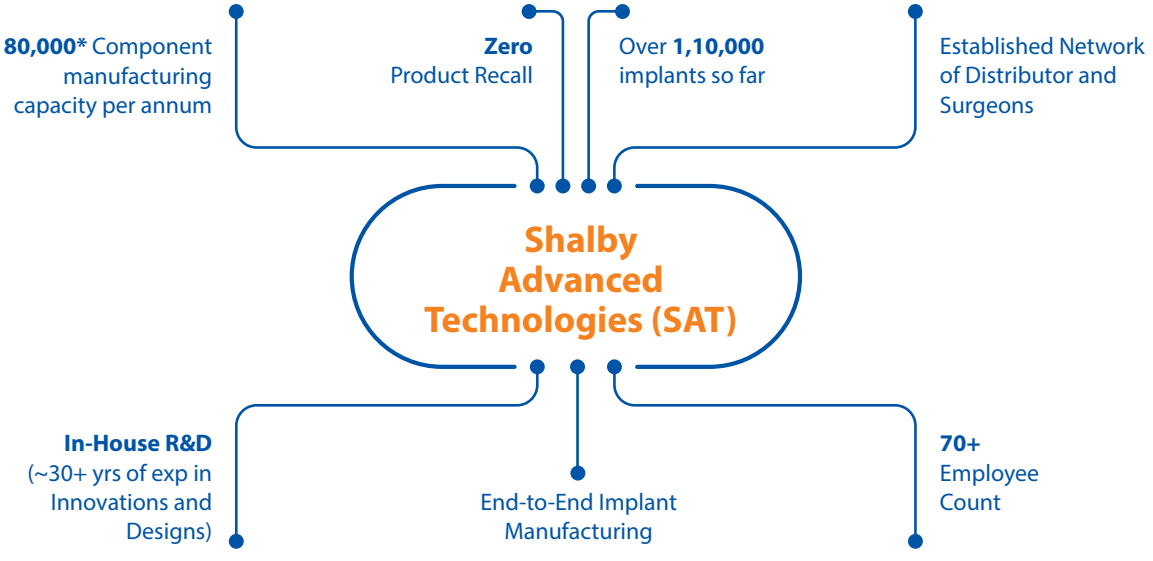
We stand committed to our focus to capitalize on our expertise and excellence in Orthopedics and have over 50 Shalby franchise hospitals across India in coming 3-4 years.

Implant Business

Driving Efficiencies Through Backward Integration

Our vertically integrated implant manufacturing business has made a steady pace during the year helping drive growth and customer outreach across our business verticals.

In accordance with our strategy to expand our Orthopedic business and become a global brand, we acquired assets, inventories, and patents of California-based Consensus Orthopedics through Shalby Advanced Technologies Inc., (SAT) – a step down subsidiary of Shalby Limited during May 2021.



* potential capacity

Advantages of SAT acquisition

- **A strategic milestone in Shalby's history complementing Shalby's core hospital and arthroplasty business**
- **Diversifying Shalby's core hospital services business into related and high-growth implant product offerings**
- **Achieve our strategic goal of backward Integration in Orthopedics by procuring superior quality implants at a competitive price for our own consumption in India**

Backward Integration Value Proposition

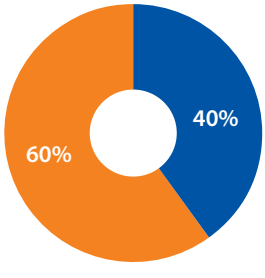
- 80,000 + Components Manufacturing Capacity
- Made in USA
- High Quality *US FDA Approved Implants
- Vertically integrated Inhouse Manufacturing Facility
- 30 Years of Zero Product Recalls
- Experienced Leadership team with decades of experience in Orthopedics
- New Products in Pipeline
- Surgeon's Training and Education Program
- Presence in USA, Japan, India and Indonesia

*US FDA refers to the United States Food and Drug Administration, a federal agency of the Department of Health and Human Services.

Implant Business Performance Snapshot

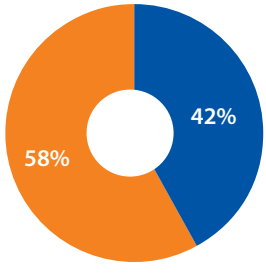
Total Revenue (₹ Million)	EBITDA (₹ Million)	Constructs Sold
939	11	9,700+

Geographical Sales Mix



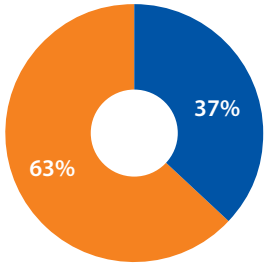
India USA

USA Customer Sales Mix



Wholesale Retail

Product Sales Mix



Hip Implants Knee Implants

Performance Review

We made steady progress in our knee and hip implant manufacturing business under SAT during FY 2022-23. Our revenue grew by nearly 3x to ₹ 939 million, sales in USA and India contributing 60% and 40% respectively. We achieved a better profitability mix from our US customer sales mix across retail and wholesale at 58% and 42% respectively. We managed to have a positive EBITDA during the fiscal year end backed by significant cost reduction measures across raw material and freight cost categories.

Our consistent efforts to improve implant production have resulted in an increase in manufacturing on an average ~4,500 components per month in FY 2022-23 vs an average of 2,000+ components per month manufactured during FY 2021-22.

Our plan to launch Shalby Consensus implants pan-India for other surgeons and hospital groups in line with our launch goals has got favourable responses from our inhouse and outside surgeons.

Good performance during the year emphasizes our efforts to build a robust team and culture with the right mindset through the implementation of key strategies.

Key Strategies

- Remain focused on building a strong team with the right attitude and the right leadership in place
- Launching new products
- Maintaining a healthy customer sales mix (wholesale and retail) while driving a profitable product mix (knee and hip implant)
- Increasing manufacturing capacity to over 60%
- Increasing operational capacities and efficiencies
- Liquidating low valued refurbished inventory

Certification

ISO 13485 audit for SAT

Standing testimony to the high-quality standards for which we hold ourselves accountable, we received the ISO 13485 audit for SAT in January 2023.

New Product - TUKS

We constantly endeavour to integrate implant design and innovative technology for launching innovative new products and surgical techniques in the market for improving the healthcare ecosystem. This led us to launch our innovative knee implant - Tahoe Unicompartmental Knee System or TUKS during the first quarter of this fiscal in the US. The flagship product expected blockbuster product for Shalby in the near and long term has received good acceptance across several segments. During the first quarter of 2023 post receiving import license, we imported our Shalby consensus implants into India for which we received a favourable initial response on the product usage.

1,300 TUKS sold during FY 2022-23

Improving Operational Efficiency

We continued to maintain a strong focus on improving our production capacity and overall operational efficiencies.

Our core leadership team re-engineered the manufacturing process for optimal asset utilization, improved shop floor productivity and adopted sound procurement strategies to reduce cost of goods. They worked out better implementation design for ensuring a robust end-to-end supply chain network aimed at acquiring new customers, surgeons, hospitals, and channel partners by launching new products and conducting regular field meetings in the US.

To further support the acceleration and manufacture of implant components in our plant to 5,000 pieces a month, we continued hiring and training shop floor personnel in our El Dorado factory in California. During FY 2022-23, our total employee strength has increased to 75+ from 50+ during FY 2021-22.

Expanding Our Footprint

SAT strives to become a global player in a phased manner to create sustainable value for all our stakeholders. During February 2023, we received the license approval to sell our implants in Indonesia.

As part of the Phase 1 initiative, we are in the process of receiving registration approvals to launch our SAT products in Latin American countries like Argentina, and Columbia. We are also actively searching for Phase 3 expansion and will aim for distribution partners in Malaysia, Korea, Bangladesh and Nepal.

Phase 2 expansion will look at expanding our presence across Middle East Countries and Europe while Phase three expansion aim for East Africa and CIS countries.

Implant Business Roadmap

Existing Markets	North America	Japan	India	Indonesia*
Phase 1	Latin America • Argentina • Columbia	South-East and North Asian Countries • Malaysia • Korea	South Asian Countries • Bangladesh • Nepal	
Phase 2	Middle East Countries • UAE • Saudi Arabia • Oman			
Phase 3	East Africa • Kenya • Ethiopia • Tanzania	**CIS Countries		

Currently, we are in Phase 1 * Received License in February 2023 ** Commonwealth of Independent States

An Integrated Orthopedic Implant Ecosystem

Collaborative Business Model

Shalby is a Leader in Joint Replacement with 15% Market Share

Performed over 1,50,000 joint replacement surgeries since inception

Shalby Orthopedics Centre of Excellence and Franchise Model

SOCE hospitals to provide world-class orthopedic care services to patients

The orthopedic centers to be equipped with the high end arthroscopic systems

Establish state-of-the-art joint replacements facility

Shalby to continue monitoring and controlling the quality of services of franchise through FOSO and FOSM models

Implant Business

Shalby Consensus implants to satisfy inhouse demand for implants

Asset-light franchise model will also boost Consensus implant demand

Shalby-trained doctors practicing on Shalby manufactured implants will continue using Shalby Consensus implants leading to higher implant sales

Shalby Academy

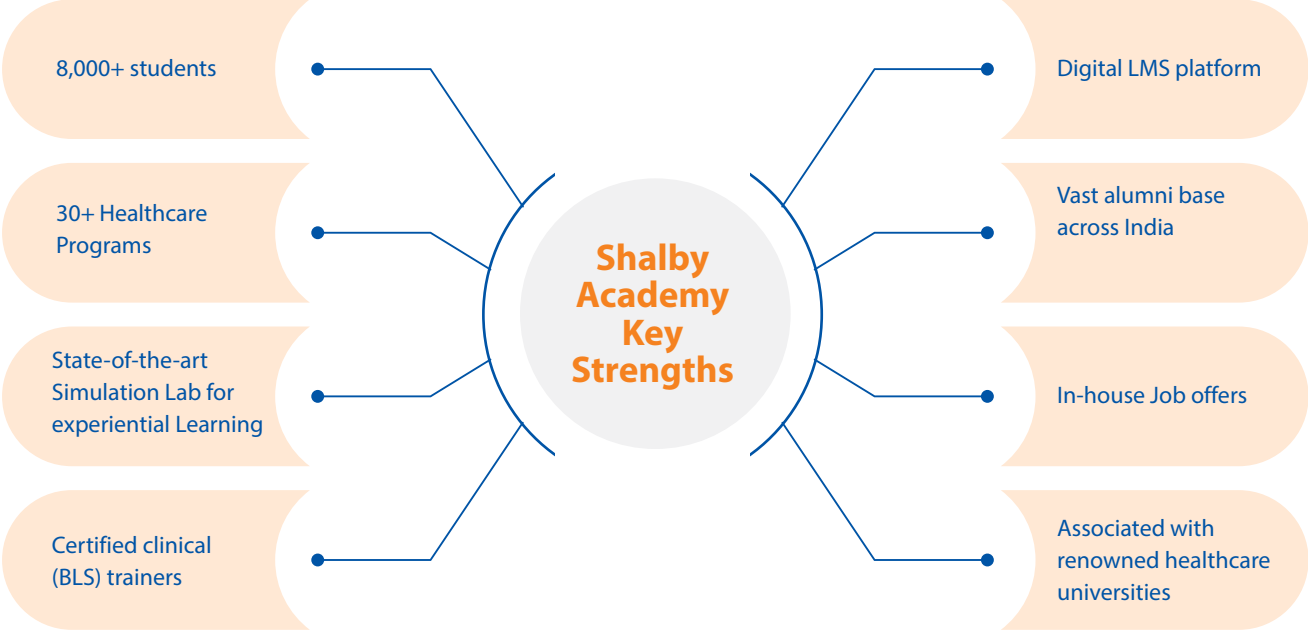
Building a Synergistic Workforce

Our education arm 'Shalby Academy' strives to provide job-specific training for imparting quality healthcare education and training while helping bridge India's healthcare skill gap.

At Shalby Academy, our training courses help nurture a highly qualified and skilled workforce to support and drive our hospital and SOCE business verticals to scale new heights through quality patient-centric care.

We have undertaken strategic tie-ups that integrate the expertise of Shalby Hospitals' panel and the academic footing of established educational institutions for scouting new talent to help train and build a talented workforce environment.

Throughout the year, we conduct various paramedical, technical and management training programs and courses that are job-specific to help healthcare professionals gain competency to provide the best patient while thriving in a highly competitive world.



An Integrated Orthopedic Implant Ecosystem

- Up-skilling Courses for Nurses
- Management programs in Healthcare and Hospital Management
- Fellowship programs for Doctors
- Courses in Allied Health Science
- Life Saver trainings and programs
- Internship and observership programs

Collaborations in FY 2022-23

General Nursing Leadership Academy (GNLA)

We partnered with GNLA to provide online learning hub for medical professionals to help upgrade their healthcare knowledge. The partnership will enable students to gain through:

- International Curriculum standards
- Learn multiple global nursing protocols
- Interactive Sessions
- Mutual Development & Training
- Faculty Development Programs
- Opportunity for an internship at Shalby

HealthstaffED

We have signed MOU with **HealthstaffED,** an Australian-based online learning service provider that offers Nursing CPDs (Continuous Professional Development), Up-Skilling & Re-Skilling courses in Nursing & allied Health Science.

Shalby Academy Highlights – FY 2022-23

240+
Students registered for Paramedical Courses at different locations during the academic year 2022-23

500
Physiotherapists received internship training

600+
Clinical training was provided to 600+ nursing students

50
Clinical hands-on training was provided to 50 Nutrition and Dietetic students across various govt home science colleges

262
Over 262 students trained across disciplines like allied Health Science, Lab Technician, Clinical, Paramedics, Hospital Management and Pharmacy

90
Students were enrolled in One year of Diploma program on various paramedical courses in affiliation with the National Council of Paramedical (NCPD), Delhi.

22
Students enrolled for 6 months of Certification Program in Infection Control and Critical Care in affiliation with Ganpat University, Gujarat

21
Students enrolled for e-course in Advance Certificate in Hospital Management in affiliation with IIPH University, Gandhinagar

240+
Alumni Meet at Ahmedabad, Indore, Jaipur, and Jabalpur

Key FY 2022-23 Numbers

13
MOUs signed in FY 2022-23

2,062
Number of students enrolled across courses in FY 2022-23

₹29 Million
Fees collected across courses in FY 2022-23

Shalby Academy Student Testimonials

My overall experience through IIPGH was excellent. I was more focused on new topics covered. Various topics were covered in the e-course which are very practical and useful for my day-to-day hospital work in the Internal Audit department of Shalby Hospital. The topics have broadly helped me in my professional career.

The lectures provided through different faculties were very much interactive and knowledge-sharing. We were provided recorded videos, reference material, discussion forum, assignment and examination details as per the given timetable. The entire course is easily approachable for working professionals.

Nayantika Chaudhri
Assistant Manager
Internal Audit Department,
Shalby Hospital
Appeared for E-course in Advanced Hospital Management
4th Batch

The E-course in advanced hospital management is the best course to learn about hospital management. The interaction session was conducted on a regular basis. There were very good experts who efficiently conducted all aspects of hospital management. The reading materials provided to us were very good. The online portal is also people-friendly. The practical's provided at Shalby Hospital were also very good. I am thankful to all the supporting staff who guided me very well across almost all departments.

Dr. Sanjay Parmar
Marketing Head (Gujarat)
East West Assist TPA
Appeared for E-course in Advanced Hospital Management
4th batch

Overall course experience was excellent as I got to know various departments of a hospital. The course has been designed in such a way that we get to know everything about hospitality management. Even the hospital staff was very helpful during our practical training. Starting from the hospital round to the discharge process, we came to know everything. Each and every staff treated us like a family and asked us if we had any queries or not while working out to resolve them

Mr. Chetan Parmar
Sr. Manager in one of the leading TPAs.
Appeared for E-course in Advanced Hospital Management
4th batch

I have done my 3 months physiotherapy internship at Vapi Unit and 3 months at Surat Unit. We gained so much knowledge during the internship. We got to interact with TKR, THR and Spine patients. We are very thankful to Shalby Hospital for giving the best training.

Patel Kruti Ganshyambhai
Physiotherapy Intern
6 Months

I have done my 6 months physiotherapy internship at Shalby Hospitals. It was a very good experience. Physiotherapy doctors taught us many things during our internship. The hospital staff was also very helpful. We suggest others also do their internship at Shalby Hospital.

Patel Dhara Subhashbhai
Physiotherapy Intern
6 Months

Fostering a Committed Workforce for a Healthier Ecosystem

Our employees are integral to our success and commitment to building a healthy ecosystem. We continue to nurture and retain talent by providing them with ample opportunities for a motivated and engaged workforce.

From recruitment strategies to employee development, performance management, and employee well-being initiatives, our robust HR practices provide a comprehensive framework for optimizing HR processes and driving Shalby's success in the healthcare sector.

Diversity at Workplace

At Shalby, we celebrate diversity and foster an inclusive work environment where everyone feels valued, respected, and empowered to contribute their unique perspectives. We promote diversity and inclusion through policies, practices, and training programs that ensure equal opportunities for all employees, regardless of their gender, race, ethnicity, age, or background. By cultivating a diverse and inclusive workforce, we create a vibrant and harmonious workplace to help employees thrive and reach their full potential.

Learning and Development Programs

To keep our employees motivated and valued, we encourage them to regularly upgrade their skills and tap opportunities through our carefully curated continuous learning and development programs. We provide access to professional development programs, sponsor certifications and specialized training, and encourage employees to pursue continuous learning through online resources and industry conferences. By investing in their development, we equip our employees with the tools needed to adapt to changing industry trends, excel in their roles, and drive organizational success.

Some key initiatives undertaken during the year are:

Nurse Preceptorship Program

Recognizing the crucial role of nurses in providing high-quality patient care, we have implemented a nurse preceptorship program. The trained preceptors serve as role models, sharing their knowledge, expertise, and best practices with their peers. The program facilitates knowledge transfer and skills development while fostering a culture of continuous learning and collaboration among our nursing staff for delivering exceptional healthcare services to our patients.

Mentoring and Coaching Programs

We have implemented mentoring and coaching programs towards developing employee growth and development. The programs pair experienced employees with mentees seeking guidance and support and facilitate knowledge transfer, skill development, and career guidance, allowing employees to benefit from the wisdom and expertise of their mentors.

65

Nurses trained

Employee Growth and Career Development

At Shalby, we host various employee recognition programs like quarterly rewards and ongoing employee recognition programs to create a culture of appreciation, boost employee morale, and reinforce positive behaviours and achievements. These programs include peer-to-peer recognition, manager recognition, and spot recognition initiatives.

Leadership Development Programs

As part of our commitment to developing strong leaders, we offer comprehensive leadership development programs that include workshops, coaching, and experiential learning. These programs aim to identify and nurture high-potential individuals, equipping them with the necessary skills, knowledge, and mindset to take on leadership roles within the organization for driving organizational success and inspire their teams.

Good to Great (G2G) Townhall Meeting - Transparent Communication Channels:
Open and transparent communication is a cornerstone of our HR practices for having an engaged workforce aligned with the organization's goals and decisions. We maintain clear communication channels, including regular team meetings, town hall sessions, and digital platforms, to ensure that employees have access to relevant information, updates, and opportunities for feedback.

Key Employee Facts FY 2022-23

Clinical Workforce

48%
Male

52%
Female

Non-Clinical Workforce

73%
Male

27%
Female

38,800+
Clinical Training Hours

24,200+
Non-Clinical Training Hours

63,000+
Total Training Hours

ESG

Envisioning Healthier Tomorrow

We remain committed to embracing sustainability to foster new business through the best Environmental, Social and Governance (ESG) practices intrinsic for driving sustainable and profitable growth. Towards this, we adopt new solutions and technology to create long-term value to all our stakeholders and our communities.

Environmental

We have adopted sustainable measures across our entire value chain to reduce our carbon footprint and optimise our resources. We work to enhance our operational efficiencies and adopt strategic asset management for creating a positive impact on our people, operations, products, and services for creating a more sustainable environment.

Social

As a responsible entity, we believe ourselves accountable to the communities in which we operate.

We undertook various social initiatives during the year to help communities thrive to create a positive social impact.

Governance

Our corporate governance policy strives to maintain the highest standards of integrity, ethics and professionalism while protecting the interests of all our stakeholders.

The framework has been drafted to suit our business needs and emphasises on regular disclosures for maintaining efficient control systems.

Our transparent corporate governance framework comprises the Board of Directors at the helm under whom are committees of the Board and respective teams. Our diverse Board members come from different backgrounds with varied skillsets and experiences effectively contributing to sound decision-making, operational efficiency, and sustainability.

Allocating Duties and Responsibilities

Our various committees comply with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant statutes. Our Board Committees are:

- Audit Committee
- Risk Management Committee
- Stakeholder Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Management Committee

Behaviour and Business Ethics

All rules and regulations relevant to our operations are always followed. Our officers are well aware of performing their tasks with utmost honesty, integrity, and professional ethics.

Fraud and Risk Control Policy

We have an appropriate Risk Management Policy in place for risk assessment, risk management and risk monitoring. The Board frequently evaluates this policy. Our risk management framework is designed to assist us to identify, evaluate, manage, and monitor our business risks while also helping tap new opportunities while managing risk.

Shareholder Rights and Relations Policy

The Stakeholders' Relationship Committee looks after the affairs of shareholders and their interests. It undertakes expeditious redressal of shareholders' grievances that involve the share transfer and share transmission, issuing duplicate certificates and the like.

Fair and Equitable Remuneration

Our remuneration policy emphasizes fair and equitable compensation to recruit, motivate, and retain key company personnel including the directors, senior management, and key talent. The remuneration payable formulates an optimal balance between fixed and incentive performance-related pay for aligning remuneration with long-term sustainability goals and stakeholder value creation.

Our Esteemed Board

Dr. Vikram Shah
Chairman and Managing Director

Dr. Vikram Shah, serving as Director of the Department of Knee Replacement at Shalby Hospitals since 1993 has nearly three decades of vast professional healthcare experience across the UK, USA and India. In recognition of his outstanding contribution in the field of orthopedics for completion of 1,00,000 joint replacement surgeries, he was conferred with the 'Times Man of the Year' Award by Times of India Group in 2018.

Mr. Sushobhan Dasgupta
Non-Executive Director

Mr. Sushobhan Dasgupta, a strategist with 30+ years of healthcare experience has worked across various developed and emerging markets across different businesses and disciplines that include medical technology, orthopedics and consumer health segments. He manages Shalby's implant business both on domestic and international shores and leads the strategic initiatives. Previously, he served as the Vice President - Orthopedics, DePuy Synthes at Johnson & Johnson Medical Asia Pacific and was a member of the Johnson & Johnson Global Orthopedic management team.

Dr. Ashok Bhatia
Independent Director

Dr. Ashok Bhatia, a senior pharma professional has over 40 of professional experience in India and Emerging Markets. In the past, he was President, Emerging Markets with Cadila Healthcare. Currently, he works as an external consultant of McKinsey & Co and is a visiting faculty member at IIM Ahmedabad, IIM Rohtak and IIT Gandhinagar.

Mr. Vijay Kedia
Independent Director

Mr. Vijay Kedia, a prominent and veteran investor, has joined Shalby Limited as a Non-Executive Director in FY 2022-23 and w.e.f. May 18, 2023, he became an Independent Director. He is the Managing Director of Kedia Securities Pvt. Ltd. He is an expert in the capital market, assessing business viability, strategies to lead the business and others. He has been holding Directorships in various companies like Atul Limited, Greenline Tea & Exports Ltd. and Three PL Services Private Limited etc. In 2016, he was conferred with a Doctorate degree for Excellence in The Field of Management. He was also awarded "SARVOTTAM SAMMAN" 2020 at Raj Bhavan by the Maharashtra Governor Shri Bhagat Singh Koshyari. He was also honoured with Shri Babasaheb Ambedkar Award and Shri Abdul Kalam Award. He is a very popular name in the investment community and has inspired many youth investors through the large viewership on his YouTube channel. He has been a keynote speaker in various Top Management colleges in India and internationally like IIM Amritsar and London Business School.

Mr. Shyamal Joshi
Independent Director

Associated with Shalby Hospitals since 2010, Mr. Joshi holds a bachelor's degree in commerce from Gujarat University and is a member of the ICAI. He has huge working experience that spans corporate strategy, fund raising, acquisition, merger, taxation and accounting among others. Currently, he holds directorship of various other Companies.

Mr. Tej Malhotra
Independent Director

Mr. Malhotra comes with over four decades of experience across various industries in India and internationally. Earlier, he was associated with GHCL as Senior Executive Director, Idea Soda Ash and Calcium Chloride Company of Saudi Arabia as Technical Director and as Executive Engineer (Mechanical) at Hindustan Copper. He has been awarded the 'Bhartiya Udyog Ratan' award by the Indian Economic Development and Research Association, the 'Bhartiya Gaurav' award by the World Economic Progress Society and 'Darbari Seth Award 2009' by the Alkali Manufacturers of India for best managed soda-ash plant.

Dr. Umesh Menon
Independent Director

Dr. Menon has deep expertise in finance and cost accounting. He also holds MBA with specialization in Finance, and a fellow member of Institute of Cost Accountants of India. He has been conferred with the Doctorate (PhD) in Management. Currently, he also serves on the board of directors of various other companies. He is also an international expert and trainer for the United Nations Industrial Development Organization.

Mrs. Sujana Shah
Independent Director

Mrs. Sujana Shah, a practicing Chartered Accountant has vast experience of nearly two decades across the domain of finance, accounts, audit, direct and indirect taxes, banking and treasury. Currently, she serves as a partner of V. R. Shah & Associates, Chartered Accountants. She has also audited many reputed public banks in India as Statutory and Internal Auditor.

Management Discussion & Analysis

Economic Review

Global Economy Scenario

After experiencing high market volatility from multiple headwinds in 2022, the global economy is showing signs of resilience in 2023. However, economic growth remains low in 2023, as persistent inflationary pressures, tighter monetary conditions and the prolonged war between Russia and Ukraine weigh on economic activity. Inflationary pressures are eroding real incomes, triggering a global cost-of-living crisis and substantially weakening investment growth. Further, the banking crisis in March 2023 and a debt-ceiling crisis in the United States have raised concerns over macroeconomic stability across the markets and an impending global recession. However, the rebounding of China's economy, improved supply-chain functioning and the recent decline in energy and food prices indicate the improvement in economic activity and sentiment in 2023. Further, with the central banks' efforts to tame inflation by substantial tightening in monetary policy, global inflation is projected to decrease from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024.

Despite the economic uncertainties and underlying inflationary pressures, the outlook for the global economy is slightly less gloomy than earlier anticipated. The International Monetary Fund (IMF) has projected global GDP growth to decline from 3.4% in 2022 to 2.8% in 2023 and rise to 3.0% in 2024. The growth of Advanced Economies (AEs) is projected to decline sharply from 2.7% in 2022 to 1.3% in 2023 before rising to 1.4% in 2024. Economic prospects for Emerging and Developing Economies (EMDEs) are on average stronger than for Advanced Economies. EMDEs grew at 4.0% in 2022 and are expected to grow at 3.9% in 2023 and 4.2% in 2024. Asia- Pacific will be the most dynamic of the world's major regions in 2023, predominantly driven by the buoyant outlook for China and India, which will be the major contributors to global economic growth in 2023.

(Source: IMF Report- World Economic Outlook April 2023)

Indian Economy Scenario

India continues to be among the fastest growing economies in the world. Despite the global slowdown, the Indian economy is exhibiting robust resilience and overall economic activity remains strong. India's real GDP growth is estimated at 7.2% in FY 2022-23 as against 9.1% in FY 2021-22. It reflects relatively robust domestic consumption and lesser dependence on global demand. Further, despite the weakening external demand, the merchandise exports have registered the highest-ever annual exports of USD 447.46 billion with 6.03% growth during FY 2022-23 surpassing the record exports of USD 422 billion in FY 2021-22.

Domestic economic growth is gaining strength and further traction in 2023. As per the IMF, India's GDP per capita at current prices is USD 2,600 in 2023, leading to a surge in household consumption. However, higher inflation remains a challenge and headline inflation increased to 6.7% in FY 2022-23 from 5.5% in FY 2021-22. Following the gradual normalisation of global supply chains, softening of global commodity prices, and successive hikes in the policy repo rate by 250 basis points in FY 2022-23 by the Reserve Bank of India (RBI), the consumer price index (CPI) inflation subsided to 4.25% (provisional) in May 2023 against 4.70% recorded in April 2023.

India has a long runway for growth and according to the IMF, the Indian economy is expected to grow steadily at 5.9% in FY 2023-24 before rising to 6.3% in FY 2024-25. Factors such as a conducive domestic policy environment, various dynamic reforms undertaken by the government such as higher capital expenditure, production-linked incentives (PLI) scheme and 'Atmanirbhar Bharat', thrust on domestic manufacturing and infrastructure development, strong domestic demand, export growth, technology-enabled development and energy transition among others will stimulate growth in FY 2023-24.

(Source: Ministry of Statistics & Programme Implementation; Ministry of Commerce & Industry; IMF Data Mapper; RBI Annual Report 2022-23; IMF Report- World Economic Outlook April 2023)

Industry Overview

Indian Healthcare Industry

According to Care Edge, the Indian healthcare industry is estimated to be valued at USD 110 billion in FY 2022-23 (excluding Indian pharma exports), with hospitals accounting for the largest share, i.e., about 60% to 70%, contributing approximately USD 70 billion. This is followed by domestic pharmaceuticals contributing about 18% to 20% i.e., USD 22 billion and the remaining 20% to 22% is shared by diagnostics, medical equipment and insurance. The healthcare sector has exhibited a strong compounded annual growth rate (CAGR) of 14% to 15% during FY 2016- FY 2022.

The Healthcare industry is growing at a brisk pace owing to growing demand augmented by affordability, policy support by the government with initiatives like e-health, tax benefits and incentives, aggressive greenfield and brownfield expansion by hospital chains and increasing expenditure by public as well private players among other factors. Rising demand for affordable healthcare delivery systems due to the increasing healthcare costs, growing lifestyle diseases, technological advancements, the emergence of telemedicine and rapid health insurance penetration are also propelling the healthcare market in India.

The healthcare sector is witnessing an increase in access to patients and citizens via the launch of digital health, Ayushman Bharat Digital Mission (ABDM) and mental health programs (National Tele Mental Health Programme) providing opportunities to human resources, hospitals, and investors in the sector. ABDM will improve equitable access to quality healthcare by encouraging the use of technologies such as telemedicine and enabling national portability of health services. The Indian Healthtech industry is estimated to value USD 5 billion in 2023. Further, there has been a telemedicine boom in the country which has made high-level health facilities accessible to people in remote and tribal areas. Telemedicine has also shifted how healthcare is administered in India by enhancing care accessibility.

India's healthcare sector is witnessing rapid adoption of the latest technologies and innovations such as artificial intelligence (AI), robotics, big data analytics and machine learning (ML) for process optimisation, increased productivity, better patient outcomes, reduction in healthcare costs and access to data. In addition, the sector has adopted robotics for process automation.

(Source: Care Ratings Report: Indian Healthcare Industry to Surpass USD 130 billion by FY24; Invest India: Healthcare)

Medical Device Industry

The medical devices market has witnessed notable growth over the past decade as a result of the implementation of new technologies and design modifications. The global medical devices market was valued at USD 465.55 billion in 2022. North America dominated the global medical devices market with 41.8% of the market share in 2022. The Asia-Pacific (APAC) medical device market was worth USD 105.93 billion in 2022 and is estimated to grow at a CAGR of 6.8% to reach USD 147.19 billion by 2027. Hospital supplies will continue to be the major device segment. The key factors contributing to the growth of the medical devices market in the APAC region are an increase in the number of healthcare institutions, a rise in the geriatric population, healthcare awareness, increasing per capita income, and increasing investment in healthcare infrastructure in the region. The medical device industry is constantly evolving due to technological advancements and increasing investment in Research & Development (R&D) activities. The industry is striving towards creating more personalised and value-based healthcare. Further, the increasing adoption of 3D printing is expected to accelerate the pace of production for medical devices such as surgical equipment, dental restorations, and orthopedic implants. The global orthopedic devices market was valued at USD 34.7 billion in 2022 and is estimated to expand at a CAGR of 6.50% to reach USD 53.8 billion by 2030. Increasing joint replacement, pain management and high prevalence of joint pain, degenerative bone disease and damaged joints among the aging population are the key driving forces for the growing demand for joint reconstruction devices.

The medical device market in India is expected to reach INR 4,358.64 billion by 2027, expanding at a CAGR of ~41.93% during FY 2023- FY2027. There is a huge gap in the current demand and supply of medical devices in India. India has an overall 70-80% import dependency on medical devices and there is significant growth opportunity in domestic manufacturing of medical devices. The government is focused to strengthen the medical devices industry through PLI schemes, 100% FDI, R&D and incentives for selected critical care categories such as cancer care/radiotherapy, cardio-respiratory, renal care, and all implants.

(Source: Market Data Forecast; Market Research Future; Corpbiz Report: Medical Device Industry of India 2023)

Hospital Industry Growth

The hospital industry in India, accounting for 80% of the total healthcare market, is expected to reach USD 132 billion by 2023 from USD 61.8 billion in 2017, growing at a CAGR of 16-17%. Hospitals are expected to remain the major beneficiaries of the rising healthcare spending in the country as they account for about 75% of the healthcare spending. The healthcare sector has exhibited strong growth momentum in the past few years, which is expected to continue as the industry undertakes aggressive capacity expansion post Covid-19, supported by sustained average revenue per bed and improving case mix. The hospital industry is witnessing a huge investor demand from both global as well as domestic investors.

Rating agency ICRA expects the aggregate occupancy for its hospital industry sample set to remain healthy at 62-64% in FY 2023-24, backed by strong demand for quality healthcare due to rising affordability and burgeoning lifestyle diseases and improving medical insurance penetration, continued healthy demand for elective surgeries, revival in medical tourism volumes and continued market share gains for organised players. The bed capacity of leading hospital chains is also expected to increase by 30% by FY 2025. With hospital chains foraying into retail pharmacies, diagnostics, clinics and specialty clinic chains, the sector is witnessing integration and realisation across.

Further, ICRA estimates revenue growth to be ~15-17% on YoY basis in FY 2022-23, aided by strong occupancy and higher average revenue per occupied bed (ARPOB). However, growth is expected to be slightly moderate to ~4-6% in FY 2023- 24 due to the high base and moderate growth in ARPOB. Despite high input costs due to inflation, improving operating leverage, supported by the increasing scale of operations and continued cost optimisation measures, is expected to support a healthy operating profit margin (OPM) of ~20-22% in FY 2023- 24.

(Source: Invest India: Healthcare; Live Mint; Express healthcare; Care Ratings Report: Indian Healthcare Industry to Surpass USD 130 billion by FY24)

SWOT Analysis for the Hospital Sector

Strengths

- Increasing number of corporate hospitals, offering world-class medical technology, equipment, and facilities at a lesser cost.
- Steady increase in the number of hospitals, diagnostic facilities, doctors and other medical professionals.
- The Indian healthcare industry is cost-competitive compared to countries in South-East Asia and the West.
- Good reputation of Indian health services owing to a strong presence in advanced healthcare, such as cardiology, organ transplants, replacement surgeries, etc., and a high success rate in surgery.
- Low cost of medical services and the availability of multilingual health staff at comparatively lower costs will attract foreign investment.
- India emerged as a hub for R&D activities due to its relatively low cost of clinical research.
- Increasing population, middle class, growing health awareness, rising income and willingness of consumers to pay for quality healthcare and visit institutional providers increase the scope for investment in the healthcare sector.

Weakness

- A skewed distribution of healthcare infrastructure, devices and equipment
- Concentration of healthcare infrastructure in urban areas
- Poor maintenance of infrastructure and facilities
- ~1.2% of GDP spends directed toward the healthcare sector *(Source: Ministry of Finance)*
- Paucity of experienced specialised doctors and nursing personnel
- Shortfall in bed capacity in hospitals
- Inadequate financial resources

Opportunities

- Policy support, government initiatives and tax benefits
- Rising medical tourism
- Adoption of the latest technologies and innovations
- Public-private partnerships in the sector
- Push to manufacture medical devices and equipment, set up laboratories and diagnostics, facilities for medical education, etc. in the country

Threats

- Requirement of huge capital
- Cost expectation and service imbalance
- Emergence and re-emergence of communicable diseases
- Low health insurance penetration

Government initiatives

Government schemes and financial inclusion initiatives have driven insurance adoption and penetration across all segments. The government has undertaken several initiatives to promote the healthcare sector in India.

- Ayushman Bharat (Pradhan Mantri Jan Arogya Yojana) (AB PM-JAY), a government-funded healthcare programme, aims at providing a health cover of ₹ 5 lakh per family per year for secondary and tertiary care hospitalisation.
- 1,56,000 Ayushman Bharat centres are operational in India, which aim at providing primary health care services to communities closer to their homes.
- Other government Insurance schemes are Pradhan Mantri Suraksha Bima Yojana and Pradhan Mantri Jeevan Jyoti Bima Yojana.
- Ayushman Bharat Digital Mission (ABDM) to connect the digital health solutions of hospitals across the country. Under this initiative, every citizen will now get a digital health ID and their health record will be digitally protected.
- The government has allowed 100% FDI under the automatic route for greenfield projects. For investments in brownfield projects, up to 100% FDI is permitted under the government route.
- To promote medical tourism in the country, the government is extending the e-medical visa facility to the citizens of 165 countries.
- The 'Heal in India' initiative aims to promote India's medical facilities and infrastructure globally and boost medical tourism. It has a digital portal with plans to standardise processes and treatment packages for foreign patients to help them navigate their medical journey in a simplified way.

(Source: Economic Survey 2022-23; Invest India: Healthcare; Ministry of Home Affairs)

Impact of the Union Budget 2023-24

Under the Union Budget 2023-24, the Ministry of Health and Family Welfare has been allocated ₹ 89,155 crore, an increase of 3.43% compared to ₹ 86,200 crore in FY 2021-22. The following announcements were made in the Budget in accordance with the government's ongoing efforts to strengthen the entire health system.

- Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana.
- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated ₹ 3,365 crore.
- Human Resources for Health and Medical Education was allotted ₹ 6,500 crore.
- National Health Mission was allotted ₹ 29,085 crore.
- Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted ₹ 7,200 crore.
- Allocation of ₹ 5,156 crore to the newly announced PM-ABHIM to strengthen India's health infrastructure and improve the country's primary, secondary and tertiary care services.
- Allocation of ₹ 341 crore to Ayushman Bharat Digital Mission (ABDM), 70% increase compared to ₹ 200 crore the previous year.
- National Tele Mental Health Programme was allocated ₹ 134 crore.

(Source: Ministry of Finance; IBEF: Healthcare Industry in India; Express healthcare)

Tax Incentives

- All healthcare education and training services are exempted from service tax.
- The tax holiday under section 80-IB for private healthcare providers operating 50-bedded (or more) hospitals in nonmetropolitan areas has been increased.
- The benefit of section 80-IB has also been extended to new hospitals with 100 beds or more set up in rural areas. Such hospitals are entitled to 100% deduction on profits for 5 years.
- 250% deduction for approved expenditure incurred on operating technology enables healthcare services such as telemedicine, remote radiology and artificial hearts to be exempt from the normal customs duty of 5%.
- There is an income tax exemption for 15 years for domestically manufactured medical technology products.

(Source: NITI Aayog Report: Investment Opportunities in India's healthcare Sector)

Initiatives in Tele-medicine

The market size for telemedicine in India is projected to increase to USD 5.5 billion by 2025 growing at a CAGR of 31% during 2020-25. Telemedicine is transforming the healthcare sector as patients with no geographic boundaries can engage with healthcare professionals and avail of healthcare consultations. There has been an increased focus on telemedicine services. The Telemedicine Practice Guidelines (TPG) were released jointly by MoHFW and NITI Aayog in March 2020, which aim to regularise the practice of telemedicine in the country. The Guidelines, coupled with the government's tele-consultation services, have leveraged information communication technologies to enable the diagnosis, treatment and management of diseases. "eSanjeevani" is a digital health initiative of the Ministry of Health and Family Welfare and supports two types of teleconsultation services-Doctor-to-Doctor (eSanjeevani) and Patient-to-Doctor (eSanjeevani OPD) tele-consultations. eSanjeevani is an important component of the Ayushman Bharat Health and Wellness Centre (AB-HWCs) programme. It aims to implement tele-consultation in all the Health and Wellness Centres in a 'Hub and Spoke' model. The National Telemedicine Service of India has already served over 114 million patients at over 115,000 Health & Wellness Centres through 15,700+ hubs and over 1100 online OPDs serviced by more than 225,000 doctors, medical specialists, super-specialists and health workers as telemedicine practitioners as on 30 April 2023.

As Telemedicine technology advances, artificial intelligence (AI) and machine learning are anticipated to help the delivery of efficient healthcare. Further, 5G penetration in the country will revolutionise telemedicine as it will enable faster data transmission and higher bandwidths, reduced lag during video chats and faster file transfers, allowing doctors to access and share medical data quickly and securely. It will enable doctors to monitor remote patients and deliver better and faster care, saving time and money while providing better patient outcomes.

(Source: NITI Aayog Report: Investment Opportunities in India's healthcare Sector; eSanjeevani- Ministry of Health and Family Welfare)

Public Private Participation (PPP)

The public-private partnership (PPP) model is a catalyst for the growth of the healthcare industry in India. The PPP model has numerous benefits as it increases efficiencies through optimum resource utilisation and widens the reach of healthcare services. It can provide funds and resources for the speedy implementation

of the strategies and create best-in-class healthcare infrastructure and facilities in the country that benefit the masses.

The private sector dominated the healthcare market in India, accounting for 40.66% of total revenue.

Private healthcare infrastructure – hospitals and diagnostics have grown multi-fold in the last decade.

Private hospitals are essential to the provision of healthcare services in India. Around 70% of people living in rural areas and about 80% of people living in cities largely rely on private hospitals as their primary source of healthcare. The private sector offers superior facilities, higher quality of service and skilled doctors and support staff through shared resources, thereby further increasing efficiencies. Additionally, the corporate structure and management expertise of the private sector in building and running operations add to the seamless experience. With the sizeable private sector investment and the government's support, India's medical value travel (MVT) industry will gain a strong foothold in the international market.

(Source: Businesswire)

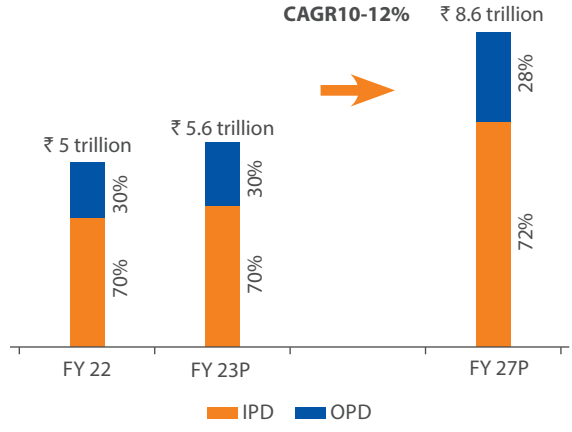
The country's healthcare requirements have seen a significant transformation as a result of the recent rapid growth of the Indian economy, growing population, favourable demographics and socioeconomic diversity. Given the cost of healthcare and the stark disparity between urban and rural areas, collaboration between the public and private sectors is necessary for long-lasting reform. The pandemic has shown the collaborations of both the public and private sectors in diagnostics, technology and treatment for saving lives. Moreover, public-private partnerships can help address the issues of affordability and accessibility of healthcare services in rural regions of India.

Healthcare Delivery in India

According to CRISIL MI&A Research, the Indian healthcare delivery industry is expected to grow at a healthy CAGR of 10-12% between 2022 and 2027 to reach ₹ 8.6 trillion in 2027. The growth will be driven by long-term structural factors, renewed impetus from Pradhan Mantri Jan Arogya Yojana (PMJAY), the potential of the Ayushman Bharat scheme, the government's increasing focus on the healthcare sector and increasing affordability.

Within the overall healthcare delivery market, the in-patient department (IPD) is expected to account for nearly 70% (in value terms), while the balance is to be catered by the out-patient department (OPD). Though in terms of volumes, OPD volumes outweigh IPD volumes, with the latter contributing the bulk of the revenues to healthcare facilities.

Healthcare delivery market growth in India

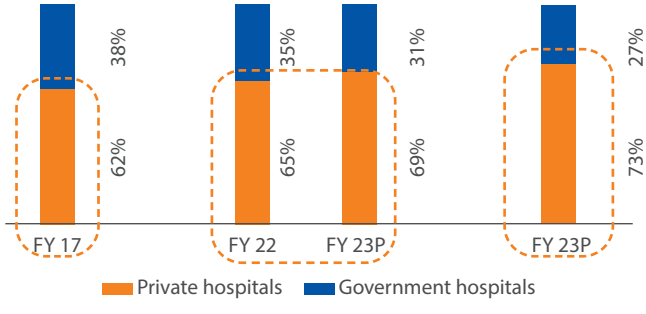


IPD: in-patient department; OPD: out-patient department

(Source: CRISIL MI&A Research)

Healthcare services are provided by the government and private players in India. They provide both IPD and OPD services. However, the provision of healthcare services in India is skewed towards the private players mainly due to the lack of healthcare spending by the government and high burden on the existing state health infrastructure. The share of treatments (in value terms) by the private players is expected to increase from 60% in 2018 to nearly 70% in 2027 owing to the expansion plans of private players and increasing reliance on private facilities till government infrastructure is properly put in place.

Share of treatments in value terms



(Source: CRISIL MI&A Research)

Low health-insurance penetration is one of the major challenges for the growth of the healthcare delivery industry in India, as affordability of quality healthcare facilities by the lower-income groups remains an issue. While low penetration is a key concern, it also presents a huge opportunity for the growth of the healthcare delivery industry. With the PMJAY scheme and other growth

drivers, health insurance coverage is expected to increase to 47-50% by FY 2027. With the increase in health insurance coverage in coming years, hospitalisation rates are likely to rise. In addition, health check-ups, which form a mandatory part of health insurance coverage, are also expected to increase, boosting demand for a robust healthcare delivery platform. The rise in demand for health infrastructure, modern technologies, multi-disciplinary healthcare and investments by private equity players have been some of the key driving factors for consolidation in the industry.

(Source: CRISIL MI&A Report: An assessment of the healthcare delivery market in India with a focus on West India, April 2023)

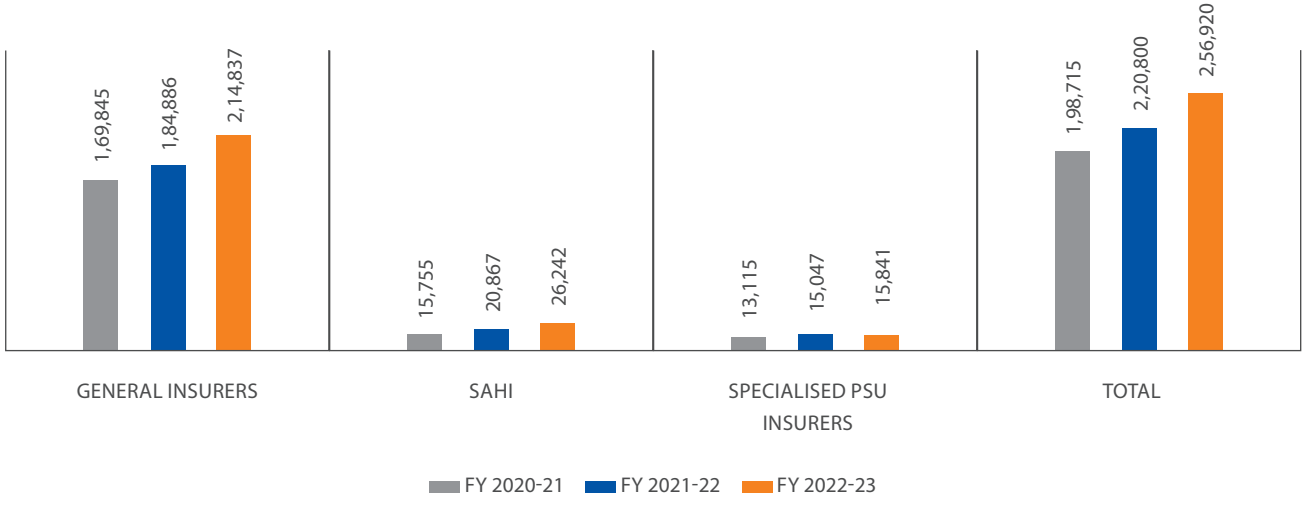
Health Insurance Industry

The pandemic has emphasized the importance of healthcare in the Indian economy. Health insurance would play a critical role in the effort to strengthen the healthcare ecosystem. The growth of the health insurance industry in recent years can be attributed to various factors such as a conducive regulatory environment, increased participation of the private sector, improvement in distribution capabilities, rapid digitalisation, and significant government initiatives. Insurance products get a fillip after the pandemic and rising medical inflation. The pandemic increased the insurance penetration rate and triggered awareness of insurance and demand for protection products, especially health insurance.

Health insurance premiums have been the primary growth lever of the non-life insurance industry. This has resulted in the segment increasing its market share from 29.5% for FY 2020-21 to 35.3% for FY 2022-23. The health segment has grown by 23.2% in FY 2022-23 compared to 25.4% in FY 2021-22.

The total premium for health insurance in FY 2022-23 was ₹ 90,667.7 crore compared to ₹ 73,598.1 crore in the previous year. Standalone Private Health Insurers (SAHI) continued to move on their growth curve as total premiums increased to ₹ 26,242.3 crore in FY 2022-23 compared to ₹ 20,867.2 crore last year.

Premium (within India) Underwritten by General and Health Insurance (in ₹ Crore)



(Source: IRDAI)

The Insurance Regulatory and Development Authority India (IRDAI)'s mission of "Insurance for all by 2047" has unveiled a slew of measures to increase insurance penetration in the country. Among the various initiatives towards boosting insurance penetration, IRDAI has also permitted insurers to conduct video-based know-your-customer (KYC) documentation, launch standardised insurance products, and allow insurers to offer rewards for low-risk behaviour. The growth of the health insurance market is also supported by government initiatives and schemes such as Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Jan Arogya Yojana) (AB PMJAY) etc., which aims at providing a health cover of 5 lakh per family per year for secondary and tertiary care hospitalisation. Since inception, 197 million beneficiaries have been provided Ayushman cards, and over 43 million hospital admissions worth over ₹ 0.49 lakh crore have been authorised through a network of 28,667 empanelled healthcare providers, including 13,115 private hospitals as of January 20, 2023. These schemes have driven insurance adoption and penetration across the health segment and have increased the share of health insurance since 2020 to pandemic-induced awareness. The outbreak of the pandemic has heightened awareness of life's unpredictability

and uncertainties and people's lack of preparations in the occurrence of a medical emergency.

The health insurance industry is expected to maintain its growth trajectory on the back of the popularity of health insurance products/schemes, rise in disposable income levels, gradual introduction of new products, supportive regulatory landscape and insurance requirements of a growing population. The health insurance segment is on track to surpass ₹ 1 lakh crore mark in FY 2023-24. Further, the rapid economic expansion, supported by digital infrastructure and innovation and demographic factors such as a growing middle class, young insurable population and growing awareness of the need for protection and retirement planning will contribute to the growth of the health insurance industry. The Internet of Things (IoT) and telematics are expected to change the sector in the coming years permitting insurance companies to use the data from internet-connected devices to increase operational efficiency. Technology-enabled customisation and transparency are expected to increase the demand for health insurance in Tier-II and Tier-III cities of India.

(Source: Care Ratings Report: Non-Life Insurance Premiums End FY23 on a High, Motor and Health Continue to Dominate, April 27, 2023; IBEF: Indian Insurance Industry; Economic Survey 2022-23)

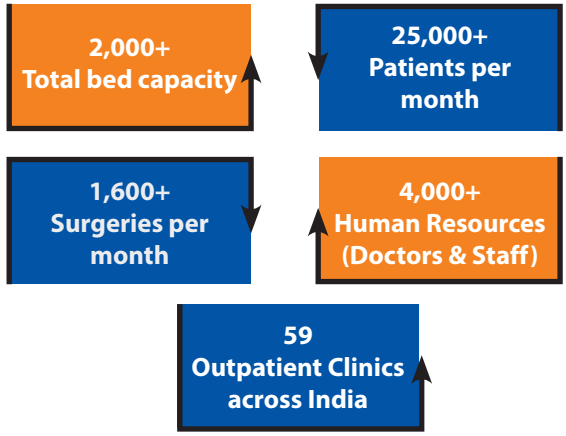
Company Overview

Company Background

Established in 1994, Shalby Hospitals Limited (hereafter referred to as "Shalby" or "the Company") is India's leading multi-specialty hospital and provides high-quality and economical healthcare services. With three decades of experience in the healthcare industry, it currently runs a pan-Indian chain of 11 multispecialty tertiary hospitals and 4 Single specialty Hospitals (SOCE) across 6 states with a total bed capacity of more than 2,000.

The Company has established its reputation internationally as a pioneer in the field of joint replacements in India. Shalby is also the top player in the world for knee replacement surgery. It is taking advantage of this market niche and developing an asset-light approach in India. It is committed to provide quality and affordable healthcare services with a prime focus on patient welfare. The Company is well-positioned for further expansion and has great brand recognition in its core markets. Its facilities are equipped with cutting-edge technology and an expert team of highly qualified medical professionals. It employs more than 3,400 skilled physicians, surgeons, and support personnel with extensive subject knowledge and significant industry experience.

The Company's two upcoming facilities with a combined capacity of 321 beds will be located in Maharashtra. Shalby has 59 outpatient clinics (OPDs) across 16 states. It has also expanded its global presence by opening OPDs in Kenya, Nairobi, Ethiopia, Tanzania, and Uganda in the African continent.



Key Strengths

- **Global leadership in joint replacement surgery**

  Shalby is the leading provider of knee replacement surgery worldwide. Approximately 45% of the Company's surgeries are arthroplasty procedures. It maintained its leadership in the arthroplasty market by performing 1,48,000 procedures in FY 2022-23. Shalby is also the first hospital in Gujarat to perform Spine and Orthopedic surgery using Image-Intensified Television. It owns 15% market share in private hospitals offering joint replacement surgery and a 5% overall market share. The knee replacement market in India has been growing in double digits over the years. Shalby will benefit from this trend due its strong market position and established brand equity, especially in this segment.

- **Strong brand value**

  With nearly three decades of experience, Shalby has emerged as a trusted go-to brand in the healthcare industry, particularly in the orthopedic surgery market. Its brand reputation is well-established in India and international markets owing to its advanced technologies, world-class infrastructure, superior healthcare services, and track record of successfully performing surgeries on patients of all ages throughout India. In FY 2022-23, the Company provided healthcare services to ~5,22,817 patients.

- **Unique business model**

  The Company has strengthened its position in the industry by following a unique business model, which aims to optimise Capex and Opex to achieve higher return ratios while providing best-in-class services. The Company's in-house planning team focuses on several factors while strategising new facilities and operations. Key factors include well-planned architecture and interior design, optimal utilisation of space, effective space optimisation in OT rooms with a high OT to bed ratio,

judicious purchasing of high-quality and cost-effective equipment and devices and centralised procurement process for cost savings. Further, the Company does not require any fixed rent or security deposits as it operates on either a fully owned or Operation and Maintenance (O&M) revenue-sharing model.

- **Dedicated team of experts**

  The Company has a dedicated and experienced in-house team of 4,000+ qualified doctors, surgeons, and support staff with extensive industry knowledge and domain expertise. They are imperative for the success and growth of the Company.

- **Expertise in outpatient clinics (OPD)**

  With more than 15 years of expertise in OPD clinics, the Company has built a strong reputation. It operates OPDs in India and overseas to provide patients with specialised consultations. It also offers training to local doctors conducting OPDs in and around Ahmedabad. The Company formulates an expansion strategy for OPD clinics by analysing patient trends. Hence, when the Company plans to expand its facilities, it benefits from high brand recall without spending high branding costs.

- **Strong balance sheet**

  The Company's robust balance sheet over the years despite its significant commercial expansion over the past decade is one of its key strengths and provides it a competitive advantage in the market. It has remained debt-free due to its asset-light model and steady free cash flow from its legacy hospitals in Ahmedabad.

- **Healthy operating margins**

  The Company has maintained healthy operating margins due to its operational efficiency and several cost optimisation measures such as optimal use of the available built-up area, customised building construction, optimised procurement costs, etc. All these cost-conscious efforts around centralised procurement and clinician management strategy have supported healthy margin levels.

Key Business Strategies & Focus Areas

1. **Growing other specialities**

   Shalby extends its expert healthcare through a wide spectrum of specialties. While maintaining global leadership in joint replacements, Shalby remain focused diversified into other segments such as Cardiac Science, Oncology, Neuro-science, Critical Care, General Medicine and Organ Transplants.

2. **Expanding Footprints**

   Leveraging its strong brand equity, orthopedic expertise and existing OPD infrastructure, the Company is judiciously expanding in newer States to increase business operations. It is also setting up two hospitals in Nashik and Santacruz (Mumbai) in Maharashtra with a bed capacity of 146 and 175 respectively to provide access to important local markets with higher per-capita income.

3. **Asset Light Business Growth**

   Shalby intends to grow its orthopedics business through an asset-light franchise business model under Shalby Orthopedics Centre of Excellence (SOCE) brand. This asset light business strategy enables us to grow our business without spending much capex and become EBITDA accretive very soon.

4. **Leveraging Technology**

   The Company is focused on adopting and leveraging advanced technology to provide better medical services and outcomes, patient reach and satisfaction. It ensures that all its hospitals and facilities are equipped with state-of-the-art equipment and technology.

5. **Homecare Services**

   The Company is exploring the homecare segment to achieve diversification in the services segment, keeping pace with current needs. It offers "Homecare" expert healthcare services at the convenience of home to enable fast recovery of patients from illness and disabilities. The intention is to offer an "invisible hospital" at home. The service witnessed good consumer traction due to high-quality and cost-effective solutions. In total, 27000+ homecare cases and 102000+ homecare visits were reported by the Company for FY 2022-23. It aims to provide superior 24x7 homecare services through high-end digital systems. It is also focused on growing the number of services and markets outside home locations.

6. **Prudent Capital Allocation**

   The Company is following a sustainable Capex business model. It operates on either a fully owned or an Operations and Maintenance (O&M) revenue-sharing model. It is focused to increase operating efficiency and profitability through strategic real estate usage, unique building design, optimum utilisation of floor space, and centralised large-scale medical device and consumable procurement. Moreover, the Company's additional 40% of the total bed capacity is available to support organic growth trajectory with limited capex. Its cost per bed is ₹ 3.5 million, which is significantly lower than ₹ 7.5- ₹ 15 million per bed incurred

by other private hospitals. This innovative method has led to significant cost reduction and profitable expansion. The Company aims to double ROCE in the coming years by leveraging its operational efficiency.

7. Training and Development

The Company aims to consistently invest in high impact training programs to establish a dedicated professional medical base. It gives an impetus to the training of nurses and allied health professionals for the delivery of skilled support services.

8. Backward integration through Implant Manufacturing

This initiative of backward integration through manufacturing knee & hip implants will enable Shalby to secure the supply chain and reduce costs significantly. Other than procuring internally, Shalby is also selling these implants in USA, Japan and Indonesia currently which will also help to establish our presence in global markets.

Growth Drivers

- Orthopedics – an evolving market

With the increasing cases of orthopedic disorders such as arthritis, the demand for orthopaedic healthcare services has surged in India. ~15% of the country's population suffers from arthritis. The orthopedics market can be classified into four different segments, viz., knee, hip, trauma, and spine, of which the knee-replacement market holds the biggest share, followed by trauma and spine. The orthopedic implant market size in India is valued at ₹ 4,838 crore in 2023 and is expected to grow at a CAGR of ~9.23% by 2030.

(Source: Hospaccx Consulting)

The government has undertaken various initiatives to address the challenges faced by orthopedic patients including launching health insurance schemes, developing healthcare infrastructure, promoting medical tourism and supporting orthopedic research and innovation. This has created ample opportunities for orthopedic healthcare providers in India to expand their services and cater to the growing patient base.

- Growing prevalence of lifestyle diseases

Lifestyle diseases or non-communicable diseases (NCDs) such as diabetes, high blood pressure and cardiovascular diseases have been increasing rapidly in India primarily due to sedentary lifestyle, obesity, urbanisation, pollution, stressful work life, lack of physical activity, growing consumption of junk food, tobacco and alcohol and nutritional deficiency. Such factors are giving rise to alarming levels of non-communicable diseases and leading to rising demand for healthcare services in India. As per the World Economic Forum, the world will lose nearly USD 30 trillion by 2030 for NCD treatments and India's burden will be USD 5.4 trillion. *(Source: CRISIL MI&A Report: An assessment of the healthcare delivery market in India with a focus on West India, April 2023)*

- Growth in Medical Tourism

Medical tourism is a key growth driver for India's healthcare market. The Indian medical tourism market was valued at USD 2.89 billion in 2020 and is expected to reach USD 13.42 billion by 2026. India is ranked 10th by the Medical Tourism Association on the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations of the world, 12th in the top 20 wellness tourism markets globally, and 5th in wellness tourism markets in APAC. India has emerged as an attractive destination for medical tourism due to the cost-effective, quality healthcare services, availability of advanced medical technology, and a large pool of highly qualified medical professionals. India attracts patients from across the world and around 1.4 million medical tourists visited India in 2022. Medical tourists from neighbouring countries like Bangladesh, which sees the highest footfall of medical tourists to India along with Iraq, Yemen, Afghanistan, Oman and some parts of Nepal visit India as there is a lack of quality healthcare services in their countries. The cost of surgery in India is about one-tenth of that in developed countries. India has also become a favoured destination for Yoga and Wellness with its focus on traditional therapies. India is well-positioned to catapult its share in the global medical tourism market. *(Source: IBEF: Healthcare Industry in India; Invest India: Medical Value Travel; Live Mint)*

- Growth of private health insurance

The demand for health insurance coverage is rapidly increasing in India due to growing awareness of health security post-Covid-19, the rising costs of quality healthcare coupled with rising income levels, longer life expectancies, and an epidemiological change towards no communicable diseases. Improving medical insurance penetration in the country, growth of private health insurance and insurance coverage by corporate and government entities are growing the demand for the healthcare industry, as it increases affordability for advanced healthcare services.

Financial Overview

Financial and Operational Performance (Consolidated)

The Company continued to deliver high double-digit growth over the last two decades. During FY 2022-23, its consolidated revenue stood at ₹ 8,274 million, against ₹ 7,114 million in FY 2021-22, which is mainly due to the strong recovery of elective surgeries

which continues to drive the core specialty revenues. Profit before Tax (PBT) stood at ₹ 1,020 million compared to ₹ 792 million in FY 2021-22. The Company's PAT increased to ₹ 677 million from ₹ 540 million in the previous year. During the year, the Company's outstanding balance of loans stood at ₹ 1,417 million.

Operational Highlights

Particulars	FY 2021-22	FY 2022-23
Bed capacity (Nos.)	2,000+	2,000+
Operational beds (Nos.)	1,235	1,260
Average Length of Stay (Days)	4.55	3.92
Occupancy (Beds)	563	570
In-patient Count (Nos.)	61,173	71,893
Out-patient Count (Nos.)	3,18,455	4,50,924

Significant Financial Ratios

Ratios (consolidated)	FY 2022	FY 2023	Difference	Reason for variance above 25% year on year
Debtors Turnover	7.40	7.76	5%	No Major Variance
Interest Coverage	15.16	12.17	-20%	No Major Variance
Current Ratio	2.58	2.66	3%	No Major Variance
Total Debt/Equity ratio	0.18	0.15	-14%	No Major Variance
Operating Profit ratio	12.80%	13.81%	8%	No Major Variance
Inventory Turnover	9.70	5.25	-46%	Due to high Inventory
Net Profit Margin	7.59%	8.18%	8%	No Major Variance
Return on Net worth	6.31%	7.50%	19%	Better Profitability

Segmental Performance

Hospital Business

Our hospital business showed exemplary performance in FY2022-23 wherein we delivered high double-digit growth across in-patient counts (including daycare) and overall surgery count that grew by 18% and 35% y-o-y respectively while ARPOB increased by 11% on a y-o-y basis respectively. Our hospital revenue recorded at ₹ 7274 million grew by 10% y-o-y and EBIDTA at ₹ 1615 million by 13% y-o-y while we continued to maintain a double-digit PAT margin of 11% in FY2022-23 v/s 12% recorded in FY2021-22.

Implant Business

Our Implant manufacturing business under Shalby Advanced Technologies, Inc in California, USA has made steady progress during FY2022-23. Revenues grew nearly by 3x to ₹ 939 million of which sales in the USA and India contributed 60% and 40% respectively, supported by the growth in the production of components which grew to 4500 components on monthly basis. We reported a positive EBITDA in FY2022-23 backed by cost reductions while maintaining a healthy customer mix from the retail and wholesale USA customer segment.

Key Risks & Mitigation Strategies

The Company is exposed to various risks due to internal and external factors for which it has devised robust mitigation strategies to minimise their impact on business operations. The key risks and their corresponding mitigation measures are depicted below:

- Regulatory Risks

  Being a part of the healthcare industry, the Company is required to comply with various laws and regulations. It faces regulatory risks such as pricing caps on surgeries, implants, stents, etc. due to frequent modifications in regulations and legal procedures. It is exposed to challenges of compliance, adherence to procedures and meeting patient's expectations on expenses and quality of treatment. The Company's business activities are also impacted by economic policies like demonetisation, GST, and taxes.

  Mitigation: The Company closely monitors regulatory developments and tries to predict regulatory changes based on evolving industry trends. It also focuses on cost optimisation and enhancement of operational efficiency to mitigate regulatory risks.

- Lack of skilled workforce

  For providing superior healthcare services, the Company depends on an expert team of skilled and qualified professionals. There is a scarcity of competent doctors, nurses, and paramedics due to inadequate medical education infrastructure in the country. Moreover, there is a significant imbalance in the availability of medical professionals in urban and rural areas. This adversely impacts the Company's ability to provide high-quality healthcare services.

  Mitigation: The Company's "Shalby Academy" provides excellent educational programmes for paramedical students and other healthcare professionals. Experts in the field provide training to students for efficient healthcare delivery and complex surgeries. The majority of the specialists trained in this academy are absorbed in the Company's hospitals, protecting them from a talent shortage.

- Capital-intensive business

  The hospital industry is capital-intensive due to high costs for land acquisition and building construction, legal and approval costs, and procurement and maintenance of technologically advanced medical equipment. The high cost of medical professionals further increases the financial burden. These factors put pressure on the return on investment (ROI).

  Mitigation: The Company's unique business model with optimal use of real estate to grow operations allows it to keep capex costs under control. It has an in-house team of architects and designers for construction and utility planning, enabling it to break even faster than competitors. Systematic procurement of medical equipment at competitive prices helps in the reduction of operational costs and the increase of profits. Further, the Company expands its orthopaedic and joint replacement businesses through a franchisee model, avoiding significant capex investment and developing an asset-light business strategy.

- Concentration Risk

  The Company suffers geographical concentration risk because half of its operations are concentrated in a single Indian state, Gujarat.

  Mitigation: To reduce concentration risk, the Company is focused on increasing its geographical footprint. It has strategically established its new facilities in other Indian states. It set up 5 hospitals in different states with a combined bed capacity of 908. The Company is also expanding its existing facility in Maharashtra with two additional hospitals in Mumbai and Nashik with a total capacity of 321 beds. This strategy will enable the Company to reduce revenue concentration from a single state. Additionally, the company has strategically diversifying its risk by venturing into Knee & Hip implant manufacturing activity based which also helps to establish a great synergy for our Orthopedic business.

Business Outlook

The healthcare industry is expected to maintain its growth trajectory in the coming years, primarily led by the increase in medical tourism and the increasing healthcare requirements of a large population. Further, advancements in digitally enabled healthcare such as the utilisation of artificial intelligence (AI) and telemedicine will pave the way for the growth of the healthcare sector. The robust pharmaceutical sector in the country will also aid the growth of the healthcare industry.

The Company is focused on expanding its footprints in Tier-I and Tier-II cities where the demand for specialties is more than quality service availability. It is committed to broadening the scope of its innovative offerings, such as the care card and homecare. The Company is confident to outperform the industry average growth in the next fiscal, backed by its unique business model, service capabilities and domain expertise in the healthcare market.

Regulations and Safety

The healthcare sector in India is increasing its focus on adherence of compliance with international safety standards as India strives to align with global norms. As a provider of healthcare services, Shalby constantly endeavours to adhere to the ever-evolving rules and regulations. It is committed to adapt to the changing industry demands with strong compliance to even stringent laws.

The Company has adopted various initiatives for the protection of the environment and minimise the impact of its operations on the environment. The Company is committed to focus on maintaining sustainability and abstaining from damaging the environment while exceeding patient's service expectations. It aims to consistently maintain quality standards, reduce waste generation and segregate recyclable waste at hospitals. It also ensures that all its practices are according to the applicable laws and safety regulations.

The Company follows strict surveillance processes and maintains records for any potential legal discourse in the future. All the vendors of the Company are duly certified, ensuring all equipment and devices meet the highest regulatory standards. Shalby has obtained global accreditations from the National Accreditation Board for Testing and Calibration Laboratories (NABL) owing to its robust corporate governance procedures and regulatory compliances.

Internal Controls

The Company has a robust internal financial controls system, in all material respects, for accurate financial reporting. During FY 2022-23, the Company was operating effectively according to "the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". The top management ensures that an effective internal control system is in place and it adheres to all applicable laws and regulations. The internal control system ensures the safeguarding of assets, reliability and accuracy of financial reporting in a timely manner and prevention of fraud and errors. All Company transactions are recorded in compliance with the Indian Accounting Standard (Ind-AS) according to the accounting policies. The Internal Audit Team periodically monitors the key findings and offers strategic guidance.

Human Resources

The Company's Human Resources function is critical to business continuity. It considers its employees as the most important asset and integral to its competitive position. The HR team places significant emphasis on identifying and recruiting the right individuals, fostering ongoing employee engagement with the organisation's mission and vision, retaining them with a lively culture and assuring their career advancement. This has become more difficult as demand for qualified healthcare workers in India has increased. To meet these challenges and expectations, the Company has built a robust Human Resources staff in the corporate office and across all operating units. This team includes an experienced team of specialists for the Learning and Development project.

Information Technology

At Shalby, IT remains a key focus area to ensure the smooth functioning of its hospitals and effective and efficient patient care. The Company is constantly improving patient care by reengineering and streamlining the processes with the smart deployment of IT and technology adoption. It has benefitted from technologies to design patient-centred interventions by gaining insights into health information and changing needs of patients. It also uses new technological tools by synchronising business operations to accelerate business growth. Shalby aims to leverage technology to scale the Company higher qualitatively and increase profitability.

In today's rapidly evolving healthcare landscape, the assimilation of technology has become imperative for organizations to provide efficient, patient-centric care. It is undergoing a remarkable transformation, facilitated by advancements in artificial intelligence and machine learning. Embracing IT initiatives and undergoing digital transformation has become a crucial strategy for healthcare companies worldwide.

At Shalby, we recognize the significance of leading this digital revolution within the healthcare sector. We are committed to drive technology and digital initiatives to enhance the patient and doctor experience. In recent years, we made commendable progress by focusing on building a digital team and laying a strong foundation to deliver our digital vision.

1. **Digitization of Patient Feedback System**

   Digitization has made it easier for patients to provide their feedback through online portals and mobile apps. This has not only increased the accessibility and convenience for patients but has also improved response rates and data accuracy. Moreover, the digitization of patient feedback enables Shalby to analyze the collected data more efficiently and allows healthcare providers to make data-driven decisions. This proactive approach promotes patient-centric care and enhances overall service quality.

   This has transformed the way patient feedback is collected and utilized, paving the way for improved patient experiences, enhanced care delivery, and overall system efficiency.

2. **Arthroplasty Clinical data**

   Recognizing this importance of clinical data of arthroplasty, Shalby had rolled out initiatives to capture comprehensive arthroplasty clinical data, encompassing pre-operative, post-operative, and operative findings. These initiatives aim to gather detailed patient information, including medical history, imaging data, and pre-operative assessments, enabling surgeons to make informed decisions and personalize treatment plans. Post-operative data collection facilitates monitoring patient recovery, identifying potential complications, and assessing the effectiveness of interventions. This data-driven approach promotes evidence based practice and fosters innovation in arthroplasty.

   With robust data capturing initiatives in place, arthroplasty clinical data serves as a valuable resource for improving surgical outcomes, enhancing patient safety, and driving advancements in the field of joint replacement.

3. **Patient engagement & touch points**

   In today's digital age, we believe in optimizing patient touchpoints to deliver exceptional care and experiences ensuring seamless patient interactions.

I. **Implant Business Website Development:** We have now fully operationalised our implant business website. The website is fully equipped with all implant product portfolio, surgical documents, geographical footprints, distributors showcase and touch points. This website go live was a part of digital marketing initiative and enabled us to reach out to unexplored territories through various digital campaigns etc and increase our business.

II. **Hospital Business micro website:** We have also enhanced the features of our hospital unit individual micro websites. Website revamping focuses on intuitive navigation, clear presentation of services, online patient portals, appointment requests, and access to medical records. Enhanced website functionality empowers patients with self-service options, medical educational resources, and seamless communication channels. These initiatives elevated patient experiences, improve accessibility, and foster effective communication, ultimately enhancing the overall quality of care provided.

III. **Strengthening of BCP & DR:** Patients data is of utmost importance. Hence, Shalby is prioritizing the strengthening of Business Continuity Planning (BCP) and Disaster Recovery (DR) strategies. We have strengthened our BCP and DR measures and made them even more robust which involve comprehensive risk assessments, backup systems, data protection, and contingency plans. By focusing on these areas, we are now able to safeguard patient care, maintain operational continuity, and swiftly recover from disruptions, ultimately ensuring the well-being of both patients and healthcare professionals.

As Shalby continues to embrace IT initiatives and digital transformation, we remain committed to leading the way in delivering exceptional healthcare experiences and outcomes. Our ongoing investment in technology and digital solutions will help us drive innovation and transform the healthcare landscape. By improving patient's touchpoints, we aim to offer users a seamless experience, engage them meaningfully, and increase our reach. Moreover, our focus on data-driven insights ensures informed decision-making and positions us at the forefront of the industry's data revolution.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's business, financial performance, objectives, prospects, predictions or similar expressions may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual performance or results may vary significantly from the forward-looking statements contemplated in the Directors' Report and Management Discussions and Analysis Report due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, technological obsolescence, new regulations and Government policies, tax laws, and other statutes and incidental factors that may impact the Company's business as well as its ability to implement the strategy. The Company disclaims any duty to update the information given in the aforesaid reports.

Directors' Report

Dear Members,

Your Directors are pleased to present the Nineteenth Annual Report on business and operations of the Company along with audited financial statements for the financial year ended March 31, 2023.

FINANCIAL PERFORMANCE SUMMARY

The summarized financial highlight is depicted below;

(₹ in million)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	7,080.17	6,467.95	8,049.21	6,989.45
Other Income	193.65	129.99	225.20	124.22
Total Expenditure (Except Finance cost & Depreciation/ Amortization)	5,658.60	5,171.46	6,681.78	5,790.13
Profit before Interest Depreciation and Tax	**1,615.21**	**1,426.49**	**1,592.63**	**1,323.54**
Finance Cost	31.01	27.90	91.32	59.01
Depreciation/Amortization	370.64	355.02	480.88	428.70
Exceptional Item	-	(44.37)	-	(44.37)
Profit Before Tax	**1,213.56**	**999.20**	**1,020.43**	**791.46**
Provision for Taxation (Inclusive of deferred tax)	405.48	301.15	343.66	251.75
Profit After Tax	**808.08**	**698.06**	**676.77**	**539.71**
Other comprehensive income	2.57	(2.94)	11.25	2.23
Total Comprehensive Income	**810.65**	**695.12**	**688.02**	**541.93**

PERFORMANCE OF THE COMPANY

During the year under review, the revenue from operations of the Company increased to ₹ 7,080.17 million as compared to ₹ 6,467.95 million in the previous year. The EBITDA for the year under review increased ₹ 1,615.21 to million against previous year of ₹ 1,426.49 million. Your Company has earned Profit after tax of ₹ 808.08 million as against ₹ 698.06 million in the previous year.

During the year under review, the consolidated revenue from operations increased to ₹ 8,049.21 million as compared to ₹ 6,989.45 million in the previous year. The consolidated EBITDA increased to ₹ 1,592.63 million from ₹ 1,323.54 million in the previous financial year.

DIVIDEND

The Board of Directors has recommended a dividend of ₹ 1.20 per equity share (i.e. 12%) of face value of ₹ 10/- each on the paid up share capital of the Company for financial year ended on March 31, 2023 aggregating to ₹ 129.61 million, which if declared, at the ensuing Annual General meeting scheduled on Monday, August 14, 2023, will be paid to those shareholders whose names appear in the Register of members as at closing hours of business on Tuesday, August 8, 2023 ('cut-off date'). In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership furnished by both depositories, NSDL and CDSL for this purpose.

The Register of Members and Share Transfer Books will remain closed from Wednesday, August 9, 2023 to Monday, August 14, 2023 (both days inclusive).

DIVIDEND DISTRIBUTION POLICY

The Company has formulated a Dividend Distribution Policy which provides for the circumstances under which the members may / may not expect dividend, the financial parameters, internal and external factors, utilization of retained earnings, parameters regarding different classes of shares, etc. The provisions of this Policy are in line with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and is amended from time to time.

TRANSFER TO RESERVES

The Board of Directors has not appropriated and transferred any amount out of profit to General Reserves and has decided to retain the entire amount in profit and Loss account.

BUSINESS & STRATEGY

Upcoming Projects

Nashik Project: The Company had entered into a definitive O&M agreement with Samruddhi Hospital Pvt Ltd (developer) in the year 2014 for a period of 30 years. Under this arrangement, the developer will construct the hospital building and hand over to your company for investing equipment and technology with an estimated capex of ₹ 310 million to manage the hospital thereto. The project delayed due to the novel Covid-19 pandemic spread across the globe. But we have noticed some progress now and estimated to receive the possession of constructed building during Fiscal 2024 to start the operation of the 146 bedded hospital.

Mumbai Project: The Company is in the process of setting up a State of Art facility with 175 bed capacity in the heart of Mumbai, Santacruz. Your company had entered into a long lease agreement with counterpart to manage the entire operations of hospital wherein the existing structure needs to be demolished completely and a new structure will be constructed with an estimated capex of ₹ 1,600 million. Due to ongoing novel Covid-19 pandemic spread across the globe, the project got delayed and now it is expected to start the operations by Fiscal 2026.

Franchise Business

Your company has rolled out a unique asset-light franchise business model under Shalby Orthopedics Centre Of Excellence (SOCE) brand by leveraging it Orthopedic expertise of more than 29 years. In this process, your company has designed two operational models called Franchise owned Shalby Operated (FOSO), and Franchise owned Shalby Managed (FOSM). So far, we have operationalised 4 franchise units at Udaipur (FOSM), Lucknow (FOSO), Gwalior (FOSM) and rebranded Vijay unit (Ahmedabad) as SOCE. In addition to that we have signed one more MOU at Rajkot location. With all key strategies, the right people and leadership in place, we remain on course to capitalize our expertise and excellence in Orthopedics and aim to have over 50 SOCEs across India within the next 3-4 years.

Implant Business

Your company felt proud to establish its presence in USA after ventured into implant (Knee & Hip) manufacturing business by accomplishing implant asset acquisition of Consensus Orthopedics, headquartered in California and incorporated Shalby Advanced Technologies Inc. (SAT) in the first quarter of Fiscal 2022. By acquiring the entire manufacturing assets which includes plant, equipment, patents and inventories, we also inherited a legacy of Zero product recall in the US market. Moreover, this acquisition became a milestone in the history of your company which enabled Shalby not only backward integration in Orthopedics but also diversifying its revenue from hospital service business.

During the last financial year, our implant business has achieved many milestones. Our Implant business sales is multi folded in FY 2023 to INR 94 crore, majorly driven by adding more distributors and surgeons in the existing USA market, and in-house consumption of implants in our hospitals in India. Our continuous efforts in R&D resulted into launching a new product called TUKS, under a new product line of Uni Knee systems, in the US and Indian Market both. We have received an overwhelming response from our surgeons for this product and with unique design and quality, we aspire to gain a sizable market of Uni knee systems in the US. We have built a strong team to create the strong pillars for implant business in India and to serve the surgeons and hospitals. We are very happy to announce that we have obtained the licence to sell our implants in the Indonesian market in the month of February 2023. This accomplishment has opened our door in the South-East Asian Market, in line with our future business roadmap.

Over the last two years, we have scaled up the production levels to 4500 components per month from 300 components when we started. We have also brought certain cost efficiencies supported by minimising ordering cost, negotiating with suppliers, streamlining manufacturing process and continuous improvisation in supply-chain practices. These cost competencies helped us to achieve the operating profit in Q4 FY 2022-23. and we expect this to continue in coming quarters.

As we mentioned last year, we built a strong team at leadership roles with the right mindset of people and would continue to add and nurture best talent to support the growth of the organisation. Your company is committed to establish a strong footprint into the vast opportunity that exists in the world's largest implant market like USA and gradually to enter other South Asian Countries like Nepal and Bangladesh and other South-East Asian countries like Malaysia, Vietnam, and Philippines & later Middle East and East African Countries in an organic and phased manner.

These 3 well diversified businesses come together to create a strong ecosystem to carry forward the strong Shalby Legacy of world-class Orthocare for the Indian population.

CREDIT RATING

During the year under review, ICRA Limited has reaffirmed the long term credit ratings as ICRA A+ (Stable) on term loans and

fund based facilities availed by the Company and the outlook on the long term rating is "Stable". This rating indicates adequate degree of safety regarding timely servicing of financial obligations and low credit risk.

SHARE CAPITAL

During the year under review, there is no change in the share capital of the Company. The authorized share capital of the Company stands at ₹ 1,177.50 million divided into 117,750,000 equity shares of ₹ 10 each. The issued, subscribed & paid up share capital of the Company stands at ₹ 1,080.10 million divided into 108,009,770 equity shares of ₹ 10 each.

SUBSIDIARIES AND ASSOCIATE COMPANIES

As on March 31, 2023, your Company has eight subsidiaries viz. Vrundavan Shalby Hospitals Limited, Shalby International Limited, Yogeshwar Healthcare Limited, Slaney Healthcare Pvt. Ltd., Shalby (Kenya) Limited, Mars Medical Devices Limited, Shalby Hospitals Mumbai Pvt. Ltd. and Griffin Mediquip LLP.

Mars Medical Devices Limited has further two subsidiaries, namely Shalby Advanced Technologies, Inc. at Delaware, USA for manufacturing and supply of orthopaedic implant, instruments, knee systems and hip systems for which company has acquired assets from Consensus Orthopaedics, California, USA and the second one is Shalby Global Technologies Pte Ltd. in Singapore, which are into trading business of said implants and other medical devices. Both these companies are step-down subsidiaries of Shalby Limited.

As per Reg. 16 of the Listing Regulations, Mars Medical Devices Limited (unlisted wholly-owned Indian subsidiary) and Shalby Advanced Technologies Inc, USA (step-down foreign subsidiary) have became material subsidiary companies during the year under review. However, none of the subsidiaries is a significant material subsidiary.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ('the Act') and Regulation 34 of the Listing Regulations, the Consolidated Financial Statements form part of this Annual Report which shall also be laid before the ensuing Annual General Meeting of the Company for approval of members.

The Standalone and Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. A report on the performance and financial position of each of the subsidiaries and LLP as per the Act is provided as *Annexure A* (AOC-1) which forms part of this Report. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available at Investors Section under Annual Report tab at https://www.shalby.org/. The financial statements of the Company and subsidiary companies will be available for inspection by any shareholder(s) during working hours at the Company's corporate office and that of the respective subsidiary companies concerned.

AWARDS & RECOGNITIONS

During the financial year 2022-23, your company has been conferred with the following awards / accolades:

1. Best Medical Tourism Centre in Gujarat at Tourism Awards 2022 (Supported by Gujarat Tourism) Shalby Hospital Ahmedabad
2. Best Multispecialty Hospitals Chain by Eminent Research
3. ASSOCHAM Best Hospital for Patient Safety & Care – Group of Hospitals (Runner-up)
4. The Economic Times Best Orthopedic Hospital, National
5. Featured in the List of Top Leading Hospitals of India by Medgate Today Magazine for Orthopedic Category
6. AHPI Patient Centric Hospital, for Shalby Hospital Surat
7. Excellence in Arthroscopy & Sports Medicine by First India News at Health First Conclave & Awards for Shalby Hospital Jaipur
8. Excellence in Internal Medicine & Critical Care by First India News at Health First Conclave & Awards for Shalby Hospital Jaipur
9. Rajasthan Health Icons for Cardiac Sciences by The Times of India for Shalby Hospital Jaipur
10. Rajasthan Health Icons for Neuro Sciences by The Times of India for Shalby Hospital Jaipur
11. Awarded at News 18 Rajasthan Lifeline Conclave for Shalby Hospital Jaipur
12. Awarded as The Best Hospital in MP at News 24 MPCG News Health Conclave Shalby Hospital Indore
13. Lifeline Thank You Doctor Award by News 18 MPCG News for Shalby Hospital Indore

14. Business & Beyond Award by The Times of India for Shalby Hospital Mohali

15. Swachh Sarvekshan Award in Hospital Category by Jabalpur Municipal Corporation for Shalby Hospital Jabalpur

ANNUAL RETURN (MGT-7)

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the draft Annual return of the Company as on March 31, 2023 is available on the Company's website.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013

Particulars of loans given, investments made, guarantees given and securities provided in the notes to the standalone financial statements forming part of this annual report.

PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTY U/S 188 OF THE COMPANIES ACT, 2013

All the related party transactions that were entered into during the financial year were on arm's length basis and your Company has taken approval of audit committee, Board of Directors and shareholders whenever applicable. Pursuant to Regulation 23 of the Listing Regulations, all related party transactions were placed before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions for their review and approval.

During the year under review, there was no material transactions carried out with any of the related parties in terms of regulation 23 of the Listing Regulations. The details of the related party transactions are provided in the *Annexure- B* (AOC - 2) pursuant to Section 134(3)(h) of the Act read with rule 8(2) of The Companies (Accounts) Rules, 2014. Your Company has formulated a policy on 'Related Party Transactions' which are in line with Listing Regulations and is amended from time to time.

Your directors draw the attention of members to the notes to the financial statements which set out related party disclosures.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, your Company's board had eight members comprising of one executive director, three non-executive directors and four independent directors (including one woman independent director).

The details of Board and Committee composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

During the financial year 2022-23, the appointment of Mr. Vijay Kedia as a Non-Executive Director has been approved by the Shareholders through postal ballot on December 10, 2022.

Mrs. Sujana Shah, Independent Director, has been appointed for second term w.e.f. May 07, 2023 for a period of 5 years and the members have approved the resolution through Postal Ballot on December 10, 2022.

In terms of section 152 of the Act, Mr. Sushobhan Dasgupta (DIN: 06381955), being the longest in the office shall retire at the ensuing Annual General Meeting and being eligible for reappointment, offers himself for reappointment.

In the opinion of the Board, Mr. Ashok Bhatia (DIN: 02090239) and Mr. Vijay Kedia (DIN: 0230480), both Non-Executive Directors possess the requisite expertise, integrity and experience (including proficiency) for appointment as an Independent Director of the Company and as recommended by the Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 18, 2023 have appointed them as Independent Director for their respective first term of five years, subject to approval of the members of the Company.

A brief resume of Director being appointed / reappointed at this AGM along with the nature of expertise, shareholding in the Company and other details as stipulated under Regulation 36(3) of the Listing Regulations and Secretarial Standard on general meeting (SS-2) is appended as an annexure to the Notice of the ensuing Annual General Meeting.

As on March 31, 2023, Dr. Vikram Shah, Chairman & Managing Director, Mr. Venkat Parasuraman, Chief Financial Officer and Mr. Tushar Shah, Associate Vice President and Company Secretary of the Company are the Key Managerial Personnel as per the provisions of the Act.

Due to resignation of Mr. Venkat Parasuraman, Chief Financial Officer and Key Managerial Personnel of the Company effective from May 18, 2023, the Board of Directors on the recommendation of Nomination and Remuneration Committee & Audit Committee, has appointed Mr. Amit Pathak as the Chief Financial Officer (CFO) and Key Managerial Personnel of the Company w.e.f. May 19, 2023.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as Independent

Director during the year. They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair their ability to discharge their duties with an objective independent judgment and without any external influence.

BOARD MEETINGS

The Board met four times during the year under review, on May 25, 2022, July 26, 2022, October 18, 2022 and January 17, 2023. The numbers of meetings and its attendance have been provided in the Report on Corporate Governance which forms part of Annual Report.

COMMITTEES

The Company has various committees which have been formed in compliance of provisions of the Act and the Listing Regulations and are in compliance with the provisions of relevant statutes.

The Board has constituted following committees.

i. Audit Committee

ii. Risk Management Committee.

iii. Stakeholder Relationship Committee

iv. Nomination and Remuneration Committee

v. Corporate Social Responsibility Committee

vi. Management Committee

The details with respect to the composition, powers, roles, terms of reference, numbers of committees along with their attendance etc. of respective Committees are provided in detail in the 'Report on Corporate Governance' which forms part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

POLICY ON APPOINTMENT AND REMUNERATION TO DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL

Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed briefly in the Corporate Governance Report, which forms part of this Annual Report. Your Company's Policy on remuneration for the Directors, Key Managerial Personnel and other employees and Company's policy in this regard includes, inter-alia, criteria for determining qualifications, positive attributes, independence of a director and other matters as required under sub-section (3) of Section 178 of the Act and is amended from time to time.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company upholds the standards of governance and is compliant with the provisions of Corporate Governance as stipulated under the Listing Regulations. The Report on Corporate Governance for FY 2022-23, as per Regulation 34(3) read with Schedule V of the Listing Regulations forms a part of this Annual Report. The Certificate from Practicing Company Secretary confirming the compliance with the conditions of corporate governance as stipulated by Regulation 34(3) of the Listing Regulations is annexed to this Report.

In compliance with Corporate Governance requirements as per the Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board Members and Senior Management Personnel of the Company, who have affirmed the compliance thereto.

In terms of regulation 34 of the Listing Regulations as updated from time to time, the Management Discussion and Analysis Report on the Company's financial and operational performance, industry trends, business outlook and Initiatives and other material changes with respect to the Company and its subsidiaries, wherever applicable and CEO/CFO Certificates thereto, are presented in separate section which forms part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In pursuance of Regulation 34 of the Listing Regulations, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to prepare and enclose with its Annual Report, a Business Responsibility and Sustainability Report describing the initiatives taken by them from an environmental, social and governance perspectives. A separate report on Business Responsibility is annexed as part of the Annual Report.

PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEE

The criteria for performance evaluation and the statement indicating the manner in which formal annual evaluation has

been made by the Board are given in the 'Report on Corporate Governance', which forms part of this Annual Report.

Pursuant to provisions of the Act and the Listing Regulations the Board has carried out an annual evaluation of its own performance, Board committees and individual directors in the manner prescribed in Performance Evaluation Policy.

DEPOSITS

During the year, the Company has not accepted any fixed deposits from the public as per provisions of the Act and Rules made there under. Hence, the disclosures as required under Companies (Accounts) Rules, 2014, are not applicable to your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Act, your Directors hereby confirm that:

a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirement set out under Schedule III to the Act have been followed and there are no material departures from the same;

b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) they had prepared the annual accounts on a going concern basis;

e) they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under The Companies (Accounts) Rules, 2014 is set out below;

(A) Conservation of Energy:

The operations of the Company are not energy-intensive. However, the following significant measures are being taken to reduce the energy consumption by using energy efficient equipment.

- Use of LED lights
- Occupancy sensors installation in toilets to avoid permanent illumination and save electrical consumption
- Proper thermal insulation to increase efficiency of HVAC system and thereby reducing energy consumption
- use windows and doors to provide good levels of natural ventilation in some areas within a hospital, allowing mechanical ventilation to be switched off or turned down to save energy
- Provide infrared controllers in water taps as they provide water only when required otherwise they switch off automatically and can save between 5% and 15% of water per tap per year
- Introduction of timer based operation of air handling units to reduce power consumption
- Energy optimization practices implemented in transformer operation
- VFD installation for AHU motor in a phased manner
- All lifts and OT AHUs are operated with VFD panels
- For recently commissioned units, building orientation has been so designed that helps to maximize use of Day Light and to reduce heat gain in order to reduce energy consumption.
- For recently commissioned units, the building is being constructed by using structural steel to reduce embedded energy and also to reduce the impact of construction activities to the neighborhood and environment and with STP and recycled water is being used for flushing and plant watering to reduce water usage.
- The glass used for facade in a number of facilities is double glazed and is energy efficient low emissivity type which helps in reducing solar beat gain co-efficient while improving the visibility.
- Rain water harvesting system installed at our greenfield recently completed projects to conserve natural resources

- HVAC temperature is being adjusted based on the seasonal temperature and particular clinical requirements, to reduce the power consumption.
- Disciplined SOP is being followed for routine maintenance on daily, weekly, monthly, and yearly basis, as required to keep the system installed in check and reduce consumptions of water and electricity.
- In case of modification or renovation, we maximize the usage of existing materials to conserve the natural resources.

There would not be a material financial implication of the said measures as energy costs comprise a very small portion of your company's total expenses.

(B) Technology absorption:

I. The effort made towards technology absorption;

Over the years, your Company has brought into the country the best technology available in healthcare to serve the patients better and to bring healthcare of international standard within the reach of every individual.

In order to promote indigenous technology absorption, the following equipment, inter alia, has been installed at our various units;

a) Anesthesia workstation

b) Triple Dome OT lights

c) Electric OT table with 10 functions for renal transplant

d) Single door auto clave machine

e) Fabrilator Machine

f) Biosafety Cabinet for Chemotherapy

g) Anesthesia Trolley

h) Baby Cradle with infant Bed

i) Blood bank equipment including Deep freezer, Blood bank refrigerator, Platelet agitator/incubator, Blood collection monitor and tube sealer, Donor couch compofuge

j) X-ray system;

k) Dialysis machine;

l) Ventilator;

m) CT scanning machines;

n) MRI scanning machines;

o) Ultrasound systems; and

p) Linac systems.

The benefit accrued due to this is primarily cost reduction from import substitution considering the impact of exchange rate fluctuation and revision of customs duty tariffs. The performance and quality of these equipment have been found to be quite satisfactory.

II. The Company has not imported any equipment during the year under review. However, Company is using latest medical equipment/machinery in its hospital units.

Apart from above, various other small equipment imported from overseas have been installed at various units of Shalby.

III. The expenditure incurred on Research and Development

₹ 0.88 mn. expenditure made on clinical trial during the financial year 2022-23.

(C) Foreign exchange earnings and expenditure:

(₹ in million)

Particulars	2022-23	2021-22
Earnings in Foreign Currency	54.11	42.56
CIF Value of Imports	-	-
Expenses in Foreign Currency	1.34	-

PARTICULARS OF EMPLOYEES & REMUNERATION

The details regarding ratio of remuneration of each director to the median employee's remuneration and other details as required in section 197(12) of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended herewith as *Annexure - C*.

The statement containing information as per provision of Section 197(12) read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in separate annexure forming part of this report. However, Annual Report is being sent without the said annexure. In terms of provisions of section 136 of the Act, the said annexure is open for inspection at the registered office of the Company during the office hours. Any member interested in obtaining the copy of the same may write to the Company Secretary at the Registered Office of the Company.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. The Company has

in place adequate internal financial controls in order to ensure that the financial statements of the Company depict a true and fair position of the business of the Company. The Company continuously monitors and looks for possible gaps in its processes and it devices and adopts improved controls wherever necessary.

INSURANCE

The Company's plants, properties, equipment and stocks are adequately insured against all major risks. The Company has also taken Directors' and Officers' Liability Insurance Policy to provide coverage against the liabilities arising on them.

RISK MANAGEMENT

The risks are measured, estimated and controlled with the objective to mitigate its adverse impact. Your company's fundamental approach to risk management includes, anticipate, identify and measure the risk. Your company has in place a mechanism to monitor and mitigate various risks associated with the business. The Company has adopted a Risk Management Policy which inter alia, sets out our approach towards risk assessment, risk management and risk monitoring, which is periodically reviewed by the Board.

VIGIL MECHANISM

The Company has established a vigil mechanism and accordingly framed a Vigil Mechanism and Whistle Blower Policy. The policy enables the employees to report genuine concerns to the management regarding instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or mismanagement, if any. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for strict confidentiality, adequate safeguards against victimization of Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board pertaining to whistle blower policy.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of Section 135 of the Act, your Company has constituted a CSR Committee, which comprises of Mrs. Sujana Shah, Chairperson, Dr. Umesh Menon, Member and Mr. Shyamal Joshi as its members as on March 31, 2023. The Company has also framed a Corporate Social Responsibility Policy in compliance with the provisions of the Act and is amended from time to time. The Annual Report on CSR activities outlining geographical areas for CSR activities, composition of CSR committee, amount of CSR fund expended etc. is annexed herewith as *Annexure - D*.

OTHER DISCLOSURES AND INFORMATION

1. Employee Stock Options

The Company grants share-based benefits to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company's objectives, and promoting increased participation by them in the growth of the Company.

Shalby Employee Stock Options Scheme-2021

The Company has introduced Employee Stock Option Scheme-2021 as approved by the Shareholders on December 3, 2021 vide Special Resolution passed through Postal Ballot.

Pursuant to approval by the shareholders the Nomination and Remuneration Committee has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and of its subsidiaries under the said scheme. The maximum number of shares under the 2019 Plan shall not exceed 1,000,250 equity shares. To implement the said scheme, Shalby Limited Employees Welfare Trust, has acquired 700,000 equity shares through secondary acquisition.

During the year under review Company has granted stock options, the details of which are as under.

Opening balance of Options as on April 1, 2022	Options Granted during FY 2022-23	Options Lapsed during FY 2022-23	Options Exercised during FY 2022-23	Closing balance of Option in force as on March 31, 2023
0	2,39,235	33,000	Nil*	2,06,235

*None of the Options have been vested as on March 31, 2023

None of the employees has been granted Employee Stock Options exceeding 1% of the issued capital as on the date of grant during the year.

The details of the ESOP Scheme-2021, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are attached in *Annexure – E*.

2. Anti-sexual Harassment of Women at workplace

Your Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace under the provisions of Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act 2013 and rules framed thereunder. The Company has anti Sexual harassment Committee to redress complaints received

regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaint has been received and there were no complaints pending at March 31, 2023.

3. **Significant or Material Orders passed by the Authority**

   No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its future operations.

AUDITORS

Statutory Auditors & Auditors' Report

Pursuant to Section 139 of the Act, the first term of Statutory Auditors, M/s. T. R. Chadha & Co., LLP, Chartered Accountants, Ahmedabad is getting expired on conclusion of forthcoming Annual General Meeting. The Board of Directors, upon receipt of consent and eligibility certificate from said auditors and on recommendation of Audit Committee, have appointed them as Statutory Auditors to hold the office from the conclusion of forthcoming 19th Annual General Meeting till conclusion of 24th Annual General Meeting, subject to approval of members.

The said Statutory auditors have confirmed that they have not incurred any of the disqualification as mentioned in section 141(3) of the Act and the Rules framed thereunder.

The Statutory Auditor's comment on your company's account for the year ended March 31, 2023 are self-explanatory in nature and do not require any explanation. The Auditors Report does not contain any qualification or adverse remarks.

Internal auditor

M/s. PricewaterhouseCoopers Services LLP, New Delhi is the Internal Auditors to conduct internal audit as per agreed scope of work pursuant to the provision of section 138 of the Act read with Companies (Accounts) Rules, 2014. Internal Auditors present their quarterly report in every meeting of Audit Committee.

Cost auditors

Pursuant to the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, M/s. Borad Sanjay B & Associates, Ahmedabad has been appointed as Cost Auditors by the Board of Directors on the recommendation of Audit Committee, for audit of cost records for the year ended on March 31, 2023 and their remuneration was ratified by members at the 18th Annual General meeting of the Company.

Your Company has received consent along with confirmation from M/s. Borad Sanjay B & Associates that the appointment is in accordance with the applicable provisions of the Act and Rules framed thereunder and they do not hold any disqualification under the provisions of the Act for their appointment for FY 2023-24. The Board of Directors of the Company reappointed M/s. Borad Sanjay B & Associates for audit of cost records for the year ended on March 31, 2024 at a remuneration of ₹ 1,10,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred, if any, in connection with the cost audit. The Board of Directors of the Company recommended the members for their ratification. The Company has maintained cost account and records as specified by Central Government under Section 148(1) of the Act, read with Rule 8 of Companies (Accounts) Rule, 2014.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Chintan I Patel & Associates, Practicing Company Secretaries, Ahmedabad (Mem No. F12315, PCS No. 20103) to conduct the Secretarial Audit of the Company for the year ended March 31, 2023. The Secretarial Audit Report for the FY 2022-23 is annexed to this Report as *Annexure – F*.

As per the requirements of the Listing Regulations, Practicing Company Secretary of one material Indian subsidiary of the Company have undertaken secretarial audit for FY 2022-23. The said material Indian subsidiary of the Company has appointed M/s. Chintan I Patel & Associates, Practicing Company Secretaries, (Mem No. F12315, PCS No. 20103 to conduct the Secretarial Audit. The said Secretarial Audit Report confirms that the said material subsidiary has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. As required under Regulation 24A of the Listing Regulations, the said Secretarial Audit Report of said material unlisted subsidiary is attached herewith in *Annexure – G*.

There are no qualifications or reservations on adverse remarks or disclaimer in the said Secretarial Audit Report. Your Company has also obtained certificate from the secretarial auditor certifying that none of the directors of our Company has been debarred or disqualified from being continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or such similar statutory authority. The said certificate has been annexed as *Annexure – H* to the Directors' Report.

Reporting of Fraud by Auditor(s)

During the year, none of the Auditors have reported any instances of fraud committed against your company by its officers or

employees to the Audit Committee or to the Board, under Section 143(12) of the Act and therefore, no detail is required to be disclosed pursuant to provisions of the Act.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the whole hearted support and contribution made by all Doctors, nursing/paramedics, bankers, Government Authorities, auditors and shareholders during the year under review. Your Directors express their deep sense of appreciation and extend their sincere thanks to every employee at all level for their dedicated services and look forward their continued support.

CAUTIONARY STATEMENT

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DR. VIKRAM I. SHAH
Chairman & Managing Director
DIN : 00011653

Date: May 18, 2023
Place: Ahmedabad

Annexure A

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part - A: Subsidiaries

(₹ in million except Exchange Rate)

Name of Subsidiary	Griffin Mediquip LLP	Vrundavan Shalby Hospitals Limited	Shalby International Limited	Yogeshwar Healthcare Limited	Shalby Hospitals Mumbai Private Limited	Mars Medical Devices Limited	Slaney Healthcare Private Limited	Shalby Kenya Limited	Shalby Global Technologies Pte. Ltd	Shalby Advanced Technologies Inc.
Date from which it became subsidiary	23 July 2012	12 August 2011	05 September 2012	11 October 2012	10 December 2020	03 April 2020	05 September 2020	09 June 2011	03 May 2021	23 March 2021
Financial Year ended 31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023	USA
Country	India	India	India	India	India	India	India	Kenya	Singapore	USA
Reporting Currency	INR	INR	INR	INR	INR	INR	INR	KSH	SGD	USD
Exchange Rate	1	1	1	1	1	1	1	0.62	61.75	82.17
Share capital /Partner capital	13.20	115.81	0.50	7.35	0.10	500.00	0.10	0.06	86.21	543.57
Reserves and Surplus	-	(19.98)	(0.22)	(7.30)	(0.12)	(19.72)	31.44	(7.92)	(73.23)	(225.42)
Total Assets	149.75	81.83	0.31	0.09	0.02	1,519.24	75.50	0.44	15.76	2,273.19
Total Liabilities	136.56	(14.00)	0.04	0.04	0.04	1,038.95	43.96	8.30	2.78	1,955.03
Turnover/Total Income	398.53	22.82	0.18	0.02	-	180.75	278.09	0.24	-	939.23
Profit / (Loss) Before Tax	5.06	9.62	0.14	(0.08)	(0.04)	(16.35)	16.23	(2.01)	(36.28)	(165.94)
Tax Expense / (Credit)	1.58	(19.48)	-	-	-	(2.49)	4.09	(0.58)	-	(44.94)
Profit / (Loss) after tax	3.48	29.10	0.14	(0.08)	(0.04)	(13.85)	12.14	(1.43)	(36.28)	(121.00)
Proposed dividend and tax thereon	-	-	-	-	-	-	-	-	-	-
Investments (except in case of investment in the subsidiaries)	-	-	-	-	-	-	-	-	-	-
% of shareholding	95.00*	100.00	100.00	94.68	100.00	100.00	100.00	100.00	99.33	100.00

* 95% holding by Shalby Limited and 5% by company's subsidiary Shalby International Limited

Notes:

1. Shalby Advanced Technologies, Inc. is 100% subsidiary and Shalby Global Technologies Pte. Ltd, is 99.33% subsidiary of Company's subsidiary Mars Medical Devices Limited
2. There are no subsidiaries, which are yet to commence its operations
3. There are no subsidiaries which have been liquidated or sold during the year.

Part - B: Associates & Joint Ventures - Nil

For and on behalf of the Board

Dr. Vikram I. Shah
Chairman and Managing Director
(DIN: 00011653)

Place : Ahmedabad
Date : May 18, 2023

Annexure B

FORM AOC-2

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

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

1. **Details of material contracts or arrangement or transactions not at arm's length basis for FY 2022-23 :** Nil
2. **Details of material contracts or arrangement or transactions at arm's length basis for FY 2022-23**

Sr.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the Ordinary / Special resolution was passed in general meeting as required under first proviso to section 188
1	Dr. Vikram I Shah, Chairman & Managing Director and KMP of the Company	Lease Agreement	10 Years	The land on which SG Shalby is situated leased to the Company by Dr Vikram Shah for a period of ten years ending February 28, 2027 at a monthly lease rental of ₹ 5 lacs plus taxes etc.	As Shalby Limited is the flagship company of the group and largely responsible for the value attributed to the group, the Individual Promoter, Dr Vikram Shah, decided to extend the leasehold to the Company.	20-12-2016	NA	06-02-2017
2	Shalby Orthopedic Hospital & Research Centre, Dr Vikram Shah is a partner of Shalby Orthopaedic Hospital and Research Centre, and is a CMD and KMP of the Company.	Lease Agreement	10 Years	Shalby Orthopaedic Hospital and Research Centre has leased the land and building to the Company for a period of ten years ending on February 28, 2027 at a monthly lease rental of ₹ 50,000 plus taxes etc.	As Shalby Limited is the flagship company of the group and largely responsible for the value attributed to the group, the Individual Promoters, being partners of Shalby Orthopaedic Hospital and Research Centre, decided to extend the leasehold to the Company.	20-12-2016	NA	06-02-2017
3	Dr. Vikram I Shah, Chairman & Managing Director and KMP of the Company	Lease Agreement	30 Years	Higher of: (a) A guaranteed minimum monthly rental of ₹ 100,000; and (b) A revenue sharing of 2.5% of the gross revenue received and / or generated by Shalby Naroda, and booked on the credit side of profit and loss accounts, in the books of accounts of the Company.	Dr Vikram Shah and Mr Uday Bhatt have leased the land on which Shalby Naroda is situated to the Company for a period of thirty years. As Shalby Limited is the flagship company of the group and largely responsible for the value attributed to the group, the Individual Promoter, Dr Vikram Shah, decided to extend the leasehold to the Company.	20-12-2016	NA	06-02-2017

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the Contracts or arrangements or transactions including value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Date on which Ordinary resolution was passed in general meeting u/s 188(1)
Professional fees							
1	Dr. Vikram I Shah, CMD and KMP	Professional Fees	10 Years w.e.f. 05/02/2014	Professional fee for FY 2022-23 was 80% OPD fees Collected. However, Dr. Vikram Shah has waived his entire Professional Fees for FY 2022-23 and no professional fees were paid to him.	05/02/2014 28/01/2016 07/05/2018 02/02/2022 17/01/2023	NA	NA
2	Dr. Darshini V. Shah, Relative of CMD and KMP	Professional Fees	10 Years w.e.f. 05/02/2014	Professional fee reduced w.e.f. 01/04/2018 for remaining period of tenure and payable 1) For SG Shalby 50% of total dental Income & 2) For Vijay and Krishna Shalby unit:s 30% of dental income.	05/02/2014 07/05/2018	NA	NA
Commission							
1	Zodiac Mediquip Limited, Promoter Company	Commission	2 years upto 31/03/2024	Commission of 50% of OPD fees for patients consulted by Shalby specialist at Mumbai premises owned by Zodiac Mediquip Limited.	02/02/2022	NA	NA
Rent Expenses/Income							
1	Zodiac Mediquip Limited, Promoter Company	Guest House expenses	2 years upto 31/03/2024	Rent of ₹ 1500/- per day per guest for using Ahmedabad premises at Parth Bunglows as Guest House, which is owned by Zodiac Mediquip Limited.	02/02/2022	NA	NA
2	Griffin Mediquip LLP, Subsidiary	Rent Income	11 Months with auto renewal	Monthly rent ranging from ₹ 1,000/- to ₹ 2000/- for using Company's premises at Indore, Krishna, Jabalpur and Mohali.	26/07/2022	NA	NA
3	Vrundavan Shalby Hospitals Limited, Subsidiary	Rent Income	5 Years upto 05/02/2028	Monthly rent of ₹ 25,000/- for using Company's premises at SG.	17/01/2023		
Purchase or sale of Medical, Material and Consumables							
1	Griffin Mediquip LLP, Subsidiary	Purchase of medical material and consumables	Ongoing	Agreement dated 01/07/2022 for Purchase of medical material and consumables	02/02/2022	NA	NA
Appointent to any office or place of profit							
1	Mr. Shanay Shah, Relative of KMP	Appointment to the office/place of profit	5 years upto 04/10/2024	Appointment as President for 5 years wef October 5, 2019. Total remuneration paid during FY 2022-23 : ₹ 6.83 mn.	25/05/2019	NA	NA

For and on behalf of the Board

Dr. Vikram I. Shah
Chairman and Managing Director
(DIN: 00011653)

Place : Ahmedabad
Date : May 18, 2023

Annexure C

Disclosure required in Board's Report pursuant to Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr	Particulars	Details
1	**Median Remuneration of employees for FY 2022-23**	₹ 173,150
2	**Ratio of remuneration of each director to the median remuneration of employees of the company for FY 2022-23**	Ratio
	a. Dr. Vikram Shah	N.A., since not drawing any salary
	b. Mr. Sushobhan Dasgupta	N.A., since not drawing any salary
	c. Mr. Shyamal Joshi	0.81
	d. Mr. Umesh Menon	0.75
	e. Mr. Tej Malhotra	0.61
	f. Mr. Ashok Bhatia	0.46
	g. Mrs. Sujana Shah	0.75
	h. Mr. Vijay Kedia (w.e.f. 18th October 2022)	0.12
3	**Percentage increase in remuneration of each director, CFO, CEO & CS in financial year 2022-23**	**% increase in FY 2022-23 as compared to FY 2021-22**
	a. Dr. Vikram Shah, Chairman and Managing Director	NA
	b. Mr. Sushobhan Dasgupta, Non-Executive Director	NA
	c. Mr. Shyamal Joshi, Non-Executive & Independent Director	(9.68%)
	d. Mr. Umesh Menon, Non-Executive & Independent Director	(13.33%)
	e. Mr. Tej Malhotra, Non-Executive & Independent Director	(16.00%)
	f. Mr. Ashok Bhatia, Non-Executive & Independent Director	(20.00%)
	g. Mrs. Sujana Shah, Non-Executive & Independent Director	(13.33%)
	h. Mr. Vijay Kedia (w.e.f. 18th October 2022) Non Executive & Independent Director	NA
	a. Mr. Venkat Parasuraman, Chief Financial Officer (upto 18th May 2023)	Not comparable
	b. Mr. Tushar Shah, AVP & Company Secretary	8.98%
4	**Percentage increase in median remuneration of employee in the financial year 2022-23**	19.85%
5	**Number of permanent employees on roll of the company as on 31-03-2023**	2,678
6	**average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**	9.0%
7	**Affirmation:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company	

Annexure D

CSR Annual Report for financial year 2022-23

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken:

The objective of the CSR policy (the "Policy") of the Company is to lay down the guiding principles for selection, implementation, monitoring and evaluation of CSR activities as well as formulation of the Annual Action Plan, for ensuring growth and advancement of society. To meet its goals, the Company drives its Corporate Social Responsibility agenda through Foundation / Trust registered with Ministry of Corporate Affairs under the Companies Act, 2013 and Rules made thereunder, and under Sections 12A and 80G of the Income Tax Act, 1961.

The major focus areas where special Community Development programs would be run are:

- Promoting Health care including Preventive Health care through awareness programs, health check-ups, free or concessional Medical Camps, provision of medicine & treatment facilities, providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity.
- Enhancing educational facilities to unlock the creative potential and talent of children and enhancing vocational skill development program and promoting education.
- The company may undertake projects or programs or activities aimed at Promoting health hygiene among underprivileged communities by providing free or subsidized medicine, clinical laboratory facilities, free or concessional treatments at hospitals, setting up of medical and diagnostic camps, projects
- Company may undertake projects or programs or activities for the protection of elderly citizens by establishing, funding or otherwise supporting old age homes and day care facilities including medical aid.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Sujana Shah	Chairperson Independent Director	1	1
2	Mr. Shyamal Joshi	Independent Director Member	1	1
3	Mr. Umesh Menon	Independent Director Member	1	1

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

https://www.shalby.org/wp-content/uploads/2017/10/Corporate-Social-Responsibility-CSR-Policy-v3.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

(₹ in Million)

Sr. No.	Financial Year	Amount available for set-off for succeeding financial years (₹)	Amount required to be set-off for the financial year, if any (₹)
1	2020-21	2.05	-
2	2021-22	0.05	-
3	2022-23	2.43	2.10
	Total	**4.53**	**2.10**

6. **Average net profit of the company as per section 135(5):** ₹ 713.30 Million

7. (a) **Two percent of average net profit of the company as per section 135(5):** ₹ 14.27 Million

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   (c) **Amount required to be set off for the financial year, if any:** ₹ 2.10 Million

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 12.17 Million

8. (a) **CSR amount spent or unspent for the financial year 2022-23**

Total Amount Spent for the Financial Year (₹ in Million)	Amount Unspent (₹ in Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14.60	NA	NA	NA	NA	NA

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Million)	Amount spent in the current financial Year (₹ in million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Construction of Building for Medical College	Promoting education	Yes	Gujarat, Ahmedabad		12.20	No	Raginiben Bipinchandra Sevakarya Trust-Ahmedabad	CSR00012645
2	Supply of Vaccines for preventing Covid-19	Healthcare	No	Rajasthan, Jaipur		2.40	Yes	NA	NA
	Total					**14.60**			

(d) **Amount spent in Administrative Overheads:** NIL

(e) **Amount spent on Impact Assessment, if applicable:** Not Applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 14.60 Million

(g) **Excess amount for set off, if any:** ₹ 2.43 Million

Sr. No.	Particular	Amount (₹ in million)
(i)	Amount available for set-off from earlier year	2.10
(ii)	Two percent of average net profit of the company as per section 135(5)	14.27
(iii)	Total amount spent for the Financial Year	14.60
(iv)	Excess amount spent for the financial year [(iii)+(i)-(ii)]	2.43
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years	2.43

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of CSR Committee and the Board

Sd/-
Sujana Shah
(DIN: 08100410)
Chairperson of CSR Committee

Sd/-
Dr. Vikram Shah
(DIN: 00011653)
Chairman and Managing Director

Place: Ahmedabad
Date: May 18, 2023

Annexure E

DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 ("SEBI SBEB REGULATIONS") FOR THE FINANCIAL YEAR 2022-23:

EMPLOYEE STOCK OPTION PLAN AND THE SCHEME:

The Company has implemented the "Shalby Limited Employee Stock Options Scheme - 2021 (the "Shalby ESOP Scheme 2021") in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations, 2021, which was approved by the Shareholders via Postal ballot dated December 3, 2021.

Under Shalby ESOP Scheme 2021, total 1,000,250 (One million two hundred fifty only) Options were authorized for issuance for the benefit of the eligible employees.

A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:

The disclosure is provided in note no. 50 to the Standalone Financial Statements of the Company for the financial year ended March 31, 2023.

B. Diluted EPS on issue of shares: ₹ 7.48

C. Details relating to Employee Stock Option Scheme (ESOS):

i. A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS

Sr.	Particulars	Shalby ESOP Scheme 2021
a	Date of shareholders' approval	December 3, 2021
b	Total number of options approved under ESOS	1,000,250
c	Vesting requirements	ESOPs will vest not earlier than 1 (One) year and not more than 3 (Three) years from the grant date
d	Exercise price or pricing formula	As per provisions of the Shalby ESOP Scheme 2021 the Exercise Price of the Option shall be determined by the Committee as 1. In case shares acquired by the trust from secondary market, then exercise price will be average purchase price or market price 2. In case shares acquired by the trust is from fresh allotment, then exercise price will be market price The Committee has power to provide discount or charge premium on such price arrived, however, it will not go below the face value of the shares.
e	Maximum term of options granted	Options granted under Shalby ESOP Scheme 2021 would vest subject to maximum period of 2 (two) years from the date of grant of such options and all vested options to be exercised within a period of 1 year from vesting date.
f	Source of shares (primary, secondary or combination)	Secondary
g	Variation in terms of options	No variation

ii. Method used to account for ESOS: Fair value basis based on Black Scholes Method

iii. Where the company opts for expensing of the options using the intrinsic value

a The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. N.A.

b The impact of this difference on profits and on EPS of the company shall also be disclosed. N.A.

iv. Option movement during the year (For each ESOS):

a	Number of options outstanding at the beginning of the period	Nil
b	Number of options granted during the year	2,39,235
c	Number of options forfeited / lapsed during the year	33,000
d	Number of options vested during the year	Nil (vesting period will start in FY 2023-24)
e	Number of options exercised during the year	Nil
f	Number of shares arising as a result of exercise of options	N.A.
g	Money realized by exercise of options (INR), if scheme is implemented directly by the company	N.A
h	Loan repaid by the Trust during the year from exercise price received	N.A.
i	Number of options outstanding at the end of the year	2,06,235
j	Number of options exercisable at the end of the year	Nil (vesting period will start in FY 2023-24)

v. Weighted-average exercise prices and weighted-average fair values of options.

	Year ended March 31, 2023
Weighted-average exercise price	₹ 10
weighted-average fair value of options	₹ 110.53

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to

	Name	Designation	Number of Options granted	Exercise Price in ₹
(a) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Parag Agarawal	Chief Business Officer	60,000	10/-
	Sushobhan Dasgupta	Vice Chairman & Global President (Non-Executive Director)	42,735	10/-
	Dr. Nishita Shukla	Group Chief Operating Officer	7,500	10/-
	Babu Thomas	Chief Human Resource Officer	6,000	10/-
	Viral Shah	Deputy General Manager	5,000	10/-
	Raju Laik	Chief Information Officer	4,000	10/-
	Venkat Parasuraman	Chief Financial Officer	4,000*	10/-
	Tushar Shah	Associate Vice President & Company Secretary	2,000	10/-

* lapsed on May 18, 2023 due to resignation

	Name	Designation	Number of Options granted	Exercise Price in ₹
(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;		Not Applicable		
(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.				

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a	**Significant Assumptions**					
	Weighted-average values of share price	₹ 135.61				
	Exercise price,	₹ 10				
	Particulars					
	Date of Grant	**16-05-2022**	**01-06-2022**	**12-07-2022**	**18-10-2022**	**15-11-2022**
	Expected Volatility	54.56%	54.57%	86.39%	85.08%	53.75%
	Expected Dividends	0.82%	0.82%	0%	0%	0%
	Risk Free Interest Rate	6.42%	6.50%	7.39%	7.43%	7.26%
	Any other inputs to the model	None	None	None	None	None
b	the method used and the assumptions made to incorporate the effects of expected early exercise;	Early exercise of option is not available				
c	how expected volatility was determined including an explanation of the extent to which expected volatility was based on historical volatility; and	Expected volatility during the term of the stock options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options.				
d	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	None				

Disclosures in respect of grants made in three years prior to IPO under each ESOS

Not Applicable

Details related to Trust

The following details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the regulations are to be disclosed:

(i) General information on all schemes

S. No.	Particulars	Details
(a)	Name of the Trust	Shalby Limited Employees Welfare Trust
(b)	Details of the Trustee(s)	Mr. Divyakant Kansara Mr. Nareshkumar Shankarji Rebari Mr. Nayan Parmar
(c)	Amount of loan disbursed by company / any company in the group, during the year	₹ 80.00 million
(d)	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	₹ 74.80 million
(e)	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	Nil
(f)	Any other contribution made to the Trust during the year	Nil

(ii) Brief details of transactions in shares by the Trust

S. No.	Particulars	Details
(a)	Number of shares held at the beginning of the year	Nil
(b)	Number of shares acquired during the year through	
	• primary issuance	Nil
	• secondary acquisition Number of shares acquired during the year	700,000
	• Percentage of paid up equity capital as at the end of the previous financial year	0.65%
	• Weighted average cost of acquisition per share	₹ 107.75
(c)	Number of shares transferred to the employees / sold along with the purpose thereof	Nil
(d)	Number of shares held by the Trust at the end of the year	700,000

(iii) In case of secondary acquisition of shares by the Trust

Number of Shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year (i.e. March 31, 2022) in which shareholders' approval was obtained
Held at the beginning of the year (as on April 1, 2022)	Nil
Acquired during the year (FY 2022-23)	700,000 (0.65%)
Sold during the year (FY 2022-23)	Nil
Transferred to the employees during the year (FY 2022-23)	Nil
Held at the end of the year (as on March 31, 2023)	700,000 (0.65%)

Note: The shares has been acquired by the Trust from secondary market during financial year 2022-23

Annexure F

FORM NO. MR-3
Secretarial Audit Report
(For the financial year ended 31st March, 2023)
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members
SHALBY LIMITED
Opp: Karnawati Club,
Sarkhej Gandhinagar Highway, Nr. Prahladnagar Garden,
Ahmedabad-380 015, Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHALBY LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions as applicable to the Company during the period of audit:

I. The Companies Act, 2013 ('the Act') and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
4. The Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
5. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; **(Not applicable for the period under review)**;
6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable for the period under review)**;
8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable for the period under review)**;
9. The Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not Applicable for the period under review)**
10. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

VI. Other Laws those are applicable specifically to the Company:

1. INDUSTRY SPECIFIC REGULATIONS

a) Atomic Energy (Radiation Protection) Rules, 2004

b) Atomic Energy Act, 1962 and Atomic Energy (Radiation Protection) Rules, 2004

c) Birth and Death and Marriage Registrations Act, 1886

d) Blood Bank Regulations under Drugs and Cosmetics Act, 1940 & NACO Guidelines.

e) Central Government Health Scheme, 1954

f) Clinical Establishments (Registration & Regulation) Act, 2010

g) Consumer Protection Act, 1986

h) Drugs and Cosmetics Act, 1940 and Rules, 1945

i) Epidemic Diseases Act, 2020

j) Ethical Guidelines for Biomedical Research on Human participants, 2006

k) Excise Permit (For Storage of Spirit) under Central Excise Act, 1956

l) Gas Cylinder Rules, 2016

m) Good Samaritans Notification 2015

n) Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 ("IMC Regulations")

o) Indian Medical Council Act, 1956 ("IMC Act").

p) Madhya Pradesh Upcharyagriha Tatha Rujopchar Sambandhi Sthapanaye (Registrikarantatha Anugyapan) Adhiniyam, 1973 ("MP Nursing Home Act")

q) Medical Termination of Pregnancy Act, 1971

r) Medical Termination of Pregnancy Regulations, 2021

s) Mental Healthcare Act, 2017

t) Narcotic Drugs and Psychotropic Substances Rules, 1985

u) National Medical Commission Act, 2019

v) Pharmacy Act, 1948

w) Pharmacy Council of India (Pharmacy Practice Regulations, 2015 and 2021)

x) Poisons Act, 1919

y) Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994

z) Pre-Conception and Prenatal Diagnostic Techniques, Prohibition of Sex Selection Rules, 1996 and 2014

aa) Prevention of Illicit Traffic in Narcotics Drugs Act, 1988

ab) Prohibition of Smoking Act, 2008

ac) Radiation Surveillance Procedures for Medical Application of Radiation 1989

ad) Safety Code for Medical Diagnostic X-Ray Equipment and Installation, 2001

ae) The Clinical Establishments (Registration and Regulation) Act, 2010

af) The Dentists Act, 1948

ag) The Gujarat emergency Medical Services Act. 2007

ah) The Indian Nursing Council Act, 1947

ai) The National Commission for Allied and Healthcare Professions Act, 2021

aj) The Pharmacy Act, 1948

ak) The Static and Mobile Pressure Vessels (Unfired) Rules, 2016

al) Transplantation of Human Organs and Tissues Act, 1994

am) Transplantation of Human Organs and Tissues Rules, 1995 and 2014

2. FOOD SAFETY REGULATIONS

a) Food Safety and Standards Act, 2006

b) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011

3. ENVIRONMENT REGULATIONS

a) Environment (Protection) Act, 1986

b) Water (Prevention and Control of Pollution) Act, 1974

c) Water (Prevention and Control of Pollution) Cess Act, 1977

d) Air (Prevention and Control of Pollution) Act, 1981

e) Biomedical Waste Management Rules, 2016

f) Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016

4. HUMAN RESOURCE RELATED REGULATIONS

a) Contract Labour (Regulation & Abolition) Act, 1970

b) Employees Compensation Act, 1923

c) Employees' Provident Funds and Miscellaneous Provisions Act, 1952

d) Employees' State Insurance Act, 1948;

e) Equal Remuneration Act, 1976;

f) The Maternity Benefit Act, 1961;

g) Minimum Wages Act, 1948;

h) Payment of Bonus Act, 1965;

i) Payment of Gratuity Act, 1972;

j) Payment of Wages Act, 1936;

k) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

l) Shops and Commercial Establishments Act

I have also examined compliance with the applicable Clauses of the Following:

a) Secretarial Standards issued by The Institute of Company Secretaries of India;

b) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreements entered in to by the Company with Stock exchange(s).

During the Period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

During the year, the Company has passed following Ordinary / Special Resolutions under Special Business through Annual General Meeting and Postal Ballot for seeking approval of Members

Appointment of Mr. Vijay Kedia (DIN:00230480) as a Non-Executive Non-Independent Director w.e.f. October 18, 2022

1. Reappointment of Mrs. Sujana Shah DIN:08100410) as an Independent Director of the Company for the second term of five consecutive years commencing from May 7, 2023

2. Increase in borrowing powers of the Board under section 180(1)(c) of the Companies Act, 2013.

3. To approve powers of Board under section 180(1) (a) of the Companies, Act, 2013

4. Increase in limits under section 186 of the Companies Act, 2013

5. Ratification of Remuneration payable to Cost Auditors for FY 2022-23

I further report that during the Audit period there were no specific events/actions having a major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For, Chintan I Patel & Associates

Chintan Patel
Practicing Company Secretary
Mem no. F12315 | C.O.P. No. 20103
UDIN: F012315E000329082
Peer Review No. 1755/2022

Place: Ahmedabad
Date: May 18, 2023

APPENDIX- A

To,
The Members
SHALBY LIMITED
Opp: Karnawati Club,
Sarkhej Gandhinagar Highway, Nr. Prahladnagar Gardern,
Ahmedabad-380 015, Gujarat

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Chintan I Patel & Associates

Chintan Patel
Practicing Company Secretary
Mem no. F12315 |C.O.P. No. 20103
UDIN: F012315E000329082
Peer Review No. 1755/2022

Place: Ahmedabad
Date: May 18, 2023

Annexure G

FORM NO. MR-3
Secretarial Audit Report
(For the financial year ended 31st March, 2023)
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members
MARS MEDICAL DEVICES LIMITED
Opp: Karnawati Club, Sarkhej Gandhinagar Highway,
Nr. Prahladnagar Garden, Ahmedabad-380 015, Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MARS MEDICAL DEVICES LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions as applicable to the Company during the period of audit:

I. The Companies Act, 2013 ('the Act') and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **(Not applicable for the period under review)**

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable for the period under review)**

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable for the period under review)**
2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable for the period under review)**
3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable for the period under review)**
4. The Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable for the period under review)**
5. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; **(Not applicable for the period under review)**
6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable for the period under review)**
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable for the period under review)**
8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable for the period under review)**
9. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable for the period under review)**
10. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not applicable for the period under review)**

VI. Other Laws those are applicable specifically to the Company:

1. INDUSTRY SPECIFIC REGULATIONS

a) Drugs and Cosmetic Act, 1940.

b) Drugs and Cosmetic Rules, 1945

c) Medical Devices Rules, 2017

d) Guidelines and Regulations issued by Central Drugs Standard Control Organization

e) Bureau of Indian Standards

f) Indian Medical Device Rules (IMDR), 2020

g) The Gujarat emergency Medical Services Act. 2007

2. HUMAN RESOURCE AND OTHER REGULATIONS

a) Contract Labour (Regulation & Abolition) Act, 1970

b) Employees Compensation Act, 1923

c) Employees' Provident Funds and Miscellaneous Provisions Act, 1952

d) Employees' State Insurance Act, 1948;

e) Equal Remuneration Act, 1976;

f) The Maternity Benefit Act, 1961;

f) Minimum Wages Act, 1948;

g) Payment of Bonus Act, 1965;

h) Payment of Gratuity Act, 1972;

i) Payment of Wages Act, 1936;

j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

k) Shops and Commercial Establishments Act

I have also examined compliance with the applicable Clauses of the Following:

a) Secretarial Standards issued by the Institute of Company Secretaries of India;

b) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreements entered in to by the Company with Stock exchange(s). **(Not applicable for the period under review)**

I further report that:

The Board of Directors of the Company is duly constituted in compliance with provisions laid down in Companies Act, 2013. There were no changes in the composition of the Board of Directors during the year under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

During the year, the Company has passed following Special Resolutions through Annual General Meeting and Postal Ballot for seeking approval of Members:

1. Authorization under section 186 of the Companies Act, 2013

2. Increase in borrowing powers of the Board under 180(1)(c) of the Companies Act, 2013

3. Increase in powers of the Board under section 180(1)(a) of the Companies Act, 2013

I further report that during the Audit period there were no specific events/actions having a major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. which are:

For, Chintan I Patel & Associates

Chintan Patel
Practicing Company Secretary
Mem no. F12315 | C.O.P. No. 20103
UDIN: F012315E000289295
Peer Review No. 1755/2022

Place: Ahmedabad
Date: May 11, 2023

APPENDIX- A

To,
The Members
MARS MEDICAL DEVICES LIMITED
Opp: Karnawati Club, Sarkhej Gandhinagar Highway,
Nr. Prahladnagar Garden, Ahmedabad-380 015, Gujarat

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Chintan I Patel & Associates

Chintan Patel
Practicing Company Secretary
Mem no. F12315 | C.O.P. No. 20103
UDIN: F012315E000289295
Peer Review No. 1755/2022

Place: Ahmedabad
Date: May 11, 2023

Annexure H

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Shalby Limited
Opp: Karnawati Club, Sarkhej Gandhinagar Highway,
Nr. Prahladnagar Garden, Ahmedabad-380015, Gujarat

Sub: Certificate with regard to directors debarred or disqualified

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shalby Limited** having **CIN L85110GJ2004PLC044667** and having registered office at Opp: Karnawati Club, Sarkhej Gandhinagar Highway, Nr. Prahladnagar Garden, Ahmedabad-380015, Gujarat (hereinafter referred to as '**the Company**'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

In my opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Initial appointment in Company
1	Dr. Vikram Shah	00011653	30/08/2004
2	Mr. Shyamal Joshi	00005766	01/06/2010
3	Mr. Umesh Menon	00086971	20/12/2016
4	Mr. Tej Malhotra	00122419	23/02/2017
5	Mr. Ashok Bhatia	02090239	23/10/2017
6	Mrs. Sujana Shah	08100410	07/05/2018
7	Mr. Sushobhan Dasgupta	06381955	17/05/2021
8	Mr. Vijay Kedia	00230480	18/10/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Chintan I Patel & Associates

Chintan Patel
Practicing Company Secretary
Mem No. F12315 | C.O.P. No. 20103
UDIN: F012315E000289295
Peer Review No. 1755/2022

Place: Ahmedabad
Date: May 18, 2023

Corporate Governance Report

Shalby Philosophy on Corporate Governance

Corporate Governance is a set of principles, processes and system which governs the Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Shalby Limited is committed to good corporate governance which promotes long-term interest of various stakeholders, strengthens the Board, enhances the accountability and helps to build public trust in the Company.

A good governance process provides transparency of corporate policies and decision making processes and also strengthens internal systems and helps in building a relationship with all stakeholders. We at Shalby believe in being transparent and we commit to adhere to good governance practices at all times, as it generates goodwill among our clients and shareholders and helps the Company to grow. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance with the Code of Conduct adopted by the Company. A report on Corporate Governance, in accordance with the Listing Regulations as applicable is outlined below.

A. Board of Directors

I. Composition of the Board

The company aims to ensure a balanced representation of executive and non-executive directors, including independent and woman director, to reflect a prudent blend of expertise, professionalism, and experience. This is in accordance with the management's dedication to upholding the principles of integrity and transparency in business operations to ensure good corporate governance.

The Board comprises of an appropriate mix of Executive, Non-Executive and Independent Directors as required under the Act and Listing Regulations to maintain the independence of the Board and to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. The Board is headed by Dr. Vikram Shah, Chairman and Managing Director, who is also one of the promoters of the Company. As on March 31, 2023, the Board of Directors comprises of total eight directors, out of which seven are Non-Executive Directors and one is Executive Director (Promoter Director). Out of seven Non-Executive Directors, four are Independent Directors including one woman independent director. The Board does not have any nominee director as on March 31, 2023. The Board structure is in compliance with the provisions of the Act and Regulation 17 of Listing Regulations.

During the year under review, the following directors were appointed.

i) Appointment of Mr. Vijay Kedia (DIN: 00230480) as an Additional Director (Non-Executive) w.e.f. October 18, 2022 and regularized by Shareholders through postal ballot on December 10, 2022.

ii) Appointment of Mrs. Sujana Shah (DIN: 08100410) as an Independent Director of the Company for her second term w.e.f. May 07, 2023 and approved by Shareholders by passing resolution through Postal Ballot on December 10, 2022.

All the independent directors have confirmed that they meet with the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act.

As on March 31, 2023, our Company's Independent Director, Mr. Shyamal Joshi, is also an Independent Director in a listed Company apart from our Company. None of our other Independent Directors is Director in any other listed companies and Mr. Vijay Kedia is also a non-executive director in one listed entity. Further, none of the Directors of the Company is acting as a Whole Time Director / Managing Director of any listed entity. None of the directors of the Company is an Independent Director in more than 7 listed companies. Dr. Vikram Shah is also the Managing Director in Mars Medical Devices Limited, a wholly-owned unlisted material subsidiary of the Company and Mr. Vijay Kedia is the Managing Director of Kedia Securities Private Limited.

None of the Directors of Company is a Member of more than 10 Committees and no Director is the Chairperson of more than 5 committees (as per Regulation 26 (1) of the Listing Regulations) across all the public companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors. For the purpose of determination of limit, Chairmanship and Membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered. The details of directorship and other details as on March 31, 2023 are set out below;

Sr.	Name & DIN	Category	Age in years	Date of Initial appointment	No. of Directorships including this listed entity^	No. of Membership and Chairmanship of committees including this listed entity*		No. of equity shares held
						Membership	Chairmanship	
1	Dr. Vikram Shah DIN: 00011653	Executive Chairman & Managing Director (Promoter)	60	30/08/2004	3	1	0	78,45,493
2	Mr. Sushobhan Dasgupta# DIN: 06381955	Non-Executive Director	60	17/05/2021	1	0	0	Nil
3	Mr. Vijay Kedia DIN: 00230480	Non-Executive Director%	63	18/10/2022	3	0	0	6,99,650
4	Mr. Shyamal Joshi DIN: 00005766	Independent director	73	01/06/2010	7	4	2	Nil
5	Dr. Umesh Menon DIN: 00086971	Independent Director	52	20/12/2016	1	2	1	2,000
6	Mr. Tej Malhotra DIN: 00122419	Independent Director	72	23/02/2017	2	1	0	1,755
7	Dr. Ashok Bhatia** DIN: 02090239	Non-Executive Director	69	23/10/2017	1	0	0	300
8	Mrs. Sujana Shah DIN: 08100410	Independent Director	46	07/05/2018	2	1	0	Nil

^ Excludes Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

* Represents Chairmanship / Membership of Audit Committee and Stakeholder Relationship Committees only

Mr. Sushobhan Dasgupta holds 42,735 Employee Stock Options exercisable into equivalent number of equity shares during FY 2023-24. None of the other directors hold any convertible instrument or employee stock options

% Joined w.e.f. October 18, 2022 and Independent Director w.e.f. May 18, 2023

** Mr. Ashok Bhatia was Non-Executive Director upto May 18, 2023 and became Independent Director w.e.f. May 18, 2023

There is no inter-se relationship between the Board members. The terms of appointment of Mrs. Sujana Shah has expired on May 6, 2023 and Shareholders have vide Special resolution passed through postal ballot on December 10, 2022, have approved to appoint her as an Independent Director for second term. The terms of appointment of other independent directors are not due for reappointment.

The Board of Directors at its meeting held on May 18, 2023 have appointed Mr. Vijay Kedia and Mr. Ashok Bhatia, Non-Executive Directors of the Company as Non-Executive and Independent Directors of the Company, subject to approval of Shareholders at the ensuing Annual General Meeting.

The Board of Directors confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and are independent of the management. None of the independent directors have resigned during the year before expiry of his / her tenure.

Disclosure of skill-sets/ expertise / competencies as identified by the Board of Directors

The diverse skill-sets of board members are important in today's dynamic and complex world. A group of directors with varied skill-sets and experience is critical for providing comprehensive guidance and direction to the Company. In terms of Schedule V of the Listing Regulations, the details of skill-sets or competence identified by the Board of Directors as required to run its business effectively and efficiently are set out below;

Skill-sets/ competence required	Name of Directors who possess such skill-sets
Industry knowledge & experience	Dr. Vikram Shah, Mr. Sushobhan Dasgupta and Dr. Ashok Bhatia
Project Management	Mr. Tej Malhotra & Dr. Vikram Shah
Marketing, Strategy & patient satisfaction	Mr. Sushobhan Dasgupta, Dr. Ashok Bhatia & Dr. Vikram Shah
Cost Analysis	Dr. Umesh Menon, Dr. Vikram Shah, Mr. Vijay Kedia
Account & Finance	Mr. Shyamal Joshi & Mrs. Sujana Shah
Information Technology	Dr. Vikram Shah, Mr. Sushobhan Dasgupta and Mr. Tej Malhotra
Talent Management & Leadership	Dr. Vikram Shah, Mr. Sushobhan Dasgupta and Dr. Ashok Bhatia
Compliance & Risk Management	Dr. Vikram Shah, Mr. Vijay Kedia, Mr. Shyamal Joshi & Mrs. Sujana Shah

Minimum Information placed before the Board Members

At Shalby, we believe that a diversified, active and well-informed Board is necessary to ensure highest standards of Corporate Governance. Accordingly, in addition to the regular business items and update, the Company provides the following information to the Board in terms of Part A of Schedule II of Listing Regulations, as and when applicable, either as part of the agenda papers or by way of presentations and discussion during the meetings:

1. Annual operating plans & budgets and any updates;
2. Capital budgets and any updates;
3. Quarterly results of the Company and its operating divisions or business segments;
4. Minutes of meetings of the Audit and other Committees of the Board;
5. Information on recruitment and remuneration of Senior Officer just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
6. Show cause notices, demand notices, prosecution notices and penalty notices which are materially important;
7. Fatal or serious accidents, dangerous occurrences and any material effluent or pollution problems;
8. Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
9. Any issue which involves possible public or product liability claims of substantial nature including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
10. Details of any joint venture or collaboration agreement, if any;
11. Transactions, if any, that involve substantial payment towards goodwill, brand equity or intellectual property;
12. Any significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front;
13. Any sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
14. Quarterly details of foreign exchange exposures and the steps taken to limit the risks of adverse exchange rate movement if material;
15. a) Non-compliance of any Regulatory, Statutory or Listing requirements and Shareholder's service such as non-payment of dividend, delay in share transfer, etc.

    b) Non-compliance relating to EPF, ESI, Laws relating to labour and employees.

    c) Non-compliance relating to Direct & Indirect Taxes or any other statutory liabilities.
16. Details of Outstanding litigation & Arbitration claims and their status
17. Reporting of the matter by anyone under Company's Code of Conduct / Whistle Blower Policy / Vigil Mechanism
18. Any complaint relating to Sexual Harassment and steps taken by the Company

II. Board Meetings and Attendance of Directors

During the year, four meetings of the Board of Directors were held on May 25, 2022, July 26, 2022, October 18, 2022 and January 17, 2023 the maximum gap between any two consecutive board meetings was less than one hundred and twenty days. The Ministry of Corporate Affairs vide its notification dated June 15, 2021 has omitted Rule 4 of Companies (Meeting of Board and its Powers) Rule, 2014, which restrict the Board of Directors to approve audited and unaudited financial results in a meeting through video conferencing. The Companies are allowed to get approval of unaudited/audited financial results through Video Conferencing Facility. Three meetings of Board of Directors of the Company were held through Video Conferencing Facility during the year 2022-23 and One meeting was held in hybrid mode. The required quorum was present for each meeting. The agenda papers along with the notes thereon, other supporting documents and all information as required under Regulation 17(7) of Listing Regulations were circulated in advance to the Board Members, except unpublished price sensitive information which may be provided at a shorter notice.

Details of Directors' attendance in Board Meetings held during the financial year 2022-23 and last Annual General Meeting are set out below;

Name of Director	No. of Board Meeting held and attended	Status of attendance at the last AGM held on September 26, 2022
Dr. Vikram Shah	4/4	Yes
Mr. Shyamal Joshi	4/4	Yes
Mr. Umesh Menon	4/4	Yes
Mr. Tej Malhotra	4/4	Yes
Mr. Ashok Bhatia	4/4	Yes
Mrs. Sujana Shah	4/4	Yes
Mr. Sushobhan Dasgupta	4/4	Yes
Mr. Vijay Kedia%	1/1	NA

% Joined w.e.f. October 18, 2022

III. Independent Director's Meeting

As required under Regulation 25(3) of the Listing Regulations read with Schedule IV of the Act, all the Independent Directors of the Company, met once during the year on March 29, 2023 without the attendance of Non-Independent Directors and members of the management.

The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the performance of Chairman of the Company based on the views of Non-Executive Directors. The Board of Directors also discussed about the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

IV. Familiarization Program to Independent Directors

The Company has formulated a Policy on Familiarization Program Imparted to Independent Directors with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The details of familiarization program imparted during FY 2022-23 are available on Company's Website.

V. Review of Compliance Report by the Board

The Board regularly reviews the Compliance Report pertaining to all laws and licenses applicable to the Company for smooth functioning and also to assess the steps taken by the Company to rectify instances of non-compliances.

VI. Selection and appointment of Directors and their Remuneration

The Company has adopted Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, payment of remuneration to Directors, Senior Managerial personnel, KMPs and other employees.

VII. Confirmation as to directors being debarred or disqualified by statutory authority

All the Directors of the Company have confirmed that they have not been debarred or disqualified by Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs or such other statutory authority from being appointed or continuing as directors of the Company and Company has obtained a certificate from Mr. Chintan I Patel, Practicing Company Secretary certifying that none of directors of our Company has been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority as stipulated under Regulation 34(3) of the Listing Regulations and the same is attached as *Annexure - H* to the Directors' Report.

VIII. Remuneration of Directors & Service Contract, Notice period and Severance Fees

I. Remuneration

The details of remuneration, perquisites and sitting fees paid to the Directors for the financial year 2022-23 are as under.

(₹ in million)

Name of Director	Category	Salary	Perquisites	Sitting fees	Total
Dr. Vikram Shah	Executive Chairman & Managing Director	Nil*	Nil	Nil	Nil
Mr. Sushobhan Dasgupta	Non-Executive Vice Chairman and Global President	Nil	Nil	Nil	Nil
Mr. Shyamal Joshi	Independent Director	Nil	Nil	0.14	0.14
Mr. Umesh Menon	Independent Director	Nil	Nil	0.13	0.13
Mr. Tej Malhotra	Independent Director	Nil	Nil	0.11	0.11
Mrs. Sujana Shah	Independent Director	Nil	Nil	0.13	0.13
Mr. Ashok Bhatia	Non-Executive^	Nil	Nil	0.08	0.08
Mr. Vijay Kedia	Non-Executive^	Nil	Nil	0.02	0.02
Total		**Nil**	**Nil**	**0.61**	**0.61**

*Dr. Vikram Shah does not draw remuneration in his capacity as Managing Director. However, as per consultancy agreement entered into with him by the Company, he is eligible for Professional Fees. He had voluntarily waived his Professional Fees, for financial year 2022-23 and the Company has not paid any professional fees to him during financial year 2022-23.

^ Independent Director w.e.f. May 18, 2023

II. Criteria for payment to Non-Executive / Independent Directors

The criteria of making payment to the Non-Executive Directors is based on the varied roles played by them towards the Company. It is not just restricted to corporate governance or outlook of the Company but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas such as technology, corporate strategy, finance and other corporate functions. The Company seeks their expert advice on various matters in general management, strategy, business planning, finance, science, technology or intellectual property. All Independent Directors and Non-Executive Directors (except Mr. Sushobhan Dasgupta) are paid sitting fees of ₹ 20,000/- for attending each meeting of the Board and ₹ 5,000/- for attending each meeting of committee.

III. Service Contracts, notice period, severance fees

The Shareholders have approved resolutions through postal ballot on December 10, 2022 relating to:

i) Appointment of Mr. Vijay Kedia as Non-Executive Director

ii) Appointment of Mrs. Sujana Shah as an Independent Director w.e.f. May 07, 2023 for her second term of 5 years

There is no other pecuniary relationship or transaction of Non- Executive Directors vis-à-vis the Company.

None of the Directors are eligible for any severance fees.

IV. Employee Stock Options

Based on shareholders' approval through Postal Ballot in financial year 2021-22, Company has issued Employee Stock Options to eligible employees including employees of subsidiaries and step-down subsidiary. The details of these Stock Options have been provided in *Annexure - E* to the Directors report.

B. AUDIT COMMITTEE

I. Composition and attendance

The composition of Audit Committee of the Company meets the requirements of Section 177 of the Act and Regulation 18 of Listing Regulations. The composition of Audit Committee as on March 31, 2023 are as under:

Sr.	Name	Position	Designation
1	Mr. Umesh Menon	Chairman	Independent Director
2	Mr. Shyamal Joshi	Member	Independent Director
3	Mr. Tej Malhotra	Member	Independent Director
4	Mrs. Sujana Shah	Member	Independent Director

All the members of the Audit Committee are Independent Directors and all are financially literate having vast experience in the area of finance, accounts & audit and strategy and management. There is no change in Audit Committee composition during the year under review.

The Committee met four times during the year viz. May 25, 2022, July 26, 2022, October 18, 2022 and January 17, 2023. The maximum gap between any two Committee Meetings was less than one hundred twenty days. The details of Composition of the Committee as on March 31, 2023 and attendance for meetings held during the year is set out below;

Name of member	Dates of Committee meetings				No. of meeting held and attended
	25-05-2022	26-07-2022	18-10-2022	17-01-2023	
Mr. Umesh Menon	✓	✓	✓	✓	4 / 4
Mr. Shyamal Joshi	✓	✓	✓	✓	4 / 4
Mr. Tej Malhotra	✓	✓	✓	✓	4 / 4
Mrs. Sujana Shah	✓	✓	✓	✓	4 / 4

The Chairman of the Audit Committee has attended the last Annual General Meeting held on September 26, 2022.

II. Invitees to the Committee

The Statutory Auditors, Internal Auditors CFO, President, Group Chief Operating Officer, Chief Business Officer and Chief Human Resource Officer are regular invitees to the Audit Committee meetings. The Committee also invites other functional heads / executives, where it considers appropriate, to attend meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

The Committee mandatorily reviews information such as internal audit reports related to internal control, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed in Part C of Schedule II of the Listing Regulations.

III. Terms of Reference

The Audit Committee reviews the matter falling in its terms of reference and addresses larger issues that could be vital concern to the Company. The Committee constituted by the Board in terms of Section 177 of the Act, meets the requirement of provisions of Companies Act, 2013 as well as of the Listing Regulations. The powers, role and terms of reference of Committee include the matters as specified under the Act and Listing Regulations. The terms of reference of the Committee, broadly includes matters pertaining to review of financial reporting process, review of financial results and related information, approval and disclosures of related party transaction, adequacy of internal control systems, appointment and remuneration of Auditors, adequacy of disclosures, review of changes, if any, in accounting policies & practices, compliance with listing and other legal requirements relating to financial statements, review of utilization of loans and/or advances from / investment in its subsidiaries exceeding ₹ 100 crore or 10% of the asset size of subsidiary, implementing & monitoring system and process for compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015 ('SEBI (PIT) Regulations') reviewing adequacy of the functioning of system and processes for internal control w.r.t. SEBI (PIT) Regulations, reviewing the compliances with the provisions of SEBI (PIT) Regulations as per roles and powers as defined, Risk Management framework and other relevant matters.

C. NOMINATION AND REMUNERATION COMMITTEE

I. Composition and attendance

The composition of Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Act and Regulation 19 of Listing Regulations. The composition of Nomination and Remuneration Committee as on March 31, 2023 are as under:

Sr.	Name	Position	Designation
1	Mr. Umesh Menon	Chairman	Independent Director
2	Mr. Shyamal Joshi	Member	Independent Director
3	Mrs. Sujana Shah	Member	Independent Director

The Committee met twice during the year viz. on July 26, 2022 and October 18, 2022. The Composition of Committee and attendance for committee meetings held during the year is set out below:

Name of member	Dates of Committee meetings		No. of meeting held and attended
	26-07-2022	18-10-2022	
Mr. Umesh Menon (Chairman)	✓	✓	2/2
Mr. Shyamal Joshi	✓	✓	2/2
Mrs. Sujana Shah	✓	✓	2/2

II. Terms of Reference

The powers, role and terms of reference of Nomination and Remuneration Committee include the matters as specified under the Act and Listing Regulations. The broad terms of reference of the Committee include formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees, formulation of criteria for evaluation of independent director, identification and assessing the person who are qualified to become or continue as director, recommending remuneration payable to Senior Management, monitoring and reviewing various human resource and compensation matters, administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Schemes, granting of options to eligible employees, etc.

III. Performance Evaluation

Pursuant to applicable provisions of the Act and Listing Regulations, the Board has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board, its Committees, Chairman and Individual Directors, including Independent Directors.

A structured questionnaire was prepared covering various aspects of functioning of the Board and its Committees such as adequacy of constitution and composition of the Board and its committees, matters addressed in the Board and Committee meetings, processes followed at the meetings, Board's focus, regulatory compliances and corporate governance, etc. Similarly, for evaluation of individual director's performance, the questionnaire covers various aspects like his/her skills, experience and level of preparedness which allows the person to clearly add value to discussions and decisions; sufficient understanding and knowledge of the Company and the sector in which it operates; availability for Board meetings and attends the meeting regularly and timely, without delay; effective contribution to the Company and in the Board meetings; demonstrating highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.) and exercise of his / her own judgment and voices opinion freely.

Every member of the Board has submitted his/her response on a scale of 1 (strongly disagree) to 5 (strongly agree) and evaluated performance of Board, its Committees and individual directors, including Chairman of the Board. Evaluation of Performance of the Board, its Committees, every Independent Director and Non-Independent Directors, for the Financial Year 2022-23, has been carried out in the manner and process as per the policy in this respect.

D. STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees various aspects of interest of security holders and inter-alia, looks into expeditious redressal of shareholders' grievance such as issues involving transfer and transmission of shares, issue of duplicate certificates, recording dematerialization/ rematerialization, non-receipt of dividend, refund, annual report etc.

I. Composition and its attendance of members

The composition of the Committee of the Company meets the requirements of Section 178 of the Act and Regulation 20 of Listing Regulations. The committee has met twice during the year viz. May 25, 2022 and January 17, 2023. The composition of the Committee as on March 31, 2023 and its attendance is set out below:

Name of member	Position	Dates of Committee meetings		No. of meeting held and attended
		25-05-2022	17-01-2023	
Mr. Shyamal Joshi	Chairman	✓	✓	2/2
Mr. Umesh Menon	Member	✓	✓	2/2
Dr. Vikram Shah	Member	✓	✓	2/2

II. Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year

M/s. Kfin Technologies. Ltd., Hyderabad is Registrar and Share Transfer Agent ('RTA') of the Company to carry out the share transfer and other related work. Mr. Tushar Shah, AVP & Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The RTA has timely resolved/attended all the complaints and no complaint or grievance remained unattended/ unresolved at the end of the year. Details of the complaints received and resolved during the year ended March 31, 2023 are set out below;

Particulars	No. of complaints
Opening as on April 1, 2022	0
Received during the year	13
Resolved during the year	13
Pending as at March 31, 2023	0

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

As required under Section 135 of the Act, the Company has constituted CSR Committee of Directors inter-alia to formulate Corporate Social Responsibility (CSR) Policy, to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act and rules made thereunder and review thereof, recommend the amount of expenditure to be incurred on the CSR activities, monitor the CSR Policy of the company from time to time and carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

I. Composition and its attendance

The composition of the Committee of the Company meets the requirements of Section 135 of the Act. The Committee met once viz. May 25, 2022 during the year under review. The composition of the committee and attendance is set out below;

Name of member	Position	Date of Meeting	No. of meeting held and attended
		25-05-2022	
Mrs. Sujana Shah	Chairman	✓	1/1
Mr. Shyamal Joshi	Member	✓	1/1
Mr. Umesh Menon	Member	✓	1/1

F. RISK MANAGEMENT COMMITTEE

SEBI has amended Listing regulations on May 5, 2021 which inter alia includes mandatorily constitution of Risk Management Committee by the Board of Directors for Top 1000 listed entities based on market capitalization as on March 31. The Company has constituted Risk Management Committee in order to bring well-organized approach to manage the various types of risks associated with day to day business of the Company and minimize adverse impact on its business objectives.

I. Composition and its attendance

The composition of the Committee of the Company meets the requirements of Regulation 21 of Listing Regulations. The Committee met twice times during the year. viz. on July 26, 2022 and January 17, 2023, during the year under review. The composition of the committee and attendance is set out below;

Name of member	Position	Date of meeting and attendance	
		26-07-2022	17-01-2023
Dr. Vikram Shah	Chairman	✓	✓
Mr. Shyamal Joshi	Member	✓	✓
Mrs. Sujana Shah	Member	✓	✓

The CFO and other functional heads are invitees to the Committee meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

II. Terms of Reference

The Terms of Reference to Risk Management include framework for identification of internal and external Risk, including financial, operational, sectorial, sustainability, information technology and cyber security risk, measures of risk mitigation, overseeing of Risk Management policy, including evaluation of adequacy of risk management, ensuring appropriate methodology, process and systems are in place, review of Risk Management Policy, appointment and removal of Chief Risk Officer, etc and also include those specified under the Regulation 21 of the Listing Regulations.

The Committee reviews the information as listed under Regulation 21 of the Listing Regulations read with Schedule II Part D (C) as amended from time to time.

G. Other Committees

In addition to the above referred committees, the Board has also constituted management committees of Directors to look into various routine business matters.

H. General Body Meetings

i. Annual General Meeting

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

Year ended	Date & time	Venue	Special resolutions passed
31/03/2022	26/09/2022 at 4:00 p.m.	Through Video Conferencing	• Increase in borrowing powers of the Board under 180(1)(c) of the Companies Act, 2013 • To approve powers of Board under 180(1) (a) of the Companies, Act, 2013 • Authorization under Section 186 of the Companies Act, 2013
31/03/2021	27/09/2021 at 4:30 p.m.	Through Video Conferencing	Appointment of Mr. Shyamal Joshi (DIN: 00005766) as an Independent Director
31/03/2020	14/09/2020 at 3:30 p.m.	Through Video Conferencing	None

ii. Details of Special Resolutions passed through postal ballot:

Following special resolution was passed through postal ballot on December 10, 2022

1. Special Resolution for reappointment of Mrs. Sujana Shah (DIN: 00122419) as an Independent director for her second term of 5 years w.e.f. May 07, 2023.

The remote e-voting facility has been provided to members of the Company through National Securities Depository Limited. The remote e-voting period commenced on Friday, November 11, 2022 at 9:00 am (IST) and concluded on Saturday, December 10, 2022 at 5:00 pm (IST). Mr. Chintan I Patel, Practicing Company Secretary (Membership No. FCS-12315 and CP No. 20103) of M/s. Chintan I Patel & Associates, has been appointed as Scrutinizer to scrutinize remote e-voting process in a fair and transparent manner.

The details of e-voting on the aforementioned resolution(s) are provided hereunder:

Particulars	In favour			Against		
	Total no. of members voted	Total no. of valid votes	%	Total no. of members voted	Total no. of valid votes	%
Special Resolution Reappointment of Mrs. Sujana Shah (DIN: 00122419) as an Independent director for her second term of 5 years w.e.f. May 07, 2023.	223	80,994,355	99.87%	30	107,197	0.13%

This Resolution was passed with requisite majority.

iii. Whether any resolution is proposed to be conducted through postal ballot

No Special resolution is currently proposed to be conducted through postal ballot.

I. Disclosures

i. Management Discussion Analysis

The Annual Report contains detailed report on Management Discussion and Analysis.

ii. Related Party Transactions

All the related party transactions that were entered into during the financial year were on arm's length basis and your Company has taken approval of audit committee, Board of Directors and shareholders whenever applicable. Pursuant to Regulation 23 of the Listing Regulations, all related party transactions were placed before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions for their review and approval.

During the year under review, there were no material transactions with related parties in terms of regulation 23 of the Listing Regulations. The details of the related party transactions are provided in the *Annexure - B* (AOC -2) to the Directors' Report.

The Company has formulated Policy for Determining Material Subsidiaries and policy on dealing with Related

Party Transactions. These policies are in line with Listing Regulations and is amended from time to time.

iii. Accounting Treatment

The Company has followed accounting treatment as prescribed in Indian Accounting Standard applicable to the Company.

iv. Compliance by the Company

The Company has complied with all the applicable provisions of the Listing Regulations and other SEBI Regulations wherever applicable.

There was no stricture issued by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during any time in the past.

v. Whistle Blower Policy / Vigil Mechanism

The Company has a Whistle-Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior and mismanagement, if any. No employee of the Company was denied access to the Audit Committee. Details relating to vigil mechanism are also mentioned in the Board's Report.

vi. Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to foreign exchange risk due to international revenue and international business operations. However, the Company has not any kind of exposure to commodity risk. Foreign exchange risk arose from international revenue in hospital business has no material impact on the overall risk profile of the group and hence converted on spot basis. International operations in overseas subsidiary have no realized foreign exchange risk due to end to end operations in foreign currency only.

vii. Compliance with Mandatory and Discretionary requirements

The Company has complied with all the mandatory Corporate Governance requirements as specified in Listing Regulations.

The Company has adopted the non-mandatory requirements to the extent and in the manner relating to:

Modified opinion in Audit Report: During the year under review, there was no audit qualification in the Auditors' Report on the Company's Standalone and Consolidated financial statements.

Reporting of Internal Auditor: The Internal Auditors give quarterly presentation on their audit observation to the Audit Committee and they directly reported to the Audit Committee.

viii. Details of utilization of funds raised through preferential allotment or qualified institutional placement under Reg. 32(7A) of Listing Regulations.

This regulation is not applicable to the Company, as the Company has not raised any funds through preferential allotment or through qualified institutional placement.

ix. Recommendation by Committee

There were no instances during the financial year 2022-23 wherein the Board had not accepted the recommendations made by any of the committees of the Board.

x. Loans and advances in the nature of loans to subsidiaries

(₹ in mn)

Name of the Company	Outstanding at the beginning of the year	Given during the year	Adjusted/ repaid during the year	Other Adjustments	Closing at the end of the year	Maximum amount outstanding during the year
Shalby (Kenya) Limited	9.55	2.14	-	-	11.69	11.69
Vrundavan Shalby Hospitals Limited	96.73	3.11	(99.84)	-	-	97.81
Yogeshwar Healthcare Limited	-	-	-	-	-	-
Slaney Healthcare Private Limited	-	-	-	-	-	-
Mars Medical Devices Limited	169.08	1,561.92	(1731.00)	-	-	923.48
Shalby Hospitals Mumbai Pvt Ltd	-	-	-	-	-	-
Shalby International Limited	0.03	-	(0.03)	-	-	0.03
Griffin Mediquip LLP	-	-	-	-	-	-
Shalby Global Technologies Pte. Ltd.	-	-	-	-	-	-
Shalby Advanced Technologies, Inc.	-	-	-	-	-	-

Loans and advances in the nature of loans to other companies/ Firms in which directors are interested

(₹ in mn)

Name of the Company	Outstanding at the beginning of the year	Given during the year	Adjusted/ repaid during the year	Other Adjustments	Closing at the end of the year	Maximum amount outstanding during the year
			Nil			

xi. Dividend payment, Unclaimed Dividends and Unclaimed Shares

Dividend for the financial year 2022-23, if approved by the shareholders at the AGM, will be paid on or after August 19, 2023 to the shareholders.

Unclaimed Dividend Details

Financial Year	Date of declaration of dividend	Dividend per share	Due date for transfer to IEPF	Amount not claimed as on March 31, 2023
2018-19	August 26, 2019	0.50	November 1, 2026	₹ 35,569
2019-20	September 14, 2020	0.50	November 15, 2027	₹ 65,321
2020-21	September 27, 2021	1.00	November 28, 2028	₹ 75,346
2021-22	September 26, 2022	1.00	November 27, 2029	₹ 62,056

No amount of unclaimed dividend is due for transfer to the Investor Education and Protection Fund administered by the Central Government Pursuant to Section 124 and 125 of the Act read with rules made thereunder.

The Company does not have any unclaimed shares as on March 31, 2023 and hence Company is not required to transfer unclaimed shares pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules, 2016 as notified from time to time.

The Company has framed Dividend Distribution Policy pursuant to rules notified by SEBI and is amended from time to time.

Details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Name of material subsidiary	Date of incorporation	Place of incorporation	Name of Statutory Auditors	Date of appointment of statutory auditors
Mars Medical Devices Limited	April 3, 2020	India	T. R. Chadha & Co. LLP	September 25, 2021
Shalby Advanced Technologies, Inc.	March 23, 2021	USA	T. R. Chadha & Co. LLP	June 29, 2022

xii. CMD & CFO Certification

The CMD and CFO of the Company have certified to the Board of Directors, inter-alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2023 and the same has been annexed to Corporate Governance Report.

xiii. Amount of fees paid to Statutory auditors

Your Company has paid total fees of ₹ 2.94 million for all services rendered by statutory auditors of the Company. The subsidiaries of your Company have paid fees of ₹ 2.28 million to statutory auditors.

xiv. Anti-Sexual Harassment policy at workplace

Your Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace under the provisions of Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act 2013 and rules framed thereunder. The Company has anti Sexual harassment Committee in place to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaint has been received. There were no complaints pending at March 31, 2023.

xv. Credit Ratings

During the year under review, ICRA Limited has reaffirmed the long term credit ratings as ICRA A+ (Stable) on term loans and fund based facilities availed by the Company and the outlook on the long term rating is "Stable". This rating indicates adequate degree of safety regarding timely servicing of financial obligations and low credit risk.

xvi. Analyst/Investor Meets

The Chairman & Managing Director, Vice Chairman, President, Chief Human Resource Officer, Chief Operating Officer and Chief Financial Officer hold quarterly briefs with analysts and shareholders where the Company's performance is discussed. The official press releases, the presentation made to the institutional investors and analysts, audio/video recording and transcript of the calls with analysts for quarterly/half-yearly/annual results are available on the Company's website at https://www.shalby.org/ and uploaded on the website of NSE & BSE.

xvii. Legal Entity Identifier Code

The Reserve Bank of India has mandated vide its circular dated November 2, 2017 existing large corporate borrower having total exposure of ₹ 50 cr. and above to obtain Legal Entity Identifier Code (LEI). The borrower, who fails to obtain LEI code as applicable, will not be granted renewal or enhancement of credit facilities by banks.

Your company has renewed the LEI code during the year in accordance with said RBI circular and is valid upto March 25, 2028.

J. Means of Communication

a. **Newspapers**: The extracts of quarterly and annual financial results of the Company are generally published in leading daily newspaper in India viz. Financial Express (English and Gujarati editions).

b. **Disclosure to Stock Exchanges**: All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated on the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Listing centre. They are also displayed on the Company's website at https://www.shalby.org/investors/

c. **Website of the Company:** The Company's website https://www.shalby.org/ contains a separate dedicated section "Investors" where information for shareholders is available. Quarterly and Annual Financial results, disclosures and filing with the stock exchanges, official press releases, presentations to analysts and institutional investors and other general information about the Company are available in Investors' section on the Company's website.

c. **Annual Report:** Annual Report containing, inter alia, Board's Report, Auditors' Report, Audited Financial Statements and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Business Responsibility and Sustainability Report form part of the Annual Report. The Annual Report of the Company and its subsidiaries are also available on the website of the Company.

K. General Information for Shareholders

a) Annual General Meeting and Book Closure:

Date, time and venue of AGM: Monday, August 14, 2023 at 4:00 p.m. through video conferencing facility.

Book Closure Period: Wednesday, August 9, 2023 to Monday, August 14, 2023 (both days inclusive)

b) Financial Year: April 1 to March 31

c) Financial Results:
First Quarter Results: by August 14
Half Year Results: by November 14
Third Quarter Results: by February 14
Annual Results: by May 30

d) Listing on Stock Exchanges: The Company's equity shares are listed on the following Stock Exchanges.

Listed at	Scrip code
National Stock Exchange of India Limited (NSE)	SHALBY
BSE Limited (BSE)	540797
ISIN : INE597J01018	
Company Identification Number (CIN) : L85110GJ2004PLC044667	

e) Payment of Listing Fees: The Company has paid annual listing fee for the financial year 2023 -24 to the BSE and NSE within the stipulated time.

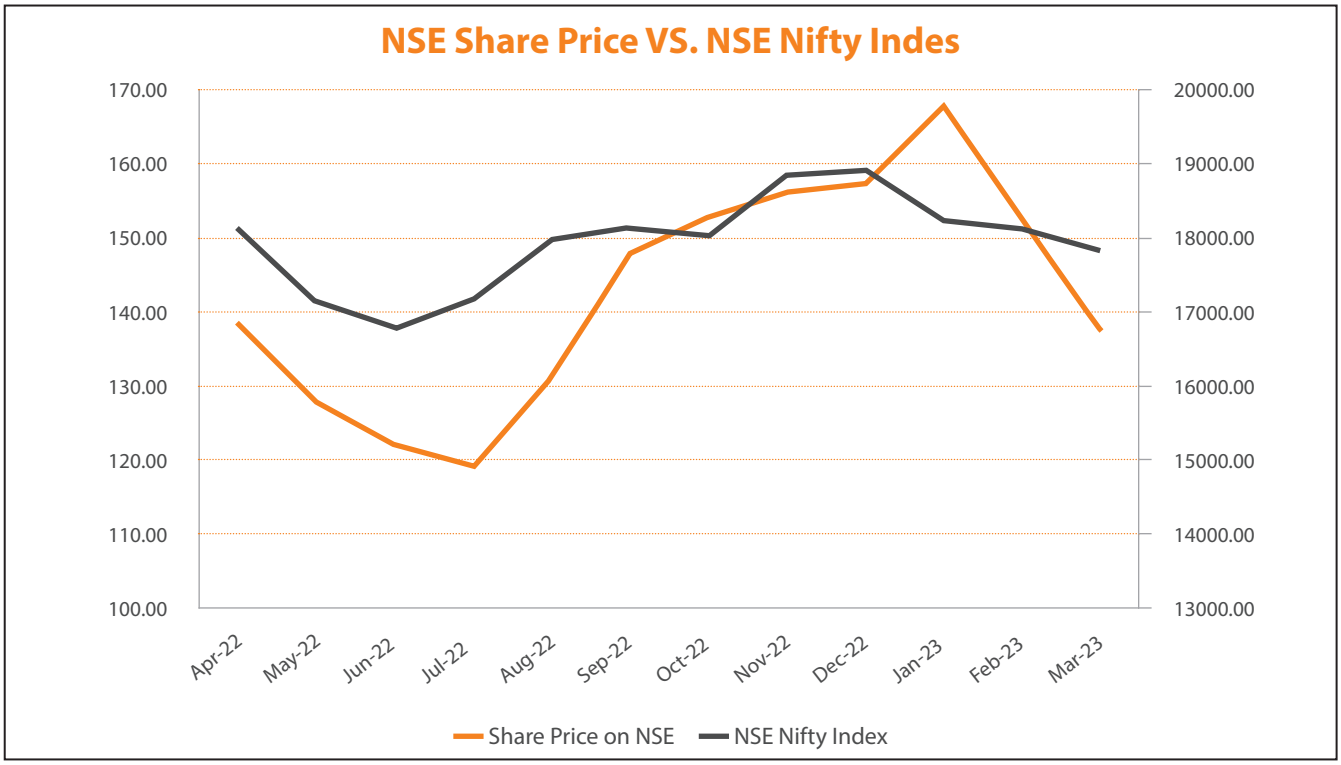
f) **Payment of Depository Fees:** Annual Custody / Issuer fee for financial year 2023-24 has been paid within due date based on the invoices received from NSDL and CDSL.

g) **Market Price data:** The monthly high and low market price of equity shares traded on NSE and BSE during FY 2022-23 is set out below;

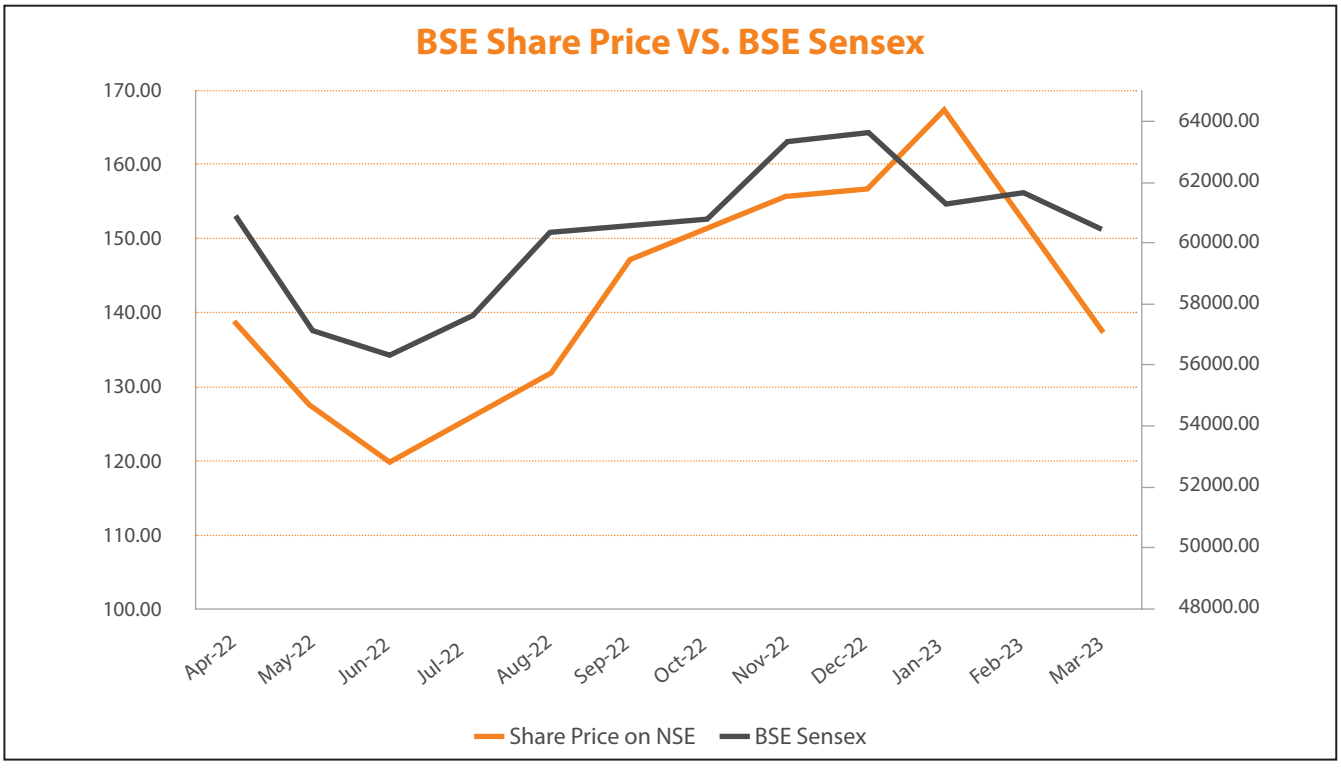
Month	NSE				BSE			
	Share Price (₹)		Nifty Index		Share Price (₹)		BSE Sensex	
	High	Low	High	Low	High	Low	High	Low
Apr-22	138.70	117.00	18,114.65	16,824.70	138.90	116.80	60,845.10	56,009.07
May-22	127.95	100.20	17,132.85	15,735.75	126.90	100.05	57,184.21	52,632.48
Jun-22	122.00	94.95	16,793.85	15,183.40	120.00	95.10	56,432.65	50,921.22
Jul-22	119.00	100.95	17,172.80	15,661.80	126.00	99.10	57,619.27	52,094.25
Aug-22	131.45	114.15	17,992.20	17,161.25	131.95	112.55	60,411.20	57,367.47
Sep-22	147.80	125.05	18,096.15	16,747.70	147.40	124.25	60,676.12	56,147.23
Oct-22	152.75	130.50	18,022.80	16,950.30	152.20	128.30	60,786.70	56,683.40
Nov-22	156.00	138.20	18,816.05	17,959.20	155.75	135.50	63,303.01	60,425.47
Dec-22	157.20	128.20	18,887.60	17,774.25	156.90	128.00	63,583.07	59,754.10
Jan-23	168.00	140.55	18,251.95	17,353.40	167.95	141.80	61,343.96	58,699.20
Feb-23	151.90	123.00	18,134.75	17,255.20	151.75	123.00	61,682.25	58,795.97
Mar-23	137.45	115.00	17,799.95	16,828.35	137.35	114.35	60,498.48	57,084.91

source: www.nseindia.com & www.bseindia.com

Monthly High price of Shalby on NSE vs. Nifty Index



Monthly High price of Shalby vs. BSE Sensex



h) Distribution of equity holding as on March 31, 2023

No. of shares each of the face value of ₹ 10/- each	Shareholders		Equity Shares	
	Nos.	% of total shareholders	No of Shares	% of total shares
Upto 500	49,807	94.55	40,36,843	3.74
501 – 1,000	1,373	2.61	11,06,171	1.02
1,001 – 2,000	683	1.30	10,56,481	0.98
2,001 – 3,000	234	0.44	6,03,038	0.56
3,001 – 4,000	113	0.21	4,08,756	0.38
4,001 – 5,000	88	0.17	4,19,352	0.39
5,001 – 10,000	168	0.32	12,53,619	1.16
Above 10,000	213	0.40	9,91,25,510	91.77
Total	**52,679**	**100.00**	**10,80,09,770**	**100.00**

i) Shareholding Pattern as on March 31, 2023

Sr.	Category	No. of shares held	% of shares held
I	**Promoter and Promoter Group Shareholding**		
	Indian	8,00,58,348	74.12
II	**Public Shareholding**		
	Institutional		
	Foreign Portfolio Investor	42,26,912	3.91
	Others	279	0.00
	Non-Institutional		
	Individual and HUFs	1,29,74,707	12.02
	Directors & Directors Relatives	7,03,705	0.65

Sr.	Category	No. of shares held	% of shares held
	Bodies Corporate	83,85,968	7.76
	NRIs	6,88,058	0.64
	NBFC Registered with RBI	-	-
	Clearing Members	31,543	0.03
III	**Non-Public Non-Promoter Shareholding***	9,40,250*	0.87
	Total	**10,80,09,770**	**100.00**

*(i) 2,40,250 Equity Shares held by Shalby Medicos Trust (Private Trust) through Mr Viral Shah, Trustee, Constituted by Company for the benefit of doctors associated or to be associated with our Company through subsisting valid contract of consultation for their services rendered in connection with our Company's business.

(ii) 7,00,000 Equity Shares held by Shalby Limited Employees Welfare Trust through Mr. Divyakant Kansara, Trustee, Constituted for the purpose of granting ESOP to the eligible employees to the Company.

j) Lock-in of Equity Shares

As on March 31, 2023, no shares were under lock-in period.

k) Share Transfer Process & Dematerialisation:

The details of Share Transfer Process and Dematerialization of Shares have been disclosed in the Notice which forms part of this Integrated Annual Report.

In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation.

a) Dematerialization of Shares & Liquidity

The Equity Shares of the Company are in compulsory demat segment and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). During the year 2022-23, no request has been received for dematerialization / rematerialization.

As on March 31, 2023, total 99.98% shares were held in dematerialized form. The shares of the Company are frequently traded on both the stock exchanges i.e. BSE and NSE.

b) Secretarial Audit and Other Certificates

M/s. Chintan I Patel & Associates, Practicing Company Secretaries (Membership No. FCS-12315, CP No. 20103), has conducted a Secretarial Audit of the Company for FY 2022-23. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made thereunder, its Memorandum and Articles of Association, all applicable SEBI Regulations, Circulars and Guidelines. The Secretarial Audit Report forms part of the Board's Report as an Annexure.

In accordance with the SEBI Circular dated February 8, 2019 and additional affirmations required under Circulars issued by NSE and BSE dated March 16, 2023 and April 10, 2023 read with Regulation 24A of the Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. Chintan I Patel & Associates, Practicing Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2023.

Pursuant to Regulation 40(9) of the Listing Regulations, a yearly certificate has been issued by a Company Secretary in Practice, certifying due compliance of share transfer formalities by the Company.

A Company Secretary in practice has carried out a quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

M/s. Chintan I Patel & Associates, Practicing Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority. The said Certificate is annexed to this Report on Corporate Governance.

c) Details of Outstanding securities or any convertible instruments:

The Company has no outstanding GDRs, ADRs, Warrants, Options or any convertible instrument as on March 31, 2023.

d) Equity shares under suspense account:

The Company has no equity shares under Suspense Account and hence disclosure relating to the same is not applicable.

e) Our Units

State	Unit	Address
Gujarat	SG Shalby	Shalby Hospitals, Opposite Karnavati Club, SG Highway, Ahmedabad-380015
	Krishna Shalby	Krishna Shalby Hospitals, 319, Green City, Ghuma, Via Bopal, Ahmedabad - 380058
	SOCE - Vijay	Shalby Orthopedic Centre of Excellence, Vijay Shalby Hospital, Vijay Cross Road, Near Navrangpura Fire Station, Ahmedabad-380009
	Shalby Naroda	Near Haridarshan Cross Road, Naroda, Ahmedabad-382325
	Shalby Vapi	Near Cinepark, Vapi Silvassa Road, Vapi, District Valsad
	Shalby Surat	TP No.12 (Adajan), FP No.29, Near Navgun College, Rander Road, Surat-395009
Madhya Pradesh	Shalby Indore	Race Course Road, RS Bhandari Marg, Zanjeerwala Square, Indore
	Shalby Jabalpur	Plot B, Scheme No.5, Ahinsa Chowk, Kanchnar City Road, Vijay Nagar Colony, Jabalpur-482002
	SOCE – Gwalior	Shalby Orthopedic Centre of Excellence, Kampoo Road, Idgah, Lashkar Gwalior, Madhya Pradesh – 474001
Punjab	Shalby Mohali	Silver Oak Hospital, Phase-IX, Sector-63, SAS Nagar, Mohali
Rajasthan	SOCE - Udaipur	Shalby Orthopedic Centre of Excellence, 71/2-B, Near Hiran XRay, Madhuban, Udaipur, Rajasthan - 313001
	Shalby Jaipur	Gandhipath Road, Sector - 3, F Block, Chitrakoot Scheme, Jaipur, Rajasthan 302021
Maharashtra	Zynova Shalby	Trimurti Arcade, Nr. Sarvodaya Trust, L.B.S. Marg, Ghatkopar(west), Mumbai-400086
Uttar Pradesh	SOCE - Lucknow	Shalby Orthopedic Centre of Excellence, 506, Shastri Smarak Sansthan, IIM Road, Madiyanva, Mutkkipur, Lucknow, Uttar Pradesh – 226020

Apart from above, company has various OPD centers.

f) Address for communication

Registered Office: Shalby Hospitals, Opp. Karnavati Club, S. G. Highway, Ahmedabad – 380015. Gujarat, India. Tel. No. +91 79 40203000, Fax: +91 79 40203120, Email: companysecretary@shalby.in

Corporate Office : Shalby Limited, B-301 & 302, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015. Gujarat, India. Email: companysecretary@shalby.in

Company Secretary and Compliance Officer: Mr. Tushar Shah, AVP, Company Secretary and Compliance Officer, Shalby Limited, B-301 & 302, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad 380015. Gujarat, India. Email: companysecretary@shalby.in

Registrar & Transfer Agent : Kfin Technologies Limited, Selenium, Tower B, Plot 31–32, Financial District, Nanakramguda, Hyderabad – 500032, Telangana, India, Tel: +91 40 6716 2222, Fax: +91 40 2343 1551, E-mail: einward.ris@kfintech.com

L. Prevention of Insider Trading

As per SEBI (PIT) Regulations, the Company has devised the Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. The Company Secretary is the Compliance Officer for the purpose of this code. The insiders have submitted the required disclosures to the Company. The Company has formulated Policy on Prevention of Insider Trading and Policy on Leak of UPSI as per regulations of SEBI and is amended from time to time.

The Company has availed "Structured Digital Database ('SDD') Software" facility to track Insider Trading transactions which helps to monitor, report and maintain digital data base with adequate & effective internal checks and control on insider trading as required under SEBI (PIT) Regulations.

Various Reports generated from the said Software which helps the Company to comply SEBI (PIT) Regulations and to monitor transaction done by Designated Person in effective way. The necessary changes also made from time to time in

this software according to the amendments made in SEBI (PIT) Regulations.

M. Code of Conduct

The Board has laid down the code of conduct for all Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at www.shalby.org. All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the year ended on March 31, 2023 and a declaration to this effect duly signed by Chairman and Managing Director of the Company has been obtained and is reproduced below.

Declaration

All the Board Members and Senior Management Personnel have affirmed the compliance with Code of Conduct for the year ended March 31, 2023, as laid down by the Board of Directors pursuant to Regulation 17(5) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

For **Shalby Limited**

Place : Ahmedabad — **Dr. Vikram Shah**

Date : May 18, 2023 — Chairman & Managing Director

N. Investors Services

As an ongoing endeavour to enhance Investor experience and leverage new technology, our RTA, KFIN Technologies Limited have been continuously developing new applications. Here is a list of applications that has been developed for our investors.

Investor Support Centre: A webpage accessible via any browser enabled system. Investors can use a host of services like Post a Query, Raise a service request, Track the status of their DEMAT and REMAT request, Dividend status, Upload exemption forms (TDS), Download all ISR and other related forms.

URL: https://ris.kfintech.com/clientservices/isc

eSign Facility: Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that eSign option be provided to Investors for raising service requests. KFIN is the first RTA which has enabled the option and can be accessed via the link below.

URL: https://ris.kfintech.com/clientservices/isc

KYC Status : Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have the requisite information regarding their folios.

URL: https://ris.kfintech.com/clientservices/isc/kycqry.aspx

KPRISM: A mobile application as well as a webpage which allows users to access Folio details, Interest and Dividend status, FAQs, ISR Forms and full suite of other investor services.

URL: https://kprism.kfintech.com/signin.aspx

WhatsApp: Modern technology has made it easier to communicate with shareholder across multiple levels. WhatsApp has a wider reach today with majority having a know-how of the application. In order to facilitate the shareholders KFIN has now a dedicated WhatsApp number that can be used for a bouquet of services.

WhatsApp Number : (91) 91000 94099

For and on behalf of the Board of Directors

Dr. Vikram I. Shah

Date : May 18, 2023 — Chairman & Managing Director

Place: Ahmedabad — DIN : 00011653

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No.: L85110GJ2004PLC044667 Nominal Capital: ₹ 1,177,500,000/-

To,
The Members
Shalby Limited
Opp: Karnawati Club, Sarkhej Gandhinagar Highway,
Nr. Prahladnagar Garden, Ahmedabad-380015, Gujarat

I have examined the compliance of conditions of corporate governance by **Shalby Limited,** for the year ended on March 31, 2023 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the condition of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

I state that such Compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For, Chintan I Patel & Associates

Chintan Patel
Practicing Company Secretary
Mem no. F12315 | C.O.P. No. 20103
UDIN: F012315E000289295
Peer Review No. 1755/2022

Place: Ahmedabad
Date: May 18, 2023

CERTIFICATE BY MANAGING DIRECTOR AND CFO

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Shalby Limited

Dear Sir(s),

We, **Venkat Parasuraman, Chief Financial Officer** and **Dr. Vikram Shah, Chairman and Managing Director,** have reviewed the Audited Standalone and Consolidated financial statements of Shalby Limited for the year ended March 31, 2023 and pursuant to Reg. 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our knowledge and belief, we hereby certify that:

(a) (i) these statement(s) do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

(ii) these statement(s) together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year ended March 31, 2023 which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.

(d) The Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(e) We have indicated to the Auditors and Audit Committee that:

(i) There is no significant changes in internal control over financial reporting during the year ended March 31, 2023;

(ii) There is no significant changes in accounting policies during the year ended March 31, 2023; and

(iii) There are no instances of significant fraud of which we have become aware and which involve management or an employee having significant role in the Company's internal control system over financial reporting.

Yours faithfully,

Venkat Parasuraman
Chief Financial Officer

Dr. Vikram Shah
Chairman and Managing Director
DIN : 00011653

Place: Ahmedabad
Date: May 18, 2023

Business Responsibility and Sustainability Report

BRSR Section A: General Disclosures

Details of the listed entity

1.	**Corporate Identity Number (CIN):**	L85110GJ2004PLC044667
2.	**Name of the Listed Entity:**	Shalby Limited
3.	**Year of Incorporation:**	2004
4.	**Registered Office Address:**	Shalby Hospitals, Opp. Karnavati Club, S. G. Road, Ahmedabad 380015, Gujarat, India
5.	**Corporate Office Address:**	B-301, B-302, B-310 & B-311, Mondeal Heights, Opp. Karnavati Club, SG Highway, Ahmedabad- 380015
6.	**E-mail:**	companysecretary@shalby.in
7.	**Telephone:**	(079) 40203000
8.	**Website:**	https://www.shalby.org/
9.	**Financial year for which reporting is being done**	April 1, 2022 to March 31, 2023
10.	**Paid-up Capital:**	₹ 1,080,097,700
11.	**Name of the Stock Exchange(s) where shares are listed:**	Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	• Dr. Vikram Shah, Chairman & Managing Director (DIN: 00011653) and Dr Nishita Shukla, Group COO • Contact number- +91 79402 03000 • E-mail ID: drnishita.shukla@shalby.org, cmd@shalby.org
13.	**Reporting boundary: Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Standalone

Products / services

14. Details of business activities (accounting for 90% of the turnover):

Description of main activity	Description of business activity	% of turnover
Hospital and Medical Care	Hospital Activities	100

15. Products / Services sold by the entity (accounting for 90% of the entity's turnover):

Sr.	Product / Service	NIC Code	% of total turnover contributed
1	Hospital Services	86100	100%

Operations

16. Number of locations where plants and / or operations / offices of the entity are situated:

Locations	Number of plants	Number of offices / Units (incl. OPD centres)	Total
National	NA	82*	82
International	NA	5**	5

*The Company has its hospital units at Ahmedabad, Vapi, Surat, Indore, Jabalpur, Mohali, Jaipur and Mumbai, 67 OPD centers at various locations in India, 4 SOCE and a Corporate office at Ahmedabad.

**The Company has OPD in Sudan, Addis Ababa, Rwanda, Nairobi and Dares Salaam.

NA: Not Applicable

17. Markets served by the entity:

a) Number of locations:

Locations	Number
National (No. of States)	15 states
International (No. of Countries)	5 countries

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Ans- 1.28%

c) A brief on types of customers:

The Company's customers include insured and non-insured patients across domestic and international locations, patients covered under various government sponsored schemes (CGHS/ ECHS/ other central & state govt. health schemes) for domestic geographies and patients covered under social security options, sponsored under institution/organisation cover for health coverage for international geographies. For Implant Business, the type of customers are Distributors and Surgeons and for Pharmaceuticals, we deal with Hospitals and Distributors.

Employees

18. Details as at the end of financial year:

a) Employees and workers (including differently abled):

Particulars	No.	% of total
Employees		
Permanent	**2,678**	**100.00**
Male	1,481	55.30
Female	1,197	44.70
Other than Permanent	**1,327**	**100.00**
Male	819	61.72
Female	508	38.28
Total Employees	**4,005**	**100.00**
Male	2,300	57.43
Female	1,705	42.57

The Company does not have any workers as defined in the BRSR Guidance Note.

b) Differently abled employees and workers: During the Financial Year 2022-23, the Company did not have any differently abled employees or workers as defined in the BRSR Guidance Note. However, the Company believes and offers equitable opportunity for all, hence is always open to hire such people.

19. Participation / Inclusion / Representation of women:

	No.	% of total
Board of Directors	**8**	
Female	1	12.50%
Key Management Personnel	**2**	
Female	0	0.00%

20. Turnover rate for permanent employees and workers:

	Turnover rate in FY2023	Turnover rate in FY2022	Turnover rate in FY2021
Permanent employees	**58.7%**	**59.2%**	**54.7%**
Male	29.9%	30.6%	29.3%
Female	28.9%	28.6%	25.4%
Permanent workers			
Male	Not applicable, as the Company does not have any workers as defined in the BRSR Guidance Note		
Female			

Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. Names of holding / subsidiary / associate companies / joint ventures:

	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / associate / joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Mars Medical Devices Limited	Subsidiary	100.00%	Yes
2	Slaney Healthcare Private Limited	Subsidiary	100.00%	Yes
3	Shalby Hospitals Mumbai Private Limited	Subsidiary	100.00%	Yes
4	Yogeshwar Healthcare Limited	Subsidiary	94.68%	Yes
5	Vrundavan Shalby Hospitals Limited	Subsidiary	100.00%	Yes
6	Shalby International Limited	Subsidiary	100.00%	Yes
7	Shalby (Kenya) Limited	Subsidiary	100.00%	Yes
8	Griffin Mediquip LLP	LLP	95.00%	Yes
9	Shalby Advanced Technologies* (SAT)	Step down Subsidiary	100.00%	Yes
10	Shalby Global Technologies Pte Ltd* (SGT)	Step down Subsidiary	99.33%	Yes

* Mars Medical Devices Limited holds 100% equity shares in SAT and 99.33% equity shares in SGT.

The Company holds shares in eight subsidiary companies (as mentioned at sr. no. 1 to 8 above).

CSR Details

22. CSR Activities

I. **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

II. **Turnover (FY 2022-23):** ₹ 7,277.56 Million

III. **Net worth (as on March 31, 2023):** ₹ 9,757.30 Million

IV. **Total amount spent on CSR for FY 2022-23:** ₹ 14.60 Million

Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place	FY 2022-23			FY 2021-22		
	If Yes, then provide web-link for grievance redress policy	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	Yes https://www.shalby.org/investors/	-	-	Investors can contact us via email id as mentioned on our website.	-	-	Investors can contact us via email id as mentioned on our website.
Shareholders	Yes https://www.shalby.org/investors/	13	Nil	-	25	Nil	-

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place	FY 2022-23			FY 2021-22		
	If Yes, then provide web-link for grievance redress policy	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Employees and workers	Yes https://myshalby.peoplestrong.com/	13	Nil	Employees can register their complaints on internal portal, which is not available to general public.	45	Nil	Employees can register their complaints on internal portal, which is not available to general public.
Customers	Yes info@shalby.org	-	-	Post service feedbacks are taken from customers	-	-	-
Value Chain Partners	Yes info@shalby.org	NA					
Others	-	-	-	-	-	-	-

We have grievance mechanism in place for all stakeholders and all the grievances are resolved promptly by the concerned person.

24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sr. No.	Material issue Identified	Indicate whetherrisk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water & Energy Management	Opportunity	To reduce wastage or expenditure by using water/energy efficient equipment	NA	Positive
2	Waste Management	Risk	Medical waste, if not properly disposed, can pose hazard to the environment	Approach to mitigate – as per defined protocols by pollution control boards	**Negative-** Lack of robust initiatives and action plans could adversely impact ESG profile
3	Quality of Care & Patient Satisfaction	Opportunity	To increase goodwill by maintaining high level of quality care and patient satisfaction	NA	Positive
4	Employee Practices & Benefits	Risk & Opportunity	**Risk-** Provision for employee benefits could be considered as incurred expenses **Opportunities-** Employee development and engagement programs accelerate the work satisfaction thereby enhancing the performance and company's operations	We are committed to enhance knowledge and leadership quotient of our employees through constant training and development	**Positive-** Brings new perspectives, experiences, and ideas which enable innovation, enhances the performance and enables a positive culture **Negative-** Adverse impacts on workforce productivity, morale and the company's growth plan in a long run
5	Risk Management	Opportunity	The Company has an effective risk management framework to periodically identify, evaluate and mitigate any risks to the Company's operations	NA	Positive

For other risks, please refer to the Key Risks & Mitigation Strategies section of Management Discussion and Analysis on page no. 65.

BRSR Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1.	a. **Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs.**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. **Has the policy been approved by the Board?**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. **Web Link of the Policies**	https://www.shalby.org/wp-content/uploads/2017/10/Business-Responsibility-Policy-v1.pdf								
2.	**Whether the entity has translated the policy into procedures.**	Yes								
3.	**Do the enlisted policies extend to your value chain partners?**	Other vendors/suppliers/contractors do not participate in Company's BR initiatives.								
4.	**Name of the national and international codes / certifications / labels / standards adopted by your entity and mapped to each principle**	None								
5.	**Specific commitments, goals and targets set by the entity with defined timelines**	None								

6. **Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met:**

   Collective efforts are taken by the Company and its stakeholders to adopt and implement the policies to ensure a sustainable existence for all.

7. **Statement by director responsible for the business Responsibility & Sustainability report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).**

   As an industry player in the Healthcare sector, Environmental Sustainability, Social Sustainability, Economic Sustainability, and Governance paradigm assumes high importance for the Company. As a socially responsible company, we are running various CSR programmes for the welfare of people who don't have access to quality health. We are encouraging our team by providing all sorts of support and career advancement opportunities. Ensuring sustainable economic growth and effective governance to uphold accountability to these commitments and proper alignment between our business and social purposes. Regular reviews are undertaken to ensure that positive impact and value is being created for all stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the business responsibility policy (ies):

- Dr. Vikram Shah, Chairman & Managing Director (DIN: 00011653) and Dr Nishita Shukla, Group COO
- Contact number: +91 79402 03000
- E-mail ID: drnishita.shukla@shalby.org, cmd@shalby.org

9. Does the entity have a specified committee of the board / director responsible for decision making on sustainability related issues? If Yes, provide details.

Yes. The Company does not have a designated committee responsible for making decisions on sustainability related issues. However, the Directors and Senior Management Team monitors various aspects of ESG responsibilities on a continuous basis. The Company has constituted CSR Committee for reviewing and taking decisions on CSR spending which is done in line with sustainability and Risk Management Committee to oversee and monitor the ESG performance and how they contribute to our society towards creating long-term value for our stakeholders of the Company. These Committees provides guidance to the Board to ensure that sustainability related issues are addressed in all Shalby's strategic initiatives, budgets, and action plans which in turn reviewed by the Board on an annual basis.

10	Details of Review of NGRBCs by the Company.		
	Subject for review	Indicate whether review was undertaken by director / committee of the board / any other committee	Frequency (annually / half yearly / quarterly / any other)
		P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
a	Performance against above policies and follow up action	Performance against above mentioned policies and follow up action is reviewed by the Board of Directors and various Committees as applicable. The periodicity of these reviews is once in every two to three years or whenever an update is required due to change in applicable laws.	
b	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the statutory requirements as applicable.	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If yes, provide name of the agency.	The policies are reviewed by the Board and Senior Management Team and are amended periodically. The risks factors - existing and potential, both are periodically reviewed by the Internal Auditors and placed before the Board of Directors.								

12	If principles not covered by a policy, provide reasons for the same.									
	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
a	The entity does not consider the Principles material to its business	All principles are covered by its respective Policies								
b	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles									
c	The entity does not have the financial or / human and technical resources available for the task									
d	It is planned to be done in the next financial year (Yes/No)									
e	Any other reason									

BRSR Section C: Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	During the year, the Board of Directors and Key Managerial Personnel spent considerable time on various updates comprising of business, environmental, social and governance		
Key Managerial Personnel			
Employees other than BoD and KMPs	-	Safety & Skill up-gradation training	Permanent Male Employees: 91% Permanent Women Employees: 93% Casual/Temporary/Contractual Employees: 88% Employees with Disabilities: NA
Workers	Not Applicable		

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

	NGRBC Principle	Name of the regulatory / enforcement agencies judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred?
Monetary					
Penalty / Fine			NA		
Settlement					
Compounding fee					
Non-Monetary					
Imprisonment			NA		
Punishment					

3. **Of the instances disclosed in question 2 above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed.**

   NIL

4. **Does the entity have an anti-corruption or anti-bribery policy? If Yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes, the Company has zero-tolerance against bribery and corruption. The Company is maintaining the highest standards of corporate governance and ethical business conduct. Focused efforts are undertaken to ensure that all disclosure requirements are met adequately. In line with this, the Company's Code of Conduct does not allow any employee to engage in practices that are abusive, corrupt or related to bribes. This policy supports the value creation for all stakeholders in a fair and transparent manner with integrity and accountability.

5. **Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:**

   Nil

6. Details of complaints with regard to conflict of interest:
Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.
NA

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
3	The company has achieved the reduction in generation of waste, raw material, and other resources through various initiatives like environment awareness campaigns, training, and monthly monitoring of hazardous & non-hazardous waste.	100

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? If Yes, provide details of the same.

1. Yes, every Director of the Company discloses his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals and any change therein, at the first Board Meeting in which he participates and thereafter at the first Board Meeting held in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, which includes the shareholding, in such manner as prescribed.

2. Further every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement entered into or to be entered into:

   (a) With a body corporate in which such Director or such Director in association with any other Director, holds more than two percent shareholding of that body corporate or is a Promoter, Manager, Chief Executive Officer of that body corporate or;

   (b) With a firm or other entity in which, such Director is a Partner, Owner or Member, as the case may be, discloses the nature of his concern or interest at the meeting of the board in which the contract or arrangement is discussed and does not participate in such meetings.

   The details of the aforesaid transactions are also entered into a register prescribed for the purpose under the Companies Act, 2013 and placed before the board for noting.

3. Every director of the company discloses his material interest, if any, directly or indirectly, or on behalf of the third parties, in any transaction or matter directly affecting the company at the beginning of every year.

BRSR Section C: Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.
Since the Company is not into manufacturing business, no R&D and Capital Expenditure investments were made.

2. **Does the entity have procedures in place for sustainable sourcing? If Yes, what percentage of inputs were sourced sustainably?**
   Ans: The Company follows sustainable sourcing ensuring quality and safety of material procured from vendors. The Company strives to improve the energy and water footprints by reducing the power and fuel consumption by adopting new techniques and alternate methods i.e., use of infrared controllers in water taps, rainwater harvesting system in our greenfield projects, re-use of wastewater in watering the plants and trees, use of motion sensor for lighting automation. The Company is in the business of providing healthcare service in which the products and services as inputs are regulated by the statutes and internal SOP, hence, we procure the products and services from empaneled vendors who adhere to Company's quality, social and environmental standards.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.**
   Ans: The Company thrives to maintain quality standards, reduce waste generation, and segregate recyclable waste at hospitals. The Company ensures that all its procedures are in keeping with applicable rules and safety regulation. It also strictly adheres to legal and safety requirements. The Company ensures to dispose of bio-medical and other waste in accordance with the government guidelines. Recyclable wastes were collected and disposed of through authorized recycler. E-waste generated at the facility were disposed of through authorized agent. We have policy in place to dispose of bio medical waste in accordance with the guideline of the government and to ensure minimum generation of radiation in and around the hospital.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If Yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   NA

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If Yes, provide details in the following format?**
   Since the Company is not into manufacturing business, its business activities has nil or minimum impact on environment aspects. However, the Company is diligent on the matter, and would promptly consider / execute the control over the same if its business activities would in any way impact the environment, in future.

2. **If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

	Name of product / service	Description of the risk / concern	Action taken
1	Electricity used in all units & offices	Carbon emission	Implementation of HVAC efficiency

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**
   Not applicable, as company is not into manufacturing business

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed.**
   Since the Company is not into manufacturing business, its business activities has nil or minimum impact on environment aspects, there is nil or negligible information which are not measurable.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**
   Not Applicable since the Company operates under service industry.

BRSR Section C: Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1a. Details of measures for the well-being of employees:

Category	% of employees covered by											
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent employees											
Male	1,481	-	-	1,481	100	-	-	-	-	-	-
Female	1,197	-	-	1,197	100	1,197	100	-	-	-	-
Total	**2,678**	**-**	**-**	**2,678**	**100**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent employees		**-**	**-**			**-**	**-**	**-**	**-**	**-**	**-**
Male	819	-	-	-	-	-	-	-	-	-	-
Female	508	-	-	-	-	-	-	-	-	-	-
Total	**1,327**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

1b. Details of measures for the well-being of workers:

The Company does not have any workers as defined in the BRSR Guidance Note.

2. Details of retirement benefits, for current financial year and previous financial year:

Benefits	FY23			FY22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	76%*	NA	Yes	90.4%*	NA	Yes
Gratuity	100.0%		Yes	100.0%		Yes
Employee State Insurance (ESI)	34.7%		Yes	27.6%		Yes
Others	-		-	-		-

*Some of the employees have not opted for Provident fund scheme

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Not applicable. However, Most of the offices/ workplace are well equipped for accessibility to differently abled persons.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

We recognize the importance of maintaining a diverse work environment through the creation of a strong and healthy work environment that fosters innovation and shared learning experiences. Our anti-discrimination policy educates employees on discrimination and harassment topics, as well as how to address them and report them when they occur. Diversity metrics are monitored on an ongoing basis, and appropriate measures are in place. We provide equal employment opportunities that allow all individuals to maximize their capabilities and thereby enrich our work environment.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Return to work rate	Retention rate
Permanent employees		
Male	Paternity leave not applicable	Paternity leave not applicable
Female	100%	9.5%
Total	**29 [100%]**	**2 [9.5%]**
Permanent workers	Not Applicable, as the Company does not have any workers as defined in the BRSR Guidance Note.	
Male		
Female		
Total		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If Yes, give details of the mechanism in brief:

	If Yes, then give details of the mechanism in brief
Permanent Workers	Not Applicable, as the Company does not have any workers as defined in the BRSR Guidance Note.
Other than Permanent Workers	
Permanent Employees	The company has implemented an online system of Employee Grievance Redressal (E Care) that is integrated with its HRMS. This mechanism enables all employees to raise their grievances through the online portal, which is accessible 24/7. The portal is designed to ensure that all employee grievances are addressed promptly and efficiently. Once a grievance is raised, it is assigned to the concerned department or personnel for redressal. The grievance is then resolved within 48 hours and the employee is provided with an update on the status of their grievance. This online system ensures transparency and accountability in the grievance redressal process and helps to maintain a positive work environment.
Other than Permanent Employees	NA

7. Membership of employees and worker in association(s) or unions recognised by the listed entity:

The Company does not have any employee associations. The Company, however, recognises the right to freedom of association.

8. Details of training given to employees and workers:

	FY23					FY22				
	Total (A)	Health and safety measures		Skill upgradation		Total (A)	Health and safety measures		Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees	**2,678**	**2,491**	**93%**	**2,412**	**90%**	**2,490**	**2,376**	**95%**	**1,940**	**78%**
Male	1,481	1,394	94%	1,294	87%	1,349	1,282	95%	1,038	77%
Female	1,197	1,097	92%	1,118	93%	1,141	1,095	96%	901	79%
Total	**2,678**	**2,491**	**93%**	**2,412**	**90%**	**2,490**	**2,376**	**95%**	**1,940**	**78%**
Workers	Not Applicable, as the Company does not have any workers as defined in the BRSR Guidance Note.									
Male										
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

	FY23			FY22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,481	1,481	100%	1,349	1,349	100%
Female	1,197	1,197	100%	1,141	1,141	100%
Total	**2,678**	**2,678**	**100%**	**2,490**	**2,490**	**100%**
Workers	Not Applicable, as the Company does not have any workers as defined in the BRSR Guidance Note.					
Male						
Female						
Total						

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? If yes, what is the coverage such system?

Yes, Company provides free medical checkup to it's employees and it is covered under NABH & NABL certified.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company follows strict procedures and regular monitoring to ensure compliance with legal and safety requirements. Considering the risks involved, the Company also emphasizes following radiation surveillance procedures and maintenance of all records for legal references.

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.

Employees are trained to report unsafe conditions to their reporting managers.

d) Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes.

11. Details of safety related incidents:

Safety Incident / Number	Category	FY23	FY22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	**Employees**	-	-
	Workers	-	-
Total recordable work-related injuries	**Employees**	-	1
	Workers	-	-
No. of fatalities	**Employees**	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	**Employees**	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company provides a systematic way to ensure a safe and healthy workplace for all employees

Key measures taken includes –

a. Education on Health and Safety at workplace

b. Training on Disaster Management measures such as Fire Mock Drill etc.

13. Number of Complaints on the following made by employees and workers:

	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	3	Nil	The complaint was disposed off as per the respective guidelines	3	Nil	The complaint was disposed off as per the respective guidelines
Health and Safety	10	Nil	The complaint was disposed off as per the respective guidelines	1	Nil	The complaint was disposed off as per the respective guidelines

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
	FY23	FY22
Health and safety practices	100% NABH, PCB	100% NABH, PCB
Working Conditions	100% NABH, PCB	100% NABH, PCB

15. Provide details of any corrective action taken or underway to address safety-related incidents and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

Timely vaccination is given to employees in risk prone area to safeguard their physical health. Periodical POSH refresher training is conducted for male and female employees to safeguard from physical, mental, and verbal harassment. In depth background verification is conducted for relevant employees to protect the company from any unpleasant situation post hiring.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers?**

   Yes, the Company provides accidental death benefit covering all employees through insurance policy.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   HR department obtains a copy of all challan filed by such partners like PF, ESIC etc.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

   No such incident was reported by any of the employee.

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   No

5. **Details on assessment of value chain partners:**

   NA

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   The Company has not so far received any report of significant risk / concern due to nil or minimum exposure to health hazards.

BRSR Section C: Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity**

   Internal and external group of stakeholders have been identified. Presently the given stakeholder groups have the immediate impact on the operations and working of the company. This includes Employees, Shareholders & Investors, Customers, Communities and Vendors.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	E-mail, SMS, meetings, Whatsapp, Various learning and development initiatives	Ongoing	Business Communication, Employee Policy & Benefits, Regular Company updates / Training Needs, Health and Wellness and Growth Opportunities.
2	Vendors	No	E-mail, Digital meetings, In person meetings	As and when required	To ensure that the highest standard of quality and timely availability is ensured for seamless business operations
3	Customers	No	SMS, Website, E-mail, Calls	Ongoing	Customer Satisfaction and feedback, complaint and queries
4	Shareholders & Investors	No	E-mail, Website, Analyst Meets, etc.	Annual and as and when required	To share the financial performance, achievements, challenges, future roadmap and resolving their queries and grievances

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   A continuous connect enables aligning of expectations, thereby helping the Company to serve its stakeholders better. The Board is periodically reported on various developments and their deliberation / advice is sought upon.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   The Company has still not sought any such consultation. The Company recognises that it is still in a 'learning phase' on various evolving aspects of ESG and hence stakeholder interactions are important.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.**

   The Company actively participates in the CSR activities organized. Kindly refer to the Corporate Social Responsibility Report given as *Annexure - D* to Director's report separately in Annual Report.

BRSR Section C: Principle 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

	FY23			FY22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	2,678	-	-	2,490	-	-
Other than permanent	683	-	-	384	-	-
Total Employees	**3,361**	**-**	**-**	**2,874**	**-**	**-**
Workers	Not applicable, as the Company does not have any workers as defined in the BRSR Guidance Note.					
Permanent						
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers:

	FY23					FY22				
	Total (A)	Equal to Minimum Wage (B)	% (B / A)	More than Minimum Wage (C)	% (C / A)	Total (A)	Equal to Minimum Wage (B)	% (B / A)	More than Minimum Wage (C)	% (C /A)
Employees										
Permanent	**2,678**	**-**	**-**	**2,678**	**100%**	**2,490**	**-**	**-**	**2,490**	**100%**
Male	1,481	-	-	1,481	100%	1,141	-	-	1,141	100%
Female	1,197	-	-	1,197	100%	1,349	-	-	1,349	100%
Other than Permanent	**1,327**	**-**	**-**	**1,327**	**100%**	**1,336**	**-**	**-**	**1,336**	**100%**
Male	819	-	-	819	100%	766	-	-	766	100%
Female	508	-	-	508	100%	570	-	-	570	100%
Workers	Not applicable, as the Company does not have any workers as defined in the BRSR Guidance Note.									
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration / salary / wages:

	Number	Median remuneration / salary / wages of respective category
Male		
Board of Directors (BoD)*	7	₹ 1,05,000
Key Managerial Personnel	2	₹ 45,40,187/-
Employees other than BoD and KMP	2,013	₹ 1,99,695/-
Workers	NA	NA
Female		
Board of Directors (BoD)*	1	₹ 1,30,000/-
Key Managerial Personnel	0	0
Employees other than BoD and KMP	1,788	₹ 1,46,852/-
Workers	NA	NA

* None of the Board member has received remuneration, except sitting fees as disclosed in Corporate Governance Report.

During the year some of the employees have worked for part of the year.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has an Internal portal which addresses to human rights related issues or concerns. Dedicated URL for the same is https://myshalby.peoplestrong.com/ and Chief Human Resources Officer heads as part of Vigil Mechanism and whistle blower policy have been created where employees and other stakeholders can raise their concerns / issues. Periodic review of the same is done by the Audit Committee.

6. Number of Complaints on the following made by employees and workers:

	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	1	-	The complaint was disposed off as per the guidelines of POSH Act, 2013
Discrimination at workplace	-	-	-	-	-	-
Child Labour	NA					
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Company has adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace under the provisions of Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder. The Company has Internal Committee to redress complaints received relating to sexual harassment.

8. Do human rights requirements form part of your business agreements and contracts?

The Company endeavors to cover the human rights requirements in its business agreements and contracts.

9. Assessments for the year:

	% of plants and offices that were assessed
Child labour	NA
Forced / involuntary labour	NA
Sexual harassment	NA
Discrimination at workplace	NA
Wages	NA
Others – please specify	NA

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

All employees must mandatorily submit a copy of govt. ID Proof like Aadhar card to ensure they are not minor. An employment application form is in place to be filled by applicant to ensure he is applying to the job voluntarily and not under any external pressure.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.**
   So far the Company has not received any grievance / complaints with respect to human rights. However, the Company is committed to modify and adopt business process to redress the issues

2. **Details of the scope and coverage of any Human rights due diligence conducted.**
   Various mechanism and policies with respect to Human rights are in place for redressal. The Company follows zero tolerance to child, forced or compulsory labour.

3. **Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**
   All the hospital units and offices are well equipped and is accessible for differently abled visitors.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	5 units inspected by Labour department
Forced Labour / Involuntary Labour	-
Wages	-
Others – please specify	-

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at question 4 above.**
   So far, the Company has not received any complaint in the matter, hence no corrective action was taken.

BRSR Section C: Principle 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity:**

Parameter	FY23	FY22
Total electricity consumption (A)	58.79 TJ	57.12 TJ
Total fuel consumption (B)	22.17 J	2.11 TJ
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	58.79 TJ	59.23 TJ
Energy intensity per rupee of turnover	0.02	0.002
(Total energy consumption/ turnover in rupees)		
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	No	No

J: Joules

TJ: Terajoules

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If Yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken.**
   NA

3. Provide details of the following disclosures related to water:

Parameter	FY23	FY22
Water withdrawal by source (in kilolitres)		
(i) Surface water	16,171	9,932
(ii) Groundwater	1,84,784	40,965
(iii) Third party water	56,935	395
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,57,890	51,292
Total volume of water consumption (in kilolitres)	2,57,890	51,292
Water intensity per rupee of turnover (Water consumed / turnover)	0.04	Not comparable
Water intensity (optional) – the relevant metric may be selected by the entity		
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?) If yes, name of the external agency.	No	No

Water being both vital to protecting patient health and for daily hospital operation we pay special attention to the leakages in tabs, wastage of water in washing and drinking areas is avoided. There are infrared controllers in water taps as they provide water only when required, they get switch off automatically and can save between 5 to 15% of water per tap per year; Rainwater harvesting system is installed at our Greenfield recently, projects to conserve natural resources.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.

As a part of water conservative initiatives, domestic wastewater generated from the hospitals is recycled in STP plant and it is being re-used in the hospitals for suitable purposes, i.e., gardening, flushing and use in cooling tower etc.

5. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY23	FY22
NOx	The Company is not into any manufacturing activity, and hence there is no emission of hazardous pollutants. There is normal consumption of energy by way of usage of air conditioners and electrical fixtures in stores and offices.		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency			

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Break-up	Unit	FY23	FY22
Total Scope 1 emissions	CO_2	Metric tonnes	The Company is not into any manufacturing activity, and hence there is no emission of hazardous pollutants. There is normal consumption of energy by way of usage of air conditioners and electrical instruments in units and offices.	The Company is not into any manufacturing activity, and hence there is no emission of hazardous pollutants. There is normal consumption of energy by way of usage of air conditioners and electrical instruments in units and offices.

Parameter	Break-up	Unit	FY23	FY22
	CH4	Metric tonnes	The Company is not into any manufacturing activity, and hence there is no emission of hazardous pollutants. There is normal consumption of energy by way of usage of air conditioners and electrical instruments in units and offices.	The Company is not into any manufacturing activity, and hence there is no emission of hazardous pollutants. There is normal consumption of energy by way of usage of air conditioners and electrical instruments in units and offices.
	N2O	Metric tonnes		
	HFCs	Metric tonnes		
	PFs	Metric tonnes		
	SF6	Metric tonnes		
	NF3	Metric tonnes		
	Total	**Metric tonnes**		
Total Scope 2 emissions	CO2	Metric tonnes		
	CH4	Metric tonnes		
	N2O	Metric tonnes		
	HFCs	Metric tonnes		
	PFs	Metric tonnes		
	SF6	Metric tonnes		
	NF3	Metric tonnes		
	Total	**Metric tonnes**		
Total Scope 1 and Scope 2 emissions per rupee of turnover				
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		CO2 equivalent/ Metric tonnes		
Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If yes, name of the external agency.			NA	

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

We recognize our responsibility towards the environment and have a clear focus on reducing carbon footprint and optimizing resources. We ensure adherence to the local environmental regulations including the International Finance Corporation (IFC) performance standards, sustainability standards, and the World Bank Group Environment, Health and Safety (EHS) guidelines.

8. Provide details related to waste management by the entity:

	FY23	FY22
Total waste generated (in metric tonnes)		
Plastic waste (A)	NA	NA
E-waste (B)	NA	NA
Bio-medical waste (C)	234.31	190.35
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other hazardous waste. Please specify, if any. (G)	NA	NA
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	NA	NA
Total (A + B + C + D + E + F + G + H)	**234.31**	**190.35**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NA	NA
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total		

	FY23	FY22
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total		
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency.		

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

   Ans: Hospitals generate biomedical waste, as a by-product of healthcare services that can potentially pose serious health and environmental impacts if not handled correctly. At Shalby, we take this topic very seriously by putting in place an effective management system of healthcare waste which addresses the basic elements of waste minimization, segregation and identification by sorting into categories including medical, general, recycled and food waste. The company has achieved the reduction in generation of waste, raw material and other resources through various initiatives like environment awareness campaigns, training and monthly monitoring of hazardous & nonhazardous waste. We are not producing carbon but and at the same time, we have policy in place to dispose of bio medical waste in accordance with the guideline of the government and to ensure minimum generation of radiation within the hospital.

10. **If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:**

    The Company has no operations/offices in/around ecologically sensitive areas. Hence, required environmental approval/ clearances are not applicable for the Company

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

    Environmental impact assessments of projects have not been undertaken for FY 2022-23.

12. **Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:**

    Yes. The Company is in compliance with applicable environment regulations

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:**

Parameter	FY23	FY22
From renewable sources	NA	NA
Total electricity consumption (A)	NA	NA
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	NA	NA
Total energy consumed from renewable sources (A+B+C)	NA	NA
From non-renewable sources	NA	NA
Total electricity consumption (D)	58.79 TJ	57.12 TJ
Total fuel consumption (E)	2.21 TJ	2.11 TJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**58.79 TJ**	**59.23 TJ**
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	**NA**	

2. Provide the following details related to water discharged:
NA

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres). For each facility / plant located in areas of water stress, provide the following information:
NA

I. Name of the area

II. Nature of operations

III. Water withdrawal, consumption and discharge in the following format:

4. Please provide details of total Scope 3 emissions and its intensity:
NA

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
The Company has no operations/offices in/around ecologically sensitive areas

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:
None

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.
NA

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?
The Company intends to achieve minimal environmental impact at each of these stages to ensure a sustainability

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
NA

BRSR Section C: Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations.
The Company had below mentioned affiliations for the period under review.

1b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	Gujarat Chamber of Commerce and Industry (GCCI)	State
4	Ahmedabad Hospital & Nursing Home Association	Regional
5	NatHealth	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**
   NA

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**
   NA

BRSR Section C: Principle 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**
   The Company has not undertaken any Social Impact Assessments of projects for FY 2022-2023.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**
   NA

3. **Describe the mechanisms to receive and redress grievances of the community.**
   For complaints received through emails, website or calls, the company has processes in place to monitor these complaints, if any, for early resolution and closure. There is a feedback/complaint option available on the Shalby website which can be filled and submitted.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY23	FY22
Directly sourced from MSMEs small producers	NA	
Sourced directly from within the district and neighbouring districts		

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: question 1 of Essential Indicators above).**
   NA

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

State	Aspirational District	Amount spent (In INR)
Gujarat	Ahmedabad	₹ 12.20 million
Rajasthan	Jaipur	₹ 2.40 million

3a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups?**
   No

3b. **From which marginalized / vulnerable groups do you procure?**
   NA

3c. **What percentage of total procurement (by value) does it constitute?**
   NA

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**
NA

5. **Details of corrective actions taken or underway, based on any adverse**
NA

6. **Details of beneficiaries of CSR Projects:**

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Building Construction of Medical nursing College	Unidentifiable	100%
Covid Vaccination	Unidentifiable	100%

BRSR Section C: Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
The Company uses CRM system for providing proactive service and communication to the customer. There are various channels available for the customer to connect with the Company which is tracked through CRM. Any service or product performance/ deficiencies trends through store and online interfaces are mapped on database in CRM systems and taken up for necessary action by concerned team members. Customers are updated about the actions taken and the customer service team ensures that necessary actions are being taken for the service requests/grievances.

2. **Turnover of products and / services as a percentage of turnover from all products / service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and / or safe disposal	-

3. **Number of consumer complaints in respect of the following:**

	FY23			FY22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services			Nil			
Restrictive trade practice						
Unfair trade practices						
Other						

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. **Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.**
   Yes, The Organization has input board affirmed approaches such as Cyber Security Approach, Social Media Security Arrangement, and Data Security Arrangement to guarantee adequate shields are input to anticipate any information spillage.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**
   The Company has so far not received any report on cyber security and data privacy issues with respect to customers; nor instances of product recalls due to safety issues ; neither has been imposed upon any penalty / action taken by regulatory authorities on safety of products / services

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   www.shalby.org

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.**
   NA

3. **Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.**
   NA

4. **Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**
   The Company has in place the practice of receiving feedback from every patient being treated at Shalby Hospitals to improve its system, process and to improve patients' satisfaction; Shalby Hospitals serve the patients through its network of hospitals and OPDs in India and abroad. Patients' complaints are being addressed on daily basis through patient coordinator and floor manager in every unit of Shalby Limited; Our innovations such as the 'ZERO technique' and innovated OS Needle have helped in reducing the time under surgery and the length of hospital stay.

5. **Provide the following information relating to data breaches:**
   a) **Number of instances of data breaches along-with impact**
      The Enterprise did not witness of information breaches throughout the year. Outside organizations have evaluated and affirmed that essential security level checks input by the organization is fitting. The organization moreover has cyber risk protections policies.

   b) **Percentage of data breaches involving personally identifiable information of customers**
      There were no such instances of data breaches during the year

Independent Auditor's Report

To the Members of Shalby Limited

Report on the Audit of the Standalone Financial Statements

Auditor's Opinion

We have audited the accompanying standalone financial statements of **Shalby Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements..

Sr.	Key Audit Matter	Auditor's Response
1.	**Evaluation of uncertain tax positions** The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 37 to the Standalone Financial Statements.	We evaluated the related accounting policy for provisioning for tax exposures and found it to be appropriate. We have obtained details of completed tax assessments and demands upto the year ended March 31, 2023 from management. We evaluated auditee's response / opinion taken from various tax experts by auditee to challenge the underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at March 31, 2023 to evaluate whether any change was required to management's position on these uncertainties. We evaluated the adequacy of disclosures in the financial statements.

Sr.	Key Audit Matter	Auditor's Response
2.	**Migration of ERP System** During the previous year, company has migrated its accounting software from "Tally" to "SAP". The implementation of a new system has an inherent risk of loss of integrity of key data being migrated, and the breakdown in operation or monitoring of IT dependent controls within critical business processes such as patient billing, procurement and recording of transaction, which could lead to financial errors or misstatements and inaccurate financial reporting. The Company's financial accounting and reporting systems are heavily dependent on the new system and there is a risk that automated accounting procedures and related IT dependent manual controls are not designed and operating effectively.	Based on the above procedures performed, the results of management's assessment were considered to be consistent with the outcome of our procedures. We have reviewed the accounting software migration process and Information Technology General Procedures Controls (ITGC) with the assistance of IT audit specialists, our procedures included: Testing general IT controls around system access, change management and computer operations within specific applications pertinent to the financial statements by assessing appropriate policies are in place and adhered to by inspecting supporting evidence. Also assessed the operation of controls over changes or transactions being recorded in the systems and testing manual compensating controls, such as reconciliations between systems and other information sources, through re-performance or inspection. We reviewed the management's planning and processes around systems migration in order ascertain how controls in existing information systems are mapped into new information systems. We also independently tested completeness, validity and accuracy of transaction and master data migrated to new accounting software. Where general IT controls and compensating manual controls were inadequate or ineffective, we performed additional substantive testing, such as using extended sample sizes and performing data analysis routines over impacted accounts to test the integrity of the transactional level data that is flowing into the Company's financial statements. Our procedures did not identify any material exceptions.
3.	**Allowances for credit losses relating to Trade Receivables** As stated in Note 15, the company has determined the allowance for credit loss based on historical loss experience which is adjusted to reflect current and estimated future economic conditions. The historical loss experience model required revisions considering the overall economic conditions and its impact on the customers' business operations/ability to pay dues. Based on such analysis the Company has recorded an allowance aggregating to ₹ 130.52 Million as included Note 15 of the standalone financial statements. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.	We performed the following key audit procedures: 1. We tested the design and implementation and operating effectiveness of controls over (a) development of methodology for the allowance for credit losses, including consideration of the overall economic conditions (b) completeness and accuracy of information used in estimation of the probability of default (c) computation of the expected credit loss allowances. 2. For a sample of customers under each category, verified publicly available credit reports and other information relating to the Company's customers to test if the Management had correctly considered the adjustments to credit risk. 3. Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the Management to determine if there were any material differences individually or in the aggregate.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 & 4 of the Order to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section Schedule V to the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      I. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no 37 to the financial statements;

      II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      III. There were no amounts which were required to be transferred to the investor's education and protection fund by the company.

IV. (i) The Management has represented that, to the best of their knowledge and belief, other than as disclosed in the Note 52 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) the management has represented, that, to the best of their knowledge and belief, no funds have been received by the company from any person(s) or entity (ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures, we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

V. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 20 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

VI. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **T R Chadha & Co LLP**
Firm's Reg. No: 006711N \ N500028
Chartered Accountants

Brijesh Thakkar
(Partner)
Membership No: 135556
UDIN: 23135556BGUWVV7683

Place: Ahmedabad
Date: May 18, 2023

ANNEXURE A

Annexure to Independent Auditors' Report for the year ended 31st March 2023

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Based on the Audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

(i) Property, Plant & Equipment and Intangible Assets

a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

B) The Company has maintained proper records showing full particulars, of Intangible Assets.

b) The company has a programme of physical verification to cover all the items of Property, Plant & Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant & Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification.

c) The title deeds of all immovable properties (other than those that have been taken on lease) disclosed in the financial statements included in (Property, Plant and Equipment, Capital Work in Progress, Investment Property and non-current assets held for sale) are held in the name of the company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed in the financial statements (as Property, Plant and Equipment, right-of use asset, capital-work-in-progress, investment property and non-current asset held for sale) as at the balance sheet date, the lease agreements are duly executed in favour of the company.

d) The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

e) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

(ii) Inventories

a) Inventories were physically verified during the year by the Management at reasonable intervals. The coverage and procedure of such verification by the management is appropriate having regard to size of the company and nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on physical verification of inventories when compared with books of account.

b) The company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, at any points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors / other receivables, and other stipulated financial information) filed by the company with such banks are in agreement with the unaudited books of account of the company of the respective quarters and no material discrepancies have been observed.

(iii) Loans given

The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

a) The Company has provided loans or advances in the nature of loans, stood guarantee, or provided security during the year and details of which are given below:

(₹ in Million)

Particulars	Loans	Gurantees*
Aggregate amount granted / provided during the year:		
- Subsidiaries (Including Step Down Subsidiary)	1,561.92	776.51
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries (Including Step Down Subsidiary)	NIL	2,187.42

(Given in Foreign Currency and converted into ₹ @ closing rate)*

b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

f) Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) Compliance of Sec. 185 & 186

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) Public Deposit

The Company has not accepted deposits or amounts which are deemed to be deposits, during the year. Accordingly reporting under paragraph 3 clause (v) does not arise.

(vi) Cost Records

The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of service carried out by the company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) Statutory Dues

a) The Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Income-tax, Goods and Service Tax, Customs duty, cess and other material statutory dues applicable to it to the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months as on 31st March, 2023.

b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at March 31, 2023 other than as stated below:

(₹ in Million)

Name of the Statue	Nature of the Dues	Amount Unpaid	Period to which it relates	Forum where dispute is pending
Income Tax	Demand Notice issued by Tax Department	41.42	AY 2015-16	Commissioner of Income Tax
		3.72	AY 2016-17	
		18.26	AY 2018-19	
		0.26	AY 2019-20	
		0.9	AY 2021-22	

(viii) There are no transactions / previously unrecorded income which are required to be recorded in the books of accounts have been surrendered of disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961

(ix) Appplication & Repayment of Loans & Borrowings:

a) Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) Term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) On an overall examination of the financial statements of the company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the company.

e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The company has not raised any loans during the year, on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly reporting under paragraph 3 clause (ix)(f) of the order does not arise.

(x) Application of funds raised through Public Offer:

a) During the year, company has not raised any funds through Initial Public Offer or Further Public Offer (including debt instruments). Accordingly, reporting under paragraph 3 clause (x)(a) of the order does not arise.

b) The company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year. Accordingly, reporting under paragraph 3 clause (x)(b) of the order does not arise.

(xi) Fraud

We have neither come across any instances of fraud by the company or any fraud on the company noticed or reported during the year, nor have been informed of any such instances by the management. Accordingly, reporting under paragraph 3 clause (xi) (b) & (c) of the order does not arise.

(xii) The company is not a Nidhi Company and hence reporting under clause (xii) of the paragraph 3 of the order is not applicable.

(xiii) All the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

(xiv) Internal Audit

a) Company has an adequate internal control system commensurate with the size and the nature of its business.

b) We have considered internal audit reports of the company issued till date, for the period under audit.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with them, during the year. Accordingly, provisions of section 192 of the Act are not applicable.

(xvi) Registration u/s 45-IA of RBI Act

a) The company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, reporting under paragraph 3 clause (xvi) (a),(b)&(c) of the order does not arise.

c) The group does not have any CIC as part of the group. Accordingly, reporting under paragraph 3 clause (xvi) (d) of the order does not arise.

(xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordinlgy, reporting under paragraph 3 Clause (xviii) of the order does not arise.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, Our knowledge of the Board

of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) Corporate Social Responsibility

The company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordinlgy, reporting under clause (xx) of the Order is not applicable for the year.

For **T R Chadha & Co LLP**
Firm's Reg. No: 006711N \ N500028
Chartered Accountants

Brijesh Thakkar
(Partner)
Membership No: 135556
UDIN: 23135556BGUWVV7683

Place: Ahmedabad
Date: May 18, 2023

ANNEXURE B

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHALBY LIMITED

(Referred to in Paragraph 2(F) under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

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

We have audited the internal financial controls with reference to Financial Statements of Shalby Limited ("the Company") as of 31 March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India" ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility

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

Opinion

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

For **T R Chadha & Co LLP**
Firm's Reg. No: 006711N \ N500028
Chartered Accountants

Brijesh Thakkar
(Partner)
Membership No: 135556
UDIN: 23135556BGUWVV7683

Place: Ahmedabad
Date: May 18, 2023

Standalone Balance Sheet

as at March 31, 2023

(₹ In Million)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	5	5,801.48	6,014.66
Capital work-in progress	5	56.65	44.82
Right of Use Assets	6	75.08	88.93
Goodwill	7	81.97	81.97
Intangible Assets	8	69.77	96.20
Intangible assets under development	8	43.81	12.54
Financial Assets			
Investments	9	749.03	365.99
Other Financial Assets	10	84.50	96.85
Income Tax Assets (Net)	11	265.12	199.35
Other non current assets	13	298.04	299.40
		7,525.46	**7,300.72**
Current assets			
Inventories	14	196.16	198.30
Financial assets			
Investments	9	2,378.93	254.92
Trade Receivables	15	896.39	943.00
Cash and Cash Equivalents	16	32.99	493.86
Other Bank Balances	17	0.24	550.09
Other Financial Assets	10	592.34	976.91
Other Current Assets	13	51.21	24.13
Assets held for sale	18	-	131.92
		4,148.25	**3,573.13**
Total Assets		**11,673.71**	**10,873.84**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	1,073.10	1,080.10
Other Equity	20	8,630.13	7,987.13
		9,703.23	**9,067.23**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	21	146.11	253.34
Lease Liability	22	74.61	85.83
Other Financial Liabilities	23	3.66	4.33
Provisions	24	23.63	26.91
Deferred Tax Liabilities (Net)	12	561.80	359.92
Other Non-current Liabilities	25	93.63	103.21
		903.43	**833.56**
Current liabilities			
Financial Liabilities			
Borrowings	21	108.85	159.72
Lease Liability	22	11.23	10.02
Trade Payables	26		
- Total Outstanding dues to Micro Enterprise & Small Enterprise		-	-
- Total Outstanding dues to Other than Micro Enterprise & Small Enterprise		744.88	613.08
Other Financial Liabilities	23	87.16	99.57
Provisions	24	13.83	10.50
Other Current liabilities	25	101.10	80.16
		1,067.05	**973.06**
Total Equity and Liabilities		**11,673.71**	**10,873.84**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ In Million)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME			
Revenue from Operations	27	7,080.17	6,467.95
Other Income	28	193.65	129.99
Total Income		**7,273.82**	**6,597.95**
EXPENSES			
Operative expenses	29	4,153.68	3,791.30
Purchase of stock in trade	30	91.51	90.57
Changes in inventories	31	(4.64)	4.28
Employee benefits expense	32	867.59	783.20
Finance Cost	33	31.01	27.90
Depreciation and Amortization	34	370.64	355.02
Other Expenses	35	550.48	502.12
Total Expenses		**6,060.25**	**5,554.38**
Profit before exceptional items and tax		**1,213.56**	**1,043.57**
Exceptional Items		-	(44.37)
Profit Before Tax		**1,213.56**	**999.20**
Current tax		348.36	186.28
Adjustment of earlier years		0.03	(12.22)
MAT Credit Entitlement		(4.13)	(158.73)
Deferred tax		61.23	285.81
Total tax expense:		**405.48**	**301.15**
Profit for the year from continuing operations		**808.08**	**698.06**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		3.95	(4.51)
Income tax effect on above		(1.38)	1.58
		2.57	**(2.94)**
Total comprehensive income for the year, net of tax		**810.65**	**695.12**
Earning per Equity Share	36		
Basic (In ₹)		7.52	6.46
Diluted (In ₹)		7.48	6.46

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Standalone Cash Flow Statement

for the year ended March 31, 2023

(₹ In Million)

Particulars		As at March 31, 2023	As at March 31, 2022
A. Cash flow from Operating Activities			
Net Profit before Tax as per Statement of Profit & Loss		1,213.56	999.20
Adjustments for			
Depreciation and amortisation		370.64	338.32
Finance cost		31.01	27.90
Interest Income			
- on fixed deposits with Bank		(68.34)	(58.85)
- on other financial assets		(45.30)	(13.41)
Gain on Sale of Investment		(18.57)	(3.65)
Loss/(gain) on sale of property plant & equipment (net)		0.27	44.21
Provision for doubtful debts		-	84.66
Investment W/off		-	1.10
Net Loss/(Gain) on foreign exchange fluctuations		(1.96)	(0.16)
ESOP Compensation Expenses		8.16	-
Sundry balances written back		-	(7.19)
Operating profit before working capital changes		**1,489.48**	**1,412.13**
Adjustments for			
(Increase) / Decrease in Inventories		2.14	1.08
(Increase) / Decrease in Trade receivables		46.61	(97.70)
(Increase) / Decrease in Other Non current financial assets		14.52	(3.35)
(Increase) / Decrease in Other current financial asset		254.94	(184.12)
(Increase) / Decrease in Other non current asset		1.35	(2.16)
(Increase) / Decrease in Other current assets		(27.09)	18.99
Increase / (Decrease) in Trade Payables		131.80	25.40
Increase / (Decrease) in Provisions		4.00	7.44
Increase / (Decrease) in Other Non current financial liabilities		(0.68)	(0.69)
Increase / (Decrease) in Other Non current liabilities		(9.58)	2.87
Increase / (Decrease) in Other current financial liabilities		(12.45)	54.27
Increase / (Decrease) in Other current liabilities		20.94	3.21
Cash generated from operations		1,915.99	1,237.38
Direct taxes Refund / (Paid)		(270.71)	(228.11)
Net Cash from / (used in) Operating Activities	**[A]**	**1,645.28**	**1,009.27**
B. Cash flow from Investing Activities			
Purchase of property, plant and equipment		(34.50)	(346.69)
Proceeds from Sale of property, plant and equipment		5.86	271.15
Payment for purchase of investments		(5,235.85)	(4,230.32)
Proceeds from Sale of Investment		4,227.11	4,182.63
Investment in Equity Shares of Subsidiary Company		(479.73)	(249.50)
Investment in Preference Shares of Subsidiary Company		(1,000.00)	-
(Investment in) / Proceed from Bank Deposit and other Bank Balance		673.98	(94.82)
Interest received		119.12	64.38
Net Cash from / (used in) Investing Activities	**[B]**	**(1,724.02)**	**(403.17)**

Standalone Cash Flow Statement

for the year ended March 31, 2023

(₹ In Million)

Particulars			As at March 31, 2023	As at March 31, 2022
C.	Cash flow from financing activities			
	Repayment of Borrowing		(310.24)	(86.10)
	Proceeds from Short term borrowing		150.00	49.96
	Proceeds from borrowing		2.14	8.87
	Repayment of Finance lease liabilities		(16.57)	(16.51)
	Interest paid		(24.66)	(20.68)
	Dividend Paid (Including Dividend Distribution Tax)		(108.01)	(108.01)
	Purchase of Treasury shares		(75.43)	-
	Dividend received from Treasury shares		0.63	-
	Net cash from / (used in) Financing Activities	**[C]**	**(382.14)**	**(172.47)**
	Net Increase / (Decrease) in cash & cash equivalents	**[A+B+C]**	**(460.88)**	**433.63**
	Opening balance of Cash and cash equivalents		493.86	60.23
	Closing balance of Cash and cash equivalents		**32.99**	**493.86**
	Components of Cash and cash equivalent (Refer Note no:-16)			
	Balances with scheduled banks		26.40	191.27
	Fixed Deposits with maturity less than 3 months		-	297.05
	Cash in hand		6.59	5.54
	Total		**32.99**	**493.86**

Explanatory Notes to Cash Flow Statement

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.
2. In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
3. Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.
4. **Reconciliation of borrowings as disclosed in financing activities**

(₹ In Million)

Particulars	April 1, 2022	Proceeds	Repayments	March 31, 2023
Borrowings	413.06	152.14	310.24	254.96

(₹ In Million)

Particulars	April 1, 2021	Proceeds	Repayments	March 31,2022
Borrowings	440.33	58.83	86.10	413.06

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Standalone Statement of changes in Equity

for the year ended March 31, 2023

A. Equity share capital

(₹ In Million)

As at April 1, 2021	**1,080.10**
Changes due to prior period errors	-
Restated Balance as April 1, 2021	**1,080.10**
Changes during the year 2021-2022	-
As at March 31, 2022	**1,080.10**
Changes due to prior period errors	-
Restated Balance as April 1, 2022	**1,080.10**
Changes during the year 2022-2023	(7.00)
As at March 31, 2023	**1,073.10**

B. Other equity

(₹ In Million)

Particulars	Reserves and Surplus				Items of OCI	Total equity
	Securities Premium	Capital Redemption reserve	Retained Earnings	Reserve for Shared based Payment	Equity Instruments through OCI	
Balance as at April 1, 2021	**4,455.04**	**5.33**	**2,953.07**	**-**	**2.95**	**7,416.39**
Profit for the year	-	-	698.06	-	-	698.06
Share Issue Expenses	(16.37)	-	-	-	-	(16.37)
Dividend paid (including dividend distribution tax)	-	-	(108.01)	-	-	(108.01)
Other comprehensive income for the year	-	-	-	-	(2.94)	(2.94)
Balance as at March 31, 2022	**4,438.67**	**5.33**	**3,543.11**	**-**	**0.01**	**7,987.13**
Balance as at April 1, 2022	**4,438.67**	**5.33**	**3,543.11**	**-**	**0.01**	**7,987.13**
Profit for the year	-	-	808.08	-	-	808.08
Share Issue Expenses	(68.43)	-	-	-	-	(68.43)
Addition during the year	-	-	0.63	8.16	-	8.79
Dividend paid (including dividend distribution tax)	-	-	(108.01)	-	-	(108.01)
Other comprehensive income for the year	-	-	-	-	2.57	2.57
Balance as at March 31, 2023	**4,370.24**	**5.33**	**4,243.81**	**8.16**	**2.58**	**8,630.13**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Notes to the Financial Statements

for the year ended March 31, 2023

Note 1 : Corporate Information

Shalby Limited (the company) is a company engaged in healthcare delivery space and listed with bourses in India. The registered office of the Company is located at Opposite Karnavati Club, Sarkhej Gandhinagar Highway, Near Prahladnagar Garden, Ahmedabad – 380 015. The company operates as a chain of multi-specialty hospitals across India. The business of the company is to offer tertiary and quaternary healthcare services to patients in various areas of specialization such as orthopedics, complex joint replacements, cardiology, neurology, oncology, renal transplantations etc.

The standalone Ind AS financial statements for the year ended March 31, 2023 were authorized for issue in accordance with resolution passed by the Board of Directors of the company on May 18, 2023.

Note 2 : Basis of Preparation & Compliance with Ind AS

The financial statements of the Company as at and for the year ended March 31, 2023 has been prepared in accordance with Indian Accounting standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('Act') and the Companies (Indian Accounting Standards) Rules issued from time to time and other relevant provisions of the Companies Act, 2013 (collectively called as Ind AS).

2.1 Basis of Measurement

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

a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.

b) The defined benefit asset / liability is recognized as the present value of defined benefit obligation less fair value of plan assets.

c) Assets held for sale measured at fair value less cost to sales

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

2.2 Functional and Presentation Currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company.

The standalone financial statements are presented in Indian Rupees (₹) which is the company's presentation currency, and all the values are rounded to the nearest millions except when otherwise stated.

Notes to the Financial Statements

for the year ended March 31, 2023

2.3 Current and non-Current classification:

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

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

a) It is expected to be realized or intended to be sold or consumed in the Company's normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is expected to be realized within twelve months after the reporting period, or

d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

All other assets are classified as non-current.

An liability is classified as current if it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Note 3 : Critical and Significant accounting judgments, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of standalone financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the standalone financial statements.

3.1 Impairment of investments in subsidiaries

The Management reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

3.2 Useful lives of property, plant and equipment

The Management reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

3.3 Taxes

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

3.4 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making

Notes to the Financial Statements

for the year ended March 31, 2023

assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

3.5 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

3.6 Allowance for uncollectible trade receivables

Trade receivables, predominantly from Government schemes/insurance companies and corporates which enjoy high credit ratings are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems it not to be collectible.

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix considering the nature of receivables and the risk characteristics. The provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix.

3.7 Impairment of Property, Plant & Equipment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

3.8 Litigations

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

Note 4(a) : Significant Accounting Policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

4.1 Financial Instruments

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

(a) Financial Assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

(i) **Financial assets measured at amortized Cost:**
Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) **Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**
Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount

Notes to the Financial Statements

for the year ended March 31, 2023

outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) **Fair Value through Profit or Loss (FVTPL):**
Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:
Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

(b) Financial Liabilities

Initial Recognition and Measurement
Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:
Financial Liabilities are classified for subsequent measurement into following categories:

(i) **Financial liabilities at Amortized Cost:**
The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

(ii) **Financial liabilities at Fair Value through Profit or Loss:**
Financial liabilities held for trading are measured at Fair Value through Profit or Loss

De-recognition of Financial Liabilities:
Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting of Financial assets and Financial Liabilities

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

(d) Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following

Notes to the Financial Statements

for the year ended March 31, 2023

the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

4.2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

4.3 Property, Plant and Equipment

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold land with lease term of 99 years or more and renewable with mutual consent are considered as finance leases with perpetual lease term and the same are not amortized with effect from 1st April, 2016.

Estimated useful lives of the assets are as follows:

Type of Asset	Useful Life
Buildings*	30 years and 60 years
Plant and Machinery	15 years
Medical Equipment	13 years and 15 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years and 10 years
Servers and Computers	3 years and 6 years

(*) For this class of assets based on internal assessments and technical evaluation carried out by the management, it believes that useful life as given above best represents the period over which the management expects to use this asset. Hence, the useful life for this asset is different from useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within "other income / other expenses" in the Statement of profit and loss.

4.4 Intangible assets

Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Goodwill generated on business combination is tested for impairment.

Notes to the Financial Statements

for the year ended March 31, 2023

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

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

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Type of Asset	Useful Life
Computer software and data processing software	3 years
SAP ERP Software	6 years

4.5 Inventories

Inventories of all medicines, medicare items traded and dealt with by the Company are measured at the lower of weighted average cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for VAT/ GST wherever applicable.

Materials and consumables and general stores are charged to the Statement of Profit and Loss as and when they are procured and stock of such items at the end of the year is valued at cost.

4.6 Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured though a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

(b) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to it's recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

4.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle

Notes to the Financial Statements

for the year ended March 31, 2023

the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision 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 Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

4.8 Revenue Recognition

(a) Rendering of Services

Healthcare Services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to Patients. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the amounts due from patients and/or medical funding entities. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

Other Services

Income from Clinical trials on behalf of Pharmaceutical Companies is recognized on completion of the service, based on the terms and conditions specified to each contract.

Other services fee is recognized on basis of the services rendered and as per the terms of the agreement.

(b) Sale of Goods

Pharmacy Sales are recognised when the significant risks and rewards of ownership and control is transferred to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for rebates granted upon purchase and are stated net of returns and discounts wherever applicable. Sales are adjusted for Value Added Tax/GST wherever applicable.

(c) Dividend and Interest Income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4.9 Leases

Company as a lessee

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in

Notes to the Financial Statements

for the year ended March 31, 2023

circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income over the lease term on a straight-line basis.

4.10 Foreign Currency Translation

The functional currency of the Company is the Indian Rupee (₹)

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

(ii) exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements of the Company for the period immediately before the beginning of the first Ind AS financial reporting period (prior to April 1, 2016), as per the previous GAAP, pursuant to the Company's choice of availing the exemption as permitted by Ind AS 101.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

4.11 Borrowing Costs

Borrowing costs include

a) interest expense calculated using the effective interest rate method,

b) finance charges in respect of finance leases, and

c) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

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

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

4.12 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the

Notes to the Financial Statements

for the year ended March 31, 2023

asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

4.13 Employee benefits

(a) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans

(i) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employees Death Linked Insurance and Employee State Insurance and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurement's of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement's are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(c) Compensated Absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(d) Equity-settled share-based payments (ESOP)

Equity-settled share-based payments to employees are measured at the fair value of the options at the grant date.

Notes to the Financial Statements

for the year ended March 31, 2023

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Equity settled share based payments". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Equity settled share based payments" are transferred to the "Retained Earnings".

When the options are exercised, the ESOP Trust transfer equivalent number of shares of the company of ₹ 10/- each fully paid up to grantees. The proceeds received and the related balance standing to credit of the Equity settled share based payments, are credited to share capital (nominal value) and Securities Premium, if any.

4.14 Income Taxes

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

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

No DTA is recognized for goodwill arising on business combination.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4.15 Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition comprises the:

Notes to the Financial Statements

for the year ended March 31, 2023

a) fair values of the assets transferred;

b) liabilities incurred to the former owners of the acquired business;

c) equity interests issued by the Company; and

d) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The company recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

4.16 Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

4.17 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon 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. Dilutive potential equity shares are determined independently for each period presented.

4.18 Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or a liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

4.19 Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known

Notes to the Financial Statements

for the year ended March 31, 2023

amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

4.20 Segment Reporting

Identification of segments: Segments are identified in line with Ind AS - 108 "Operating Segments", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

The Company is mainly engaged in the business of setting up and managing hospitals and medical diagnostic services which constitute a single business segment. These activities are mainly conducted only in one geographical segment viz, India. Therefore, the disclosure requirements under the Ind AS 108 "Operating Segments" are not applicable.

Segment Policies: The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

4.21 Cash Flow Statement

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

4.22 Investment in Subsidiaries

(i) Initial recognition

The acquired investment in subsidiaries are measured at fair value as on the date of acquisition

(ii) Subsequent measurement

Investment in equity shares of subsidiaries are accounted either;

(a) at cost, or

(b) in accordance with IND AS 109, financial instruments

The Company has elected to account its subsidiaries at cost less accumulated impairment losses, if any.

Note 4(b) : Recent Accounting Pronouncements

MCA notifies Companies (Indian Accounting Standards) Amendment Rules, 2023 vide Notification No. G.S.R 242(E) Dated: 31st March, 2023 and further amended Companies (Indian Accounting Standards) Rules, 2015, which shall come into force with effect from 1st day of April, 2023.

Amendments to existing Ind AS:

The MCA has carried amendments to the following existing standards which will be effective from 1st April, 2023. The Company is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

1. Ind AS 1 – Presentation of Financial Statements
2. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 12 – Income Taxes
4. Ind AS 101 – First-time Adoption of Indian Accounting Standards
5. Ind AS 102 – Share Based Payment
6. Ind AS 103 – Business Combinations
7. Ind AS 107 – Financial Instruments: Disclosures
8. Ind AS 109 – Financial Instruments
9. Ind AS 115 - Revenue from Contracts with Customers

Notes to the Financial Statements

for the year ended March 31, 2023

Note 5 : Property, Plant and Equipment

Note 5.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2022	Additions	Deduction / Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deduction	As at March 31, 2023	As at March 31, 2023
Owned Assets									
Free hold land	399.29	-	-	399.29	-	-	-	-	399.29
Buildings	2,932.78	2.39	-	2,935.17	335.14	45.03	-	380.17	2,555.00
Medical Equipment and Surgical Instruments	2,444.69	80.35	2.72	2,522.32	753.93	156.14	0.80	909.27	1,613.05
Plant & Machinery	521.05	7.10	0.19	527.96	157.24	33.82	0.09	190.97	336.99
Electrical Installation	207.69	1.69	-	209.38	88.92	19.58	-	108.50	100.88
Office Equipment	86.00	1.85	-	87.85	65.20	7.14	-	72.33	15.52
Computers and Printers	82.45	6.14	-	88.59	54.94	10.71	-	65.64	22.95
Furniture and Fixtures	427.49	6.34	-	433.83	177.46	40.75	-	218.21	215.63
Vehicles	90.10	4.31	2.94	91.47	46.53	9.78	0.61	55.69	35.78
Kitchen Equipment	-	3.69	-	3.69	-	0.09	-	0.09	3.60
Leasehold Assets									
Land	531.75	5.10	-	536.85	29.29	4.76	-	34.05	502.80
Total	**7,723.30**	**118.96**	**5.86**	**7,836.41**	**1,708.65**	**327.79**	**1.50**	**2,034.93**	**5,801.48**
CWIP									**56.65**

Note 5.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2021	Additions	Deduction / Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deduction	As at March 31, 2022	As at March 31, 2022
Owned Assets									
Free hold land	399.29	-	-	399.29	-	-	-	-	399.29
Buildings	2,917.68	15.10	-	2,932.78	290.26	44.88	-	335.14	2,597.64
Medical Equipment and Surgical Instruments	2,244.99	218.75	19.04	2,444.69	609.15	150.88	6.10	753.93	1,690.76
Plant & Machinery	482.51	39.81	1.27	521.05	125.55	32.15	0.47	157.24	363.81
Electrical Installation	207.21	1.34	0.86	207.69	69.10	20.17	0.35	88.92	118.77
Office Equipment	82.35	4.08	0.43	86.00	54.05	11.52	0.37	65.20	20.80
Computers and Printers	70.20	12.45	0.19	82.45	45.70	9.39	0.15	54.94	27.52
Furniture and Fixtures	424.17	3.63	0.31	427.49	137.01	40.58	0.13	177.46	250.03
Vehicles	81.51	9.75	1.16	90.10	37.86	9.49	0.82	46.53	43.57
Leasehold Assets									
Land	864.55	0.38	333.18	531.75	43.56	4.54	18.81	29.29	502.46
Total	**7,774.46**	**305.28**	**356.44**	**7,723.30**	**1,412.25**	**323.60**	**27.20**	**1,708.65**	**6,014.66**
CWIP									**44.82**

Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note :- 21.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 5.3 : Capital Work In Progress Ageing Schedule

(₹ In Million)

Particulars	Amount as on March 31, 2023 in CWIP for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Project under construction	11.83	9.85	7.57	27.40	56.65
Total	11.83	9.85	7.57	27.40	56.65
Project Temporarily Suspended	NIL	NIL	NIL	NIL	NIL

(₹ In Million)

Particulars	Amount as on March 31, 2022 in CWIP for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Capital Work in Progress	9.85	7.57	**12.00**	15.40	44.82
Total	9.85	7.57	12.00	15.40	44.82
Project Temporarily Suspended	NIL	NIL	NIL	NIL	NIL

Note 5.4: The company does not have any project under capital work-in-progress, whoes copmletion isoverdue w.r.t. to its cost & timeline compared to its original plan.

Note 6 : Right of use assets

Note 6.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2022	Additions*	Adjustments / Deletions	As at March 31, 2023	As at April 1, 2022	For the year	Adjustments / Deletions	As at March 31, 2023	As at March 31, 2023
Building	115.60	-	-	115.60	26.66	13.85	-	40.51	75.08
Total	**115.60**	**-**	**-**	**115.60**	**26.66**	**13.85**	**-**	**40.51**	**75.08**

Note 6.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2021	Additions*	Adjustments / Deletions	As at March 31, 2022	As at April 1, 2021	For the year	Adjustments / Deletions	As at March 31, 2022	As at March 31, 2022
Building	109.80	5.80	-	115.60	12.94	13.72	-	26.66	88.93
Total	**109.80**	**5.80**	**-**	**115.60**	**12.94**	**13.72**	**-**	**26.66**	**88.93**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 7 : Goodwill

Note 7.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2022	Additions*	Adjustments / Deletions	As at March 31, 2023	As at April 1, 2022	For the year	Adjustments / Deletions	As at March 31, 2023	As at March 31, 2023
Goodwill	81.97	-	-	81.97	-	-	-	-	81.97
Total	**81.97**	**-**	**-**	**81.97**	**-**	**-**	**-**	**-**	**81.97**

Note 7.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2021	Additions*	Adjustments / Deletions	As at March 31, 2022	As at April 1, 2021	For the year	Adjustments / Deletions	As at March 31, 2022	As at March 31, 2022
Goodwill	81.97	-	-	81.97	-	-	-	-	81.97
Total	**81.97**	**-**	**-**	**81.97**	**-**	**-**	**-**	**-**	**81.97**

At cash generating unit (CGUs) level, the goodwill is tested for impairment annually at the year-end or more frequently if there are indications that goodwill might be impaired. The entire goodwill balance is allocated to Shalby Hospitals Mohali Unit.

The Company made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management. Cash flow projections were developed covering a ten-year period as at March 31, 2023 and March 31, 2022 which reflects a more appropriate indication/trend of future track of business of the Company.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

Key Assumptions used for value in use calculations are as follows:

Key Assumptions	As at March 31, 2023	As at March 31, 2022
Discount Rate	12.02%	12.00%
Growth Rate	5-15%	10-20%

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

Notes to the Financial Statements

for the year ended March 31, 2023

Discount rates - Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risk of the underlying asset that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of the capital (WACC).

Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports.

Note 8 : Intangible Assets

Note 8.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2022	Additions*	Adjustments / Deletions	As at March 31, 2023	As at April 1, 2022	For the year	Adjustments / Deletions	As at March 31, 2023	As at March 31, 2023
Software	134.50	2.57	-	137.07	38.29	29.01	-	67.30	69.77
Trademark	0.06	-	-	0.06	0.06	-	-	0.06	-
	134.56	**2.57**	**-**	**137.13**	**38.36**	**29.01**	**-**	**67.36**	**69.77**
Intangible assets under development									**43.81**

Note 8.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2021	Additions*	Adjustments / Deletions	As at March 31, 2022	As at April 1, 2021	For the year	Adjustments / Deletions	As at March 31, 2022	As at March 31, 2022
Software	55.32	79.18	-	134.50	20.59	17.70	-	38.29	96.20
Trademark	0.06	-	-	0.06	0.06	-	-	0.06	-
	55.38	**79.18**	**-**	**134.56**	**20.66**	**17.70**	**-**	**38.36**	**96.20**
Intangible assets under development									**12.54**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 8.3 : Intangible Assets under Development Ageing Schedule (IAUD)

(₹ In Million)

Particulars	Amount as on March 31, 2023 in IAUD for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Intangible Assets under Development	31.27	12.17	0.37	-	43.81
Total	31.27	12.17	0.37	-	43.81
Project Temporarily Suspended	NIL	NIL	NIL	NIL	NIL

(₹ In Million)

Particulars	Amount as on March 31, 2022 in IAUD for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Intangible Assets under Development	12.17	0.37	-	-	12.54
Total	12.17	0.37	-	-	12.54
Project Temporarily Suspended	Nil	Nil	Nil	Nil	Nil

Note 8.4 : The company does not have any project under intangible asset under development, whose completion is overdue w.r.t to its cost & timeline compared to its original plan.

Note 9 : Investments

(₹ In Million)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Non current			
Investment in equity instruments			
Financial instruments at Cost			
Investment in Subsidiaries (Unquoted)	9.1	748.55	268.83
Investment in Limited Liability Partnership	9.1	0.48	0.48
Other Equity Investment			
Loan to Vrundavan Shalby Hospitals Ltd	9.2	-	96.69
Total (A)		**749.03**	**365.99**
Current			
Financial instruments at Cost			
Investment in Limited Liability Partnership		12.60	7.94
Investment in Shares & Securities - Subsidiaries entity	9.3	1,000.00	-
Financial instruments at FVTPL			
Investment in Mutual fund (Quoted)	9.4	1,366.33	45.04
Investment in Bond (Quoted)	9.5	-	201.94
Total (B)		**2,378.93**	**254.92**
Total (A) + (B)		**3,127.95**	**620.91**
Aggregate book value of Quoted Investments		1,366.33	246.98
Aggregate market value of Quoted Investments		1,366.33	246.98
Aggregate carrying value of Unquoted Investments		1,761.63	373.94

Notes to the Financial Statements

for the year ended March 31, 2023

Note 9.1 : Details of investment in unquoted equity instruments of subsidiaries (fully paid up)

Name of the subsidiary	Relationship	Currency	Face Value (₹)	Number of Units As at March 31, 2023	Number of Units As at March 31, 2022	(₹ In Million) As at March 31, 2023	(₹ In Million) As at March 31, 2022
Equity Instruments							
Shalby (Kenya) Ltd.	Subsidiary	KES	1,000	100	100	0.06	0.06
Shalby International Limited	Subsidiary	₹	10	50,000	50,000	0.50	0.50
Yogeshwar Healthcare Ltd.	Subsidiary	₹	10	696,252	696,252	6.96	6.96
Mars Medical Devises Limited	Subsidiary	₹	10	50,000,000	25,000,000	500.00	250.00
Slaney Healthcare Pvt Ltd	Subsidiary	₹	10	10,000	10,000	11.21	11.21
Shalby Hospitals Mumbai Private Limited	Subsidiary	₹	10	10,000	10,000	0.10	0.10
Vrundavan Shalby Hospitals Limited**	Subsidiary	₹	100	1,158,091	-	229.73	-
Total (A)						**748.55**	**268.83**
In Capital of Limited Liability Partnership							
Griffin Mediquip LLP*		₹				0.48	0.48
Total (B)						**0.48**	**0.48**
Total (A+B):						**749.03**	**269.30**

** Refer Note 18

*Details of Partner & Capital contribution in Limited Liability Partnership

(₹ In Million)

Name of the Partners	Sharing Ratio	Fixed capital contribution	Current capital contribution
Shalby Limited	95%	0.48	12.60

Note 9.2 : Details of Other Equity Investment

Investment in other equity includes investment by way of sub-ordinate loan/interest free loan given to subsidiary company which is accounted as equity investment as it is perpetual in nature. During the year company has converted said loan into Equity.

Note 9.3 : Investment in Shares & Securities - Subsidiaries entity

Name of the subsidiary	Relationship	Currency	Face Value (₹)	Number of Units as at As at March 31, 2023	Number of Units as at As at March 31, 2022	(₹ In Million) As at March 31, 2023	(₹ In Million) As at March 31, 2022
Preference Instruments							
Mars Medical Devises Limited	Subsidiary	₹	10	100,000,000	0.00	1000.00	0.00

Company has invested 10,00,00,000 bearing 5% Non-Cumulative Non-Convertible Redeemable Preference Shares of Mars Medical Devises Limited each of face value of ₹ 10 each and it shall be redeemed in 4 equal tranches at the end of 5th Year, 6th Year, 7th Year and 8th Year respectively or redeemed at discretion of Holding Company or as may be decided by Board of Directors of the company but within statutory time limit.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 9.4 : Details of Investment in Mutual Fund

(₹ In Million)

Name of Body Corporate	No. of Unit		Quoted/ Unquoted	Amount	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
DSP Liquidity Fund	101,799	-	Quoted	327.51	-
ICICI Prudential Liquid funds	1,629,956	-	Quoted	543.08	-
SBI Liquid Fund Direct Growth	113,709	-	Quoted	400.63	-
SBI Saving Fund	2,531,519	-	Quoted	95.11	-
SBI Over Night Fund Direct Growth	-	13,013	Quoted	-	45.04

Note 9.5 : Details of Investment in Bond

(₹ In Million)

Name of Body Corporate	No. of Unit		Quoted/ Unquoted	Amount	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
8.15% Bank of Baroda Perpetual Bonds (Series XV)	-	50	Quoted	-	50.25
7.73% State Bank of India Perpetual Bonds (Series II)	-	100	Quoted	-	100.97
8.5% Bank of Baroda Perpetual Bond	-	50	Quoted	-	50.72

Note 10 : Other Financial Assets

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- current		
Fixed Deposit with Maturity of more than 12 months*	3.30	2.73
Notice period recovery receivable	0.25	12.54
Other Recoverable	9.72	9.72
Interest accrued but not due on fixed deposit	0.16	0.68
Security deposits	26.06	26.34
Taxes Paid under protest	24.03	23.86
Payment under Protest**	20.98	20.98
Total (A):	**84.50**	**96.85**
Current		
Government Grant Receivable	10.86	103.65
Fixed Deposit with Maturity of less than 12 months*	545.52	670.19
Other Receivable from Subsidiaries	18.18	9.45
Interest Receivable from Subsidiaries	-	1.08
Loans to Related Parties	-	169.08
Interest accrued but not due on Bond	-	5.11
Interest accrued but not due on fixed deposit	13.46	13.31
Others	4.32	5.04
Total (B):	**592.34**	**976.91**
Total (A) + (B):	**676.85**	**1,073.77**

*The fixed deposits of ₹ 510.50 Million (PY ₹ 1,465 Million) is under lien with Bank against Bank Guarantee, Borrowings and Standby letter of Credit (SBLC).

**Payment under protest of ₹ 20.98 Million (PY ₹ 20.98 Million) has been deposited as per order of Gujarat High court wrt. Litigation going on with Consultant, which is a part of contingent liability as mentioned in Note No 37.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 11 : Income Tax Assets (Net)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax	1,358.33	1,083.53
Less: Provision for taxation	1,093.22	884.19
	265.12	**199.35**

Note 12 : Deferred Tax

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax Assets	771.00	1,041.57
Deferred tax Liabilities	(1,332.80)	(1,401.50)
Total	**(561.80)**	**(359.92)**

Note 12.1 : Movement of Deferred Tax (Liabilities)/Assets

The major components of deferred tax (liabilities)/assets arising on account of timing differences for the year ended March 31, 2023 are as follows :

(₹ In Million)

Particulars	Opening Balance	Recognised in Profit & loss statement	Recognised in OCI	Closing Balance
Difference of book depreciation and tax depreciation	(1,401.50)	68.70	-	(1,332.80)
Total deferred tax liabilities	**(1,401.50)**	**68.70**	**-**	**(1,332.80)**
Provision for leave obligation and gratuity	23.29	(8.86)	(1.38)	13.06
Unabsorbed business loss and depreciation	129.17	(129.17)	-	-
Unabsorbed Long term capital loss	26.45	-	-	26.45
Disallowance of Notional Lease Expenses	2.93	1.28	-	4.22
Expected Credit Loss	51.94	(5.48)	-	46.46
Provision disallowance for non deducting of TDS	-	12.31	-	12.31
Total deferred tax assets	**233.80**	**(129.92)**	**(1.38)**	**102.49**
Share Issue Expenses	-	-	-	-
Minimum alternate tax credit	807.78	(139.27)	-	668.51
Net deferred tax Asset \ (Liability)	**(359.92)**	**(200.50)**	**(1.38)**	**(561.80)**

Notes to the Financial Statements

for the year ended March 31, 2023

The major components of deferred tax (liabilities)/assets arising on account of timing differences for the year ended March 31, 2022 are as follows :

(₹ In Million)

Particulars	Opening Balance	Recognised in Profit & loss statement	Recognised in OCI	Closing Balance
Difference of book depreciation and tax depreciation	(1,345.39)	(56.11)	-	(1,401.50)
Total deferred tax liabilities	**(1,345.39)**	**(56.11)**	**-**	**(1,401.50)**
Provision for leave obligation and gratuity	8.50	13.22	1.58	23.29
Unabsorbed business loss and depreciation	432.06	(302.89)	-	129.17
Unabsorbed Long term capital loss	-	26.45	-	26.45
Disallowance of Notional Lease Expenses	-	2.93	-	2.93
Expected Credit Loss	21.36	30.58	-	51.94
Total deferred tax assets	**461.92**	**(229.70)**	**1.58**	**233.80**
Share Issue Expenses	16.37	-	-	-
Minimum alternate tax credit	637.72	170.05	-	807.78
Net deferred tax Asset \ (Liability)	**(229.37)**	**(115.76)**	**1.58**	**(359.92)**

Note 12.2 : The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before taxes from continuing operations	1,213.56	999.20
	34.94%	17.47%
Current tax expense calculated using MAT tax rate at 17.472%	424.07	174.58
Tax effect of amounts which are not deductible / (taxable) in calculating taxable book profit:		
Add: Tax impact on		
Income tax paid / payable	-	-
Expenses not allowable under MAT	151.65	14.83
1/5 th of opening Ind AS adjustments transferred to retained earnings	-	(1.82)
Other comprehensive income/(expense)	-	(0.79)
Less:		
Allowable Expense and exempt Income	77.72	0.52
Deduction u/s 35AD	17.70	-
Standard deduction on rent income	2.16	-
Deduction under Chapter VI	4.26	-
Brought forward losses	125.51	-
Income Tax as per normal provisions	**348.36**	**186.28**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 12.3 : Income tax expense has been allocated as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income tax expense recognised in the Statement of Profit and loss		
Current tax on profits for the year	348.36	186.28
Current tax expense of earlier year (Net of MAT Impact)	0.03	(12.22)
MAT Credit Entitlement	(4.13)	(158.73)
	344.26	**15.34**
Deferred tax (other than disclosed under OCI)		
Decrease / (increase) in deferred tax assets	129.92	229.70
(Decrease) / increase in deferred tax liabilities	(68.70)	56.11
	61.23	**285.81**
Income tax expense / (income) attributable to continuing operations	**405.48**	**301.15**
Income tax expense recognised in OCI		
Income tax included in other comprehensive income on:		
Defined benefit plan actuarial gains/(losses)	(1.38)	1.58
Income tax expense / (income) recognised in OCI	**(1.38)**	**1.58**

Note 13 : Other Non - current / Current Assets

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non - Current		
Capital advances*	298.04	299.40
Total:	**298.04**	**299.40**
Current		
Pre-paid expenses	11.13	9.41
Advance to suppliers, staff and doctors	39.99	14.72
Gratuity Fund	0.10	-
Total:	**51.21**	**24.13**

* Out of Total Capital Advances of ₹ 298.04 Million, ₹ 297.47 Million (PY ₹ 297.47 Million) has been given to The Santacruz Residential Association for Construction of Hospital at Mumbai which is a part of Capital Work in Progress.

Note 14 : Inventories

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Medicines and Medicare Items	42.71	12.86
Materials and Consumables	143.09	178.93
General Stores	10.36	6.52
Total:	**196.16**	**198.30**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 15 : Trade Receivables

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
(a) Considered good	1,023.12	1,087.86
Less: Allowance for doubtful debts (including ECL)	(126.73)	(144.86)
Total Considered good	**896.39**	**943.00**
(b) Considered doubtful	3.79	3.79
Less: Allowance for doubtful debts	(3.79)	(3.79)
Total Considered doubtful	**-**	**-**
Total Trade Receivables	**896.39**	**943.00**
Included in the financial statement as follows:		
Non-current	-	-
Current	896.39	943.00
Total	**896.39**	**943.00**

Refer Note 45.1 for Ageing Schedule

Note 16 : Cash and cash equivalents

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Bank		
In Current accounts	26.40	191.27
Fixed Deposits with maturity less than 3 months	-	297.05
Cash on hand	6.59	5.54
Total cash and cash equivalents	**32.99**	**493.86**

Note 17 : Other Bank Balances

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months*	-	549.87
In Unclaimed Dividend account**	0.24	0.22
	0.24	**550.09**

**If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 18 : Assets held for sale

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Assets held for sale (Refer note below)	-	131.92
	-	**131.92**

Note:
Shalby Limited has granted loan in tranches, in the form of Quasi Equity to Vrundavan Shalby Hospitals Limited (VSHL), Wholly Owned Subsidiary of the Company. The said Quasi Equity has been converted by VSHL into equity shares during the current financial year, pursuant to the terms of loan agreement dated 05-01-2018 duly executed between both the parties, through allotment of 9,78,091 Fully Paid up Equity shares having face value of ₹ 100/- each at a price of ₹ 100/- per share amounting to ₹ 97.81 Million to Shalby Limited.

At the meeting of Board of Directors of Shalby Limited held on January 17, 2023, Vrundavan Shalby Hospitals Limited (VSHL), has started its business operations and it has been be treated as a going concern. Accordingly, company has re-classified its investment from Assets Held for Sale.

Note 19 : Equity share capital

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital		
11,77,50,000 (March 31, 2022: 11,77,50,000) Equity Shares of ₹ 10/ each	1,177.50	1,177.50
	1,177.50	**1,177.50**
Issued share capital		
10,80,09,770 (March 31, 2022: 10,80,09,770) Equity Shares of ₹ 10/ each	1,080.10	1,080.10
Subscribed and fully paid up		
10,73,09,770 (March 31, 2022: 10,80,09,770) Equity Shares of ₹ 10/ each fully paid up	1,073.10	1,080.10
Total	**1,073.10**	**1,080.10**

Note 19.1 : Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	108,009,770	108,009,770
Add: Shares issued during the year	-	-
	108,009,770	**108,009,770**
Less: Treasury Shares	(700,000)	-
At the end of the year	**107,309,770**	**108,009,770**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 19.2 : Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares having nominal value of ₹ 10/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013.

The equity shareholders shall have:

(i) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company;

(ii) a right to receive dividend in proportion to the amount of capital paid up on the shares held.

The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date.

In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

Note 19.3 : Details of shareholders holding more than 5% Shares in the company

(₹ In Million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Shah Family Trust	37,517,132	34.73%	37,517,132	34.73%
Zodiac Mediquip Ltd.	31,545,448	29.21%	31,545,448	29.21%
Dr. Vikram I. Shah	7,845,493	7.26%	7,735,493	7.16%

Note 19.4 : Details of Shareholding of Promoter and Promoter Group in the Company

Particulars	As at March 31, 2023		As at March 31, 2022		%
	No. of Shares	% of holding	No. of Shares	% of holding	Deviation
Shah Family Trust	37,517,132	34.73%	37,517,132	34.73%	-
Zodiac Mediquip Ltd.	31,545,448	29.21%	31,545,448	29.21%	-
Dr. Vikram I. Shah	7,845,493	7.26%	7,735,493	7.16%	0.10%
Dr. Darshini Vikram Shah	3,012,500	2.79 %	3,012,500	2.79 %	-
Mr. Shanay Vikram Shah	137,525	0.13 %	137,525	0.13 %	-
Mr. Kairav Kirit Shah	250	0.00%	-	-	0.00%
Mr. Kiritbhai Chimanlal Shah	-	-	250	0.00%	(0.00%)

Particulars	As at March 31, 2022		As at March 31, 2021		%
	No. of Shares	% of holding	No. of Shares	% of holding	Deviation
Shah Family Trust	3,75,17,132	34.73%	4,33,27,132	40.11%	(5.38%)
Zodiac Mediquip Ltd.	3,15,45,448	29.21%	3,15,45,448	29.21%	-
Dr. Vikram I. Shah	77,35,493	7.16%	77,35,493	7.16%	-
Dr. Darshini Vikram Shah	30,12,500	2.79%	30,12,500	2.79%	-
Mr. Shanay Vikram Shah	1,37,525	0.13%	1,37,525	0.13%	-
Mr. Kairav Kirit Shah	-	-	57,306	0.05%	(0.05%)
Mr. Kiritbhai Chimanlal Shah	250	0.00	250	0.00	-

Note 19.5

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : NIL

Notes to the Financial Statements

for the year ended March 31, 2023

Note 19.6

Calls unpaid : NIL; Forfeited Shares : NIL

Note 20 : Other Equity

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium	4,370.24	4,438.67
Capital redemption reserve	5.33	5.33
Retained Earnings	4,246.40	3,543.13
Reserve for Shared based Payment	8.16	-
	8,630.13	**7,987.13**

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium		
Balance at the beginning of the year	4,438.67	4,455.04
Add : Additions during the year	-	-
Less: Premium paid on Share Acquired	68.43	16.37
Balance at the end of the year	**4,370.24**	**4,438.67**
Capital redemption reserve		
Balance at the beginning of the year	5.33	5.33
Add : Additions during the year	-	-
Balance at the end of the year	5.33	5.33
Surplus / (Deficit) in Statement of Profit & Loss		
Balance at the beginning of the year	3,543.13	2,956.01
Add : Profit for the year	808.08	698.06
Add / (Less): OCI for the year	2.57	(2.94)
Less : Dividend paid	108.01	108.01
Add : Dividend Received from Treasury Shares	0.63	-
Balance available for appropriation	**4,246.40**	**3,543.13**
Less: Appropriation		
Transfer to Capital Redemption Reserve	-	-
Net Surplus / (Deficit)	**4,246.40**	**3,543.13**
Reserve for Shared based Payment		
Balance at the beginning of the year	-	-
Addition during the year	8.16	-
Deduction during the year	-	-
Balance at the end of the year	**8.16**	**-**
	8,630.13	**7,987.13**

Nature and Purpose of other reserves

Securities Premium: The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

Notes to the Financial Statements

for the year ended March 31, 2023

Capital Redemption Reserve: In terms of provisions contained in Section 55 of the Companies Act 2013, the Company has, upon redemption of Preference Shares pursuant to resolution passed at the meeting held on 20th December 2016, transferred the amount equivalent to the face value of Preference Shares from the accumulated profits to Capital Redemption Reserve. This fund can be utilized only for issuing fully paid bonus shares. No dividends can be distributed out of this fund.

Retained Earnings: Retained Earnings represents surplus/accumulated earnings of the Corporation and are available for distribution to shareholders.

Reserve for Shared based Payment : The Reserve for shared based payments account is used to record fair value of equity-settled, share based payment transaction with employees. The amounts recorded in reserves for shared based payment accounts are transferred to security premium upon the exercise of the stock options and transfer to the general reserve on accounts of stock option not exercise by employee.

Distributions Proposed

(₹ In Million)

Particulars	2022-23	2021-22
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 March 2023: ₹ 1.20 per share (31 March 2022: ₹ 1.00 per share)	129.61	108.01
Total Proposed Dividend	**129.61**	**108.01**

Note 21 : Borrowings

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- current		
Secured loans		
From Bank	146.11	253.34
Total:	**146.11**	**253.34**
Current maturities of long term debts (Short term borrowings)		
Secured loans		
Bank Overdraft	-	49.96
Current maturities of long term debts		
From Banks	108.85	108.03
From Financial Institutions	-	1.74
Total:	**108.85**	**159.72**

Notes to the Financial Statements

for the year ended March 31, 2023

21 Principal Terms and Conditions of borrowings as at March 31, 2023

(a) Secured

(i) Term loans

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March, 2023	Amount Outstanding as at 31st March, 2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favour of
1	HDFC Bank Limited	146.17	219.26	Loans are repayable in 24 equal quarterly installments commencing from June,2019 & ending on March 18, 2025.	With in 45 days of interest reset date, the borrower has the option to prepay the amount of principal outstanding against the facility, in part or in full without any prepayment penalty. Prepayment on any other dates, other than mandatory prepayment event, shall be subject to a prepayment penalty of 2% of the principal amount being prepaid for the residual maturity of the facility. Penalty: Default interest of 2%p.a. over and above the applicable interest Rate till such time such default / non-compliances cured to the Lender's satisfaction.	i) First & Exclusive Charge over immovable properties being land admeasuring 6879 sq. mtrs lying and being at Mouje Naroda, Taluka: Ahmedabad City (East), in the registration district of Ahmedabad -6 and together with building constructed thereon. ii) First ranking security by way of hypothecation on the all present and future tangible movable assets, including movable plant and machinery, machinery spares, medical equipment tools and accessories, furniture and fixtures, vehicles and all other movable assets present and future second ranking security by way of hypothecation of All present and future current assets, operating cash flows, receivables, commissions and all other movable assets of the Borrower. iii) Additional Security : Fixed deposit of ₹ 196 Millions under lien with HDFC bank for interest subsidy by bank.	SBICap Trustee Company Ltd.
2	IDFC First Bank Limited	100.43	133.86	The loan is repayable in 28 structured quarterly installments starting from June 30, 2019 & ending on March 31, 2026.	Except as given in (i) and (ii) below, any prepayment of the loan made by the borrower shall be with a prepayment premium of 2% of the principal amount being prepaid. i) The borrower shall have a right to prepay the loan in full but not in part within 30 days of the reset date without any prepayment premium ii) The borrower shall have to mandatory prepay the loan to the extent of at least 30% of the outstanding amount from IPO proceeds without any prepayment premium.	Fixed deposit of ₹ 200 Millions under lien with IDFC bank.	IDFC First Bank Ltd

Notes to the Financial Statements

for the year ended March 31, 2023

(ii) Vehicle loans

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March, 2023	Amount Outstanding as at 31st March, 2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favour of
1	Daimler Financial Services India Private Limited	-	1.74	Loans are repayable in 36 equal monthly installments commencing from December, 2019.	Prepayment Charges: 4% on the outstanding amount Penalty: 5% per annum plus applicable taxes or statutory levies, if any	First and exclusive charge of the Vehicle	Daimler Financial Services India Private Limited
2	HDFC bank Limited	6.66	8.25	Loans are repayable in 60 equal monthly installments commencing from November, 2021.		First and exclusive charge of the Vehicle	HDFC Bank Limited
3	HDFC Bank Limited	1.70	-	Loans are repayable in 60 equal monthly installments commencing from June, 2022	-	First and exclusive charge of the Vehicle	HDFC Bank Limited

(iii) Overdraft Facility

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March,2023	Amount Outstanding as at 31st March,2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favor of
1	Kotak Mahindra Bank Limited	Nil	Nil	12 Months	N.A	All present and future current assets, including book debts, outstanding receivables, claims and bills and whatsoever being the receivables of Krishna Shalby, Bopal, Ahmedabad belonging to borrowers	SBICap Trustee Company Ltd.
2	HDFC Bank Limited	Nil	Nil	12 Months	N.A	First Charge on Company's Stock-in- trade, consisting of raw materials, inventory, goods in process of manufacturing, finished goods, movable assets, all present and future book debts, outstanding monies receivables, claims, bills, invoice documents etc.	HDFC Bank Limited (on behalf of SBICAP Trustee)
3	IDFC First Bank Limited	Nil	49.96	12 Months	N.A	Fixed deposit of ₹ 200 Millions under lien with IDFC First Bank.	IDFC First Bank Limited
4	ICICI Bank Limited	Nil	Nil	12 Months		Overdraft facility backed on Mortgage over Indore property of Shalby Limited	ICICI Bank Limited
5	IndusInd Bank Limited	Nil	Nil	Repayable on demand with annual renewal	N.A	MOVABLE ASSETS All the present and future moveable assets of SG Highway, Jabalpur, Jaipur, Indore, Naroda, Surat & Krishna Unit (319, Green City, Ghuma, Via Bopal, Ahmedabad) including all fixed assets, equipment, plant, machinery, tools, fixtures, fittings, spare parts, accessories, any accretions, alterations, other merchandise, and whatsoever being movable properties now or at anytime hereafter belonging to the Borrower or at the disposal of the Borrower and now or at any time hereafter lying, stored or to be stored or brought into or upon or in course of transit to the Borrower's factory or premises or at any other place whatsoever and wheresoever in his possession and occupation or at any other premises or place anywhere in India	SBICap Trustee Company Limited

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March,2023	Amount Outstanding as at 31st March,2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favor of
						CURRENT ASSETS All present and future current assets including book debts, outstanding monies receivables, claims and bills, and whatsoever being the receivable, which are now due and owing or which may at anytime hereafter during the continuance of the security becomes due and owing to the Borrower in course of its business by any person, firm, company or body corporate, Trust, Society, HUF or by the Government Department or office or any municipal or local or public or semi government body or authority or undertaking. STOCKS All the present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing, other merchandise and whatsoever being stock now or at anytime hereafter belonging to the Borrower or at the disposal of the Borrower and now or at any time hereafter stored or to be stored or brought into or upon or in course of transit to the Borrower's factory or premises or at any other place whatsoever and wheresoever in the possession and occupation or at any other premises or place, anywhere in India. IMMOVEABLE PROPERTY First and exclusive mortgage charge on immovable properties being land and building of Krishna Shalby Hospital situated at 319 – Green City, Ghuma, Bopal, Ahmedabad, SG Shalby Hospital, Vapi Shalby Hospital Jaipur Shalby Hospital belonging to the Company.This security is part of SBLC of ₹ 124 crore.	

Notes to the Financial Statements

for the year ended March 31, 2023

Note 22 : Lease Liability

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Lease Liability	74.61	85.83
Total (A):	**74.61**	**85.83**
Current		
Lease Liability	11.23	10.02
Total (B):	**11.23**	**10.02**
Total (A + B)	**85.83**	**95.86**

Note 23 : Other Financial Liabilities

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Deposits	3.47	4.12
Retention money	0.19	0.22
Total (A):	**3.66**	**4.33**
Current		
Interest Accrued but not due on Borrowings	0.97	1.17
Creditors for capital goods	12.62	20.67
Retention money	-	0.06
Unclaimed Dividend*	0.24	0.22
Employees	73.33	77.46
Total (B):	**87.16**	**99.57**
Total (A+B):	**90.82**	**103.91**

* None of the unclaimed amount is due to be transferred to Investor Education and Protection Fund as on March 31, 2023.

Note 24 : Provisions

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Provision for employee benefits		
Leave obligation	23.63	26.91
Total (A)	**23.63**	**26.91**
Current		
Provision for employee benefits		
Gratuity (Refer Note:-38)	-	6.04
Leave obligation	13.83	4.46
Total (B)	**13.83**	**10.50**
Total (A+B)	**37.46**	**37.41**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 25 : Other non-current / current liabilities

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Government grant (Refer Note below)	83.29	92.67
Deferred Income Grant	10.34	10.54
Total (A):	**93.63**	**103.21**
Current		
Deferred Income Grant	0.89	0.80
Government Grants	9.38	9.37
Advance from customers	43.15	28.52
Statutory Liabilities	47.69	41.47
Total (B):	**101.10**	**80.16**
Total (A+B):	**194.74**	**183.37**

Note 26 : Trade Payables

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
A) Total Outstanding dues of micro enterprises and small enterprises (Refer note no:- 45)	-	-
B) Total Outstanding dues to creditors other than Micro Enterprise & Small Enterprise	744.88	613.08
Total	**744.88**	**613.08**

Refer Note 45.2 for Ageing Schedule

Note 27 : Revenue from Operations

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Revenue from Contracts with Customers (Refer Note 48)	7,027.26	6,426.25
Other Operative Revenue	52.91	41.70
	7,080.17	**6,467.95**

Break up of other operating revenue

Particulars	March 31, 2023	March 31, 2022
Revenue from Academy Division	24.07	21.07
Management Fees from Franchise Business	28.84	20.64
	52.91	**41.70**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 28 : Other Income

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Income		
From Banks	68.34	58.85
From Bond	10.17	12.17
On loans and Advances to Subsidiaries	29.84	1.20
On Partner's capital	1.35	2.04
Notional Interest Income on Lease Deposit	0.27	0.40
Others	0.36	0.58
Total (A)	**110.33**	**75.24**
Capital Subsidy	9.37	9.26
Interest Subsidy	7.67	16.32
Grant Income	0.86	0.66
Corporate Guarantee Commission Income	2.18	1.71
Rent Income	20.64	10.79
Net Gain on Financial Instrument	18.57	3.65
Provision for Bad & Doubtful Debts written back	18.13	-
Profit on sale of assets	-	0.15
Net gain on foreign currency transactions and translation	1.96	0.16
Share from Limited Liability Partnership	3.31	2.97
Project Consultancy	-	0.68
Other Non-Operating Income		
Sundry balances written back (Net)	-	7.19
Miscellaneous Income	0.63	1.23
Total (B)	**83.32**	**54.76**
Total (A+B)	**193.65**	**129.99**

Note 29 : Operative expenses

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Materials and Consumables	1,768.26	1,593.23
Diagnostic Expenses	94.37	108.79
Fees to Doctors and Consultants	1,766.46	1,615.89
Power, Fuel and Water Charges	162.34	144.92
Housekeeping and Catering	127.72	126.51
Attendants and Securities	133.39	116.73
Linen & Uniform	9.69	8.17
Other Operative Expenses	91.45	77.05
	4,153.68	**3,791.30**

Note 30 : Purchase of Stock-in-trade

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Medicines and Medicare Items	91.51	90.57
	91.51	**90.57**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 31 : Changes in inventories

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Inventory at the end of the year		
Medicine and Medical Items	17.50	12.86
Inventory at the beginning of the year		
Medicine and Medical Items	12.86	17.14
(Increase) / Decrease in stocks	**(4.64)**	**4.28**

Note 32 : Employee benefits expense

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Salary, Allowances & Bonus	804.47	735.55
Contribution to Provident & other funds	57.35	46.38
Staff Welfare expenses	0.53	1.27
ESOP Compensation Expenses	5.23	-
	867.59	**783.20**

During the FY 2022-23, Project team & IT team salary cost amounting to ₹ 33.08 Million (PY ₹ 41.28 Million) has been capitalised through capital work-In-Progress and intangible assets under development as it is related with upcoming unit at Mumbai and development of E-Commerce platform namely "Hosply" which is under development.

Note 33 : Finance Cost

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Interest on Term Loan from Banks	22.32	20.48
Interest on Finance Lease Liability	6.55	7.25
Other ancillary Cost	2.14	0.16
	31.01	**27.90**

Note 34 : Depreciation and Amortization

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Depreciation expense on property, plant and equipment	327.79	323.60
Amortisation on Intangible assets	29.01	17.70
Amortisation on Right of Use Assets	13.85	13.72
	370.64	**355.02**

Note 35 : Other expenses

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Advertising and Publicity	139.68	63.31
Auditors' Remuneration	2.94	3.11
Communication	11.30	10.92
Rent, Rates and Taxes	32.01	22.06

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Fees and Legal	47.06	43.75
Fixed Asset Written Off	-	5.05
Insurance	3.98	3.86
Stationery and Printing	28.64	20.94
Repairs and Maintenance		
Hospital Equipment	122.44	115.36
Building	30.73	10.83
Others	62.26	49.93
Travelling and Conveyance	30.44	23.69
Loss on sale of assets	0.27	-
Provision for Bad & Doubtful Debts	-	84.66
Bank charges	13.43	16.06
Freight Charges	0.85	5.90
Corporate Social Responsibility	12.17	11.00
Miscellaneous Expenses	12.28	11.69
	550.48	**502.12**
35.1 Payment to Auditor		
For Statutory Audit	2.05	1.95
For Limited Review	0.60	0.54
For Taxation Matter	0.15	0.50
For Certification	0.11	0.11
For Reimbursement of Expenses	0.03	0.00
Total	**2.94**	**3.11**

Note 36 : Earning per Share

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Net Profit attributable to Equity shareholders (₹)	808.08	698.06
Number of equity shares	108,009,770	108,009,770
Weighted Average number of Equity Shares	107,422,921	108,009,770
Basic earning per Share (₹)	7.52	6.46
Diluted earning per Share (₹)	7.48	6.46

Note 37 : Contingent Liabilities and Commitments

(₹ In Million)

	Particulars	As at March 31, 2023	As at March 31, 2022
A	**Contingent Liabilities not provided for in respect of**		
(i)	Claim against the company not acknowledged as debt	130.61	130.61
(ii)	Income tax Demand for Assessment Years		
	2012-13	-	2.06
	2013-14	-	110.85
	2014-15	-	27.45

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

	Particulars	As at March 31, 2023	As at March 31, 2022
	2015-16	41.42	41.42
	2016-17	3.72	3.72
	2018-19	18.26	18.26
	2019-20	0.26	-
	2021-22	0.90	-
(iii)	Bank Guarantee	-	16.08
(iv)	Corporate Guarantee to Bank on behalf of Subsidiary Company	1,334.49	1,240.00
(iv)	Sales Tax Demand including Interest & Penalty for years (Based on expert advice received by client)		
	2009-10	-	52.61
	2010-11	-	63.13
	2011-12	-	74.91
	2012-13	-	91.90
	2013-14	-	101.26
	2014-15	-	4.62
(v)	Export Obligation under EPCG Scheme	35.45	30.91
(vi)	TDS demand default	0.37	-
B	**Capital Commitments**		
	Estimated amount of contract remaining to the executed on capital accounts	13.82	4.17

Note 38: Employee Benefits

Note 38.1 Defined contribution plan

The Company has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to Provident Fund and Pension Scheme, included under contribution to provident and other funds	41.12	30.88
Contribution to Employee State Insurance Scheme, included under contribution to provident and other funds	3.98	4.05

Note 38.2 : Defined benefit plan

(a) Gratuity

The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Company recognizes actuarial gains and losses immediately in other comprehensive income, net of taxes. The Company accrues gratuity as per the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The Company contributes all ascertained liabilities towards gratuity to the Fund. The plan assets have been primarily invested in insurer managed funds.

Notes to the Financial Statements

for the year ended March 31, 2023

The company provides for gratuity, a defined benefit retiring plan covering eligible employees. The Gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment based on the respective employees salary and tenure of the employment with the company.

(b) Defined Benefit Plan

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Gratuity

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	6.95%
Expected rate(s) of salary increase	6.00%	6.00%
Rate of return on plan assets	7.30%	6.95%

The following table sets out the status of the amounts recognised in the balance sheet & movements in the net defined benefit obligation as at 31st March, 2023

(₹ In Million)

Particulars	March 31, 2023 Gratuity (Funded)	March 31, 2022 Gratuity (Funded)
Changes in the present value of obligation		
1. Present value of obligation (Opening)	39.63	27.37
2. Interest cost	2.66	1.68
3. Past service cost adjustments/Prior year Charges	-	-
4. Current service cost	10.47	9.85
5. Curtailment Cost / (Gain)	-	-
6. Settlement Cost / (Gain)	-	-
7. Benefits paid	(4.10)	(3.17)
8. Actuarial (Gain) / Loss arising from change in financial assumptions	(0.48)	(2.06)
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	(5.90)	-
10. Actuarial (Gain) / Loss arising from change on account of experience changes	1.78	5.97
11. **Present value of obligation (Closing)**	**44.06**	**39.63**
Changes in the fair value of plan assets		
1. Present value of plan assets (Opening)	33.58	25.15
2. Past contribution / Adjustment to Opening Fund	-	-
3. Expected return on plan assets	(0.65)	(0.61)
4. Interest Income	2.70	1.84
5. Actuarial Gain / (Loss)	-	-
6. Employers Contributions	12.63	10.37
7. Employees Contributions	-	-
8. Benefits paid	(4.10)	(3.17)
9. Expense deducted from the fund	-	-
10. **Fair Value of Plan Assets (Closing)**	**44.15**	**33.58**

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	March 31, 2023 Gratuity (Funded)	March 31, 2022 Gratuity (Funded)
Percentage of each category of plan assets to total fair value of plan assets at the year end		
1. Bank Deposits	-	-
2. Debt Instruments	-	-
3. Administered by Life Insurance Corporation of India	100%	100%
4. Others	-	-

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

(₹ In Million)

Particulars	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Present Value of funded obligation at the end of the year	44.06	39.63
Fair Value of Plan Assets as at the end of the period	44.15	33.58
Amount not recognised due to asset limit		
Deficit of funded plan	(0.10)	6.04
Deficit of unfunded plan	-	-
- Current	(0.10)	6.04
- Non-Current	-	-

Amount recognized in standalone statement of profit and loss in respect of defined benefit plan are as follows:

Expense recognised in the Statement of Profit and Loss	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Current Service Cost	10.47	9.85
Past Service Cost	-	-
Adjustment to opening fund	-	-
Net interest Cost	(0.04)	(0.16)
Net value of Remeasurement on the obligation and plan assets	-	-
Adjustment to Opening Fund	-	-
(Gains)/Loss on Settlement	-	-
Total Expenses recognized in the Statement of Profit and Loss #	**10.43**	**9.69**

Amount recorded in Other comprehensive Income (OCI)	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Re-measurements during the year due to		
Changes in financial assumptions	(0.48)	(2.06)
Changes in demographic assumptions	(5.90)	-
Experience adjustments	1.78	5.97
Return on plan assets excluding amounts included in interest income	0.65	0.61
Amount recognised in OCI during the year	(3.95)	4.51

Notes to the Financial Statements

for the year ended March 31, 2023

(c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Gratuity

Impact on defined benefit obligation

(₹ In Million)

Particulars	Change in Assumption			Increase in Assumptions		Decrease in Assumptions	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	0.50%	0.50%	Decrease by	43.39	38.04	44.74	41.33
Salary growth rate	0.50%	0.50%	Increase by	44.71	41.24	43.40	38.10

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(d) Major Category of Plan Asset as a % of total Plan Assets

(₹ In Million)

Category of Assets (% Allocation)	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	%		Amount in ₹	
Insurer managed funds	100.00%	100.00%	44.15	33.58
Total	**100.00%**	**100.00%**	**44.15**	**33.58**

(e) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investment is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

(f) Defined benefit liability and employer contribution

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post -employment benefit plan (Gratuity) for the year ending March 31, 2024 is ₹ 91,02,265/-.

The weighted average duration of the defined benefit obligation is **3.35 years (As at 31st March 2022 - 8.68 years)**.

Notes to the Financial Statements

for the year ended March 31, 2023

The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

Gratuity

(₹ In Million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Cash Flow (₹)	(%)	Cash Flow (₹)	(%)
1st following year	11.42	20.10%	2.75	3.40%
2nd following year	10.46	18.40%	3.04	3.80%
3rd following year	6.77	11.90%	4.50	5.60%
4th following year	6.13	10.80%	3.25	4.00%
5th following year	5.10	9.00%	3.88	4.80%
Sum of year 6 to 10th	12.57	22.10%	18.64	23.00%

Note 39 : Segment Information

The Company is mainly engaged in the business of setting up and managing hospitals and medical diagnostic services which constitute a single business segment. These activities are mainly conducted only in one geographical segment viz, India. Therefore, the disclosure requirements under the Ind AS 108 "Operating Segments" are not applicable.

Note 40 :

1. Related Party Disclosures for the year ended March 31, 2023

(a) Details of Related Parties

Description of Relationship	Names of Related Parties
Promoter and Promoter Group	Shah Family Trust
	Zodiac Mediquip Limited
	Dr. Vikram I. Shah
	Dr. Darshini Shah
	Mr. Shanay Shah
	Mr. Kairav Shah
	Mr. Kirit Shah (Upto 27/11/2022)
Subsidiary companies & LLPs	Shalby (Kenya) Limited
	Vrundavan Shalby Hospitals Limited
	Yogeshwar Healthcare Limited
	Slaney Healthcare Private Limited
	Mars Medical Devices Limited
	Shalby Hospitals Mumbai Pvt Ltd
	Shalby International Limited
	Griffin Mediquip LLP
	Shalby Global Technologies Pte. Ltd.
	Shalby Advanced Technologies, Inc.
Key Management Personnel (KMP)	Dr. Vikram I. Shah (Director)
	Mr.Sushobhan Dasgupta (Director)
	Dr. Nishita Shukla (COO)
	Mr. Tushar Shah (AVP & CS)
	Mr. Venkat Parasuraman (from 02/02/2022) (CFO)
	Mr. Prahlad Inani (Upto 15/12/2021) (CFO)
Relatives of KMP	Dr. Darshini V. Shah
	Mr. Shanay V. Shah
	Mr. Kairav Shah
Enterprise over which KMP / Relatives of KMP exercise significant influence through controlling interest (Other Related Party)	Uranus Medical Devices Limited
	Shalby Orthopaedic Hospital and Research Centre
	Friends of Shalby Foundation

Notes to the Financial Statements

for the year ended March 31, 2023

(b) Key management personnel compensation

(₹ In Million)

Particulars	2022-23	2021-22
Short-term employee benefits	17.38	17.25
Termination benefits	-	-
Total Compensation	**17.38**	**17.25**

(c) Details of transactions with related parties for the year ended March 31, 2023 in the ordinary course of business:

(₹ in Million)

Sr. No.	Nature of Relationship / Transaction	Subsidiary Companies		Promoter Company		KMP & Relatives		Enterprise over which KMP and Relatives have significant influence		Total	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	**Professional Fees**										
	Dr. Vikram I. Shah	-	-	-	-	-	8.41	-	-	-	8.41
	Dr. Darshini V. Shah	-	-	-	-	22.48	15.82	-	-	22.48	15.82
2	**Trade Advance received back**										
	Yogeshwar Healthcare Limited	-	0.14	-	-	-	-	-	-	-	0.14
	Shalby Hospitals Mumbai Private Limited	-	0.10	-	-	-	-	-	-	-	0.10
	Mars Medical Devices Limited	-	0.30	-	-	-	-	-	-	-	0.30
	Shalby International Limited	0.03	-	-	-	-	-	-	-	0.03	-
3	**Trade Advances received back towards Reimbursement of Expenditure**										
	Dr. Vikram I. Shah	-	-	-	-	-	0.11	-	-	-	0.11
	Slaney Healthcare Private Limited	0.23	0.05	-	-	-	-	-	-	0.23	0.05
	Shalby Advanced Technologies, Inc.	8.43	27.82	-	-	-	-	-	-	8.43	27.82
	Shalby International Limited	-	0.10	-	-	-	-	-	-	-	-
	Yogeshwar Healthcare Limited	-	1.40	-	-	-	-	-	-	-	-
	Vrundavan Shalby Hospitals Limited	97.81	0.80	-	-	-	-	-	-	97.81	0.80
4	**Trade Advances given**										
	Dr. Vikram I. Shah	-	-	-	-	-	0.11	-	-	-	0.11
	Vrundavan Shalby Hospitals Limited	1.08	0.56	-	-	-	-	-	-	1.08	0.56
	Yogeshwar Healthcare Limited	-	0.14	-	-	-	-	-	-	-	0.14
	Shalby International Limited	-	0.13	-	-	-	-	-	-	-	0.13
	Shalby Hospitals Mumbai Private Limited	-	-	-	-	-	-	-	-	-	-
	Shalby Advanced Technologies, Inc.	-	27.47	-	-	-	-	-	-	-	27.47
	Slaney Healthcare Private Limited	-	-	-	-	-	-	-	-	-	-
	Shalby Kenya Limited	2.14	2.30	-	-	-	-	-	-	2.14	2.30
5	**Capital withdrawal**										
	Griffin Mediquip LLP	-	-	-	-	-	-	-	-	-	-
	Current	-	45.00	-	-	-	-	-	-	-	45.00
6	**Share of Profit/(Loss)**										
	Griffin Mediquip LLP	3.31	2.97	-	-	-	-	-	-	3.31	2.97
7	**Purchase of medicines, materials and consumables**										
	Griffin Mediquip LLP	398.27	264.97	-	-	-	-	-	-	398.27	264.97

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Nature of Relationship / Transaction	Subsidiary Companies		Promoter Company		KMP & Relatives		Enterprise over which KMP and Relatives have significant influence		Total	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
8	**Rent Expenses**										
	Dr. Vikram I. Shah	-	-	-	-	11.51	11.91	-	-	11.51	11.91
	Shalby Orthopaedic Hospital and Research Centre	-	-	-	-	-	-	0.60	0.60	0.60	0.60
9	**Rent Income**										
	Griffin Mediquip LLP	0.06	0.06	-	-	-	-	-	-	0.06	0.06
	Vrundavan Shalby Hospitals Limited	0.05	-	-	-	-	-	-	-	0.05	-
	Slaney Healthcare Private Limited	-	0.22	-	-	-	-	-	-	-	0.22
10	**Salary**										
	Mr. Prahlad Inani	-	-	-	-	-	5.05	-	-	-	5.05
	Mr. Shanay V. Shah	-	-	-	-	6.83	5.60	-	-	6.83	5.60
	Mr. Tushar Shah	-	-	-	-	3.55	3.46	-	-	3.55	3.46
	Dr. Nishita Shukla	-	-	-	-	8.30	7.02	-	-	8.30	7.02
	Mr. Venkat Parasuraman	-	-	-	-	5.53	1.72	-	-	5.53	1.72
11	**Commission Expense**										
	Zodiac Mediquip Limited	-	-	1.19	0.87	-	-	-	-	1.19	0.87
12	**ESOP Cross Charge Cost**										
	Zodiac Mediquip Limited	-	-	0.15	-	-	-	-	-	0.15	-
	Shalby Global Technologies Pte. Ltd.	2.78	-	-	-	-	-	-	-	2.78	-
13	**Guest House Expenses**										
	Zodiac Mediquip Limited	-	-	2.57	1.79	-	-	-	-	2.57	1.79
14	**Investment made during the year**										
	Mars Medical Devices Limited - Equity Share	250.00	249.50	-	-	-	-	-	-	250.00	249.50
	Mars Medical Devices Limited - Preference Share	1,000.00	-	-	-	-	-	-	-	1,000.00	-
	Vrundavan Shalby Hospital Limited - Equity Share	97.81	-	-	-	-	-	-	-	97.81	-
15	**Loan given during the year**										
	Mars Medical Devices Limited	1,561.92	169.38	-	-	-	-	-	-	1,561.92	169.38
16	**Loan received back during the year**										
	Mars Medical Devices Limited	1,731.00	0.30	-	-	-	-	-	-	1,731.00	0.30
17	**Expense incurred on behalf of related party**										
	Vrundavan Shalby Hospitals Limited	3.13	-	-	-	-	-	-	-	3.13	-
	Shalby Advanced Technologies, Inc.	4.28	-	-	-	-	-	-	-	4.28	-
18	**Interest on Capital**										
	Griffin Mediquip LLP	1.35	2.04	-	-	-	-	-	-	1.35	2.04
19	**Interest Income on Loan**										
	Mars Medical Devices Limited	29.84	1.20	-	-	-	-	-	-	29.84	1.20
20	**Commission Income**										
	Shalby Advanced Technologies, Inc.	2.18	1.71	-	-	-	-	-	-	2.18	1.71
21	**Corporate Guarantee given during the year**										
	Shalby Advance Technologies, inc	776.51	-	-	-	-	-	-	-	776.51	-

Notes to the Financial Statements

for the year ended March 31, 2023

(d) Amount due to / from related parties as at March 31, 2023

(₹ in Million)

Sr. No.	Nature of Relationship / Transaction	Subsidiary Companies		Promoter Company		KMP & Relatives		Enterprise over which KMP and Relatives have significant influence		Total	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	**Trade Payable**										
	Dr. Vikram I. Shah	-	-	-		-	1.61	-	-	-	1.61
	Dr. Darshini V. Shah	-	-	-	-	2.00	3.05	-	-	2.00	3.05
	Griffin Mediquip LLP	133.31	118.51	-	-	-	-	-	-	133.31	118.51
	Zodiac Mediquip Limited	-	-	0.14	0.08	-	-	-	-	0.14	0.08
2	**Investment**										
	Yogeshwar Healthcare Limited	6.96	6.96	-	-	-	-	-	-	6.96	6.96
	Shalby Kenya Limited	0.06	0.06	-	-	-	-	-	-	0.06	0.06
	Vrundavan Shalby Hospitals Limited	229.73	131.92	-	-	-	-	-	-	229.73	131.92
	Shalby Hospitals Mumbai Private Limited	0.10	0.10	-	-	-	-	-	-	0.10	0.10
	Slaney Healthcare Private Limited	11.21	11.21	-	-	-	-	-	-	11.21	11.21
	Mars Medical Devices Limited - Equity Share	500.00	250.00	-	-	-	-	-	-	500.00	250.00
	Mars Medical Devices Limited - Preference Share	1,000.00	-	-	-	-	-	-	-	1,000.00	-
	Shalby International Limited	0.50	0.50	-	-	-	-	-	-	0.50	0.50
3	**Loans and Advances**										
	Mars Medical Devices Limited	-	169.08	-	-	-	-	-	-	-	169.08
	Shalby Kenya Limited	11.68	9.55	-	-	-	-	-	-	11.68	9.55
	Vrundavan Shalby Hospitals Limited	-	96.73	-	-	-	-	-	-	-	96.73
4	**Rent Payable**										
	Dr. Vikram I. Shah	-	-	-	-	0.41	1.15	-	-	0.41	1.15
	Shalby Orthopaedic Hospital and Research Centre	-	-	-	-	-	-	-	0.05	-	0.05
5	**Other Receivables**										
	Slaney Healthcare Private Limited	-	0.23	-	-	-	-	-	-	-	0.23
	Mars Medical Devices Limited	-	1.08	-	-	-	-	-	-	-	1.08
	Shalby Advanced Technologies, Inc.	-	1.97	-	-	-	-	-	-	-	1.97
	Shalby International Limited	-	0.03	-	-	-	-	-	-	-	0.03
	Vrundavan Shalby Hospitals Limited	3.69	-	-	-	-	-	-	-	3.69	-
	Shalby Global Technologies Pte. Ltd.	2.78	-	-	-	-	-	-	-	2.78	-
	Griffin Mediquip LLP	0.03	0.00	-	-	-	-	-	-	0.03	0.00
6	**Capital contribution**										
	Griffin Mediquip LLP										
	Fixed	0.48	0.48	-	-	-	-	-	-	0.48	0.48
	Current	12.60	7.94	-	-	-	-	-	-	12.60	7.94
7	**Corporate Guarantee**										
	On Behalf of Shalby Advanced Technologies, Inc.	1,240.00	1,240.00	-	-	-	-	-	-	1,240.00	1,240.00
	On Behalf of Shalby Advanced Technologies, Inc. (USD 2.08 Mn)	170.91	157.68	-	-	-	-	-	-	170.91	157.68
	On Behalf of Shalby Advanced Technologies, Inc. (USD 9.45 Mn)	776.51	-	-	-	-	-	-	-	776.51	-

Notes to the Financial Statements

for the year ended March 31, 2023

Note 41: Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Total equity attributable to the equity share holders of the company	9,703.23	9,067.23
As percentage of total capital	**103.49%**	**116.79%**
Current loans and borrowings	108.85	159.72
Non-current loans and borrowings	146.11	253.34
Total loans and borrowings	**254.96**	**413.06**
Cash and Bank balances including Fixed Deposit	581.80	1,716.66
Net loans & borrowings	**(326.84)**	**(1,303.60)**
As a percentage of total capital	**(3.49%)**	**(16.79%)**
Total capital (loans and borrowings and equity)	**9,376.39**	**7,763.63**

Note 42: Fair value measurements

A. Financial instruments by category

(₹ In Million)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Assets						
Investments	1,761.63	1,366.33	-	373.94	246.98	-
Trade and other receivables	896.39	-	-	943.00	-	-
Cash and cash Equivalents	32.99	-	-	493.86	-	-
Other bank balances	0.24	-	-	550.09	-	-
Other financial assets	676.85	-	-	1,073.77	-	-
Total Financial Assets	**3,368.08**	**1,366.33**	**-**	**3,434.65**	**246.98**	**-**
Financial Liabilities						
Borrowings	254.96	-	-	413.06	-	-
Lease Liabilities	85.83			95.86		
Trade payables	744.88	-	-	613.08	-	-
Other financial liabilities	90.82	-	-	103.91	-	-
Total Financial Liabilities	**1,176.49**	**-**	**-**	**1,225.91**	**-**	**-**

Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to the Financial Statements

for the year ended March 31, 2023

B. Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2023

(₹ In Million)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
- Mutual Fund	1,366.33	-	-	1,366.33
Total	**1,366.33**	**-**	**-**	**1,366.33**

Financial assets measured at fair value at March 31, 2022

(₹ In Million)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
- Mutual Fund	45.04	-	-	45.04
- Bond	201.94	-	-	201.94
Total	**246.98**	**-**	**-**	**246.98**

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

(i) The use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

D. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 43 : Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee 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 audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – Foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds & Equity Instrument	Credit ratings	Portfolio diversification and regular monitoring

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Trade and other receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set for patients without medical aid insurance. Services to customers without medical aid insurance are settled in cash or using major credit cards on discharge date as far as possible. Credit Guarantees insurance is not purchased. The receivables are mainly unsecured; the company does not hold any collateral or a guarantee as security. The provision details of the trade receivable are provided in Note 15 of the financial statements.

Notes to the Financial Statements

for the year ended March 31, 2023

The provision matrix of ECL at the end of the reporting period is as follows.

Particulars	Expected Credit Loss %
Within 90 days due	3.00%
90 to 180 days due	6.19%
180 to 270 days	9.20%
270 to 360 days	13.75%
360 to 450 days	18.99%
450 to 540 days	24.76%
540 to 630 days	28.77%
630 to 720 days	34.19%
720 to 810 days	42.21%
810 to 900 days	51.14%
900 to 990 days	62.79%
990 to 1080 days	82.56%
(> 1080 days)	**100.00%**

Reconciliation of loss allowance provision

Trade receivables

Particulars	(₹ In Million)
Loss allowance as on March 31, 2022	148.65
Changes in loss allowance	(18.13)
Loss allowance as on March 31, 2023	130.52

Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

(b) Liquidity risk

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

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The working capital position of the Company is given below:

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Cash and cash equivalents	32.99	493.86

Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on

Notes to the Financial Statements

for the year ended March 31, 2023

which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2023

(₹ In Million)

Financial Liabilities	Less than 1 year	1-5 years	5 years and above	Total
Borrowings^	108.85	146.11	-	254.96
Lease Liabilities	11.23	47.02	27.59	85.83
Other Financial Liabilities	87.16	3.66	-	90.82
Trade Payables	744.88	-	-	744.88
Total financial liabilities	**952.12**	**196.79**	**27.59**	**1,176.49**

^ Borrowings are disclosed net of processing charges.

As at March 31, 2022

(₹ In Million)

Financial Liabilities	Less than 1 year	1-5 years	5 years and above	Total
Non-current financial liabilities				
Borrowings^	159.72	253.34	-	413.06
Lease Liabilities	10.02	49.43	36.40	95.86
Other Financial Liabilities	99.57	4.33	-	103.91
Trade payables	613.08	-	-	613.08
Total financial liabilities	**882.40**	**307.10**	**36.40**	**1,122.00**

^ Borrowings are disclosed net of processing charges.

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i) Currency Risk

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of US$, and Euro. The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are given below:

(Amount in Million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in ₹	Amount in USD	Amount in ₹
Financial Assets				
Other Financial Assets	-	-	0.03	1.92
Total-Financial assets	**-**	**-**	**0.03**	**1.92**

Notes to the Financial Statements

for the year ended March 31, 2023

(Amount in Million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in ₹	Amount in USD	Amount in ₹
Financial liabilities				
Borrowings	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**

Sensitivity Analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

(₹ In Million)

Particulars	Profit or Loss			
	March 31, 2023		March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD (Increase/decrease by 1%)	-	-	(0.02)	0.02
Total	**-**	**-**	**(0.02)**	**0.02**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

The exposures of the Company's financial assets / liabilities at the end of the reporting period are as follows:

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings	-	17.41
Floating rate borrowings	254.96	395.65
Total	**254.96**	**413.06**

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Impact on profit – increase in 50 basis points	1.27	2.06
Impact on profit – decrease in 50 basis points	(1.27)	(2.06)

(iii) Price Risk Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds & Equity Instrument classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

Note 44 : Leases

(A) Additions to right of use assets

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property.

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets, except for investment property	75.08	88.93

(B) Carrying value of right of use assets at the end of the reporting period by class

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Balance at beginning of the year	88.93	96.86
Addition during the year	-	5.80
Depreciation charge for the year	13.85	13.72
Balance at closing of the year	75.08	88.93

(C) Maturity analysis of lease liabilities

(₹ In Million)

Maturity analysis – Contractual undiscounted cash flows	As at March 31, 2023	As at March 31, 2022
Less than one year	17.01	16.57
One to five years	72.43	67.20
More than five years	28.41	50.65
Total undiscounted lease liabilities at	**117.85**	**134.42**
Lease liabilities included in the statement of financial position at 31 March 2023	**85.83**	**95.86**
Current	11.23	10.02
Non-Current	**74.61**	**85.83**

Notes to the Financial Statements

for the year ended March 31, 2023

(D) Amounts recognised in profit or loss

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on lease liabilities	6.55	7.25
Variable lease payments not included in the measurement of lease liabilities	12.64	13.57
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	5.24	4.11

(E) Amounts recognised in the statement of cash flows

(₹ In Million)

Particulars	2022-23	2021-22
Total cash outflow for leases	28.01	28.88

Note 45 : Ageing Schedule

45.1 : Trade Receivables

(₹ In Million)

Particulars	Unbilled Revenue	Not Due	Outstanding as on March 31, 2023 for following periods from due date of payment					Total
			Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	100.08	32.52	312.78	135.11	112.71	101.37	228.54	1,023.12
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	3.79	3.79
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-	-
Gross Trade Rececievable	**100.08**	**32.52**	**312.78**	**135.11**	**112.71**	**101.37**	**232.33**	**1,026.91**
Less: Allowance for Expected Credit Loss								(126.73)
Less: Allowance for doubtful debts								(3.79)
Total								**896.39**

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	Unbilled Revenue	Not Due	Outstanding as on March 31, 2022 for following periods from due date of payment					Total
			Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	87.10	28.60	490.12	187.65	130.07	120.70	43.62	1,087.86
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	3.79	3.79
Disputed Trade Receivable-Considered	-	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-	-
Gross Trade Rececievable	**87.10**	**28.60**	**490.12**	**187.65**	**130.07**	**120.70**	**47.41**	**1,091.65**
Less: Allowance for Expected Credit Loss								(144.86)
Less: Allowance for doubtful debts								(3.79)
Total								**943.00**

Note 45.2 : Trade Payables

(₹ In Million)

Particulars	Not Due	Outstanding as on March 31 2023 for following periods from due date of payment				Total
		Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-	-
Others	542.93	147.81	28.75	9.77	15.61	744.88
Total	**542.93**	**147.81**	**28.75**	**9.77**	**15.61**	**744.88**

(₹ In Million)

Particulars	Not Due	Outstanding as on March 31 2022 for following periods from due date of payment				Total
		Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-	-
Others	444.88	137.08	15.05	10.86	5.20	613.08
Total	**444.88**	**137.08**	**15.05**	**10.86**	**5.20**	**613.08**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 46 : Due to Micro, Small and Medium Enterprise and confirmations

(a) Due to Micro, Small and Medium Enterprise

(₹ In Million)

Sr. No.	Particulars	March 31, 2023	March 31, 2022
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	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 Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

Note 47 : Corporate social Responsibility

(a) The amount spent during the period / year on:

(₹ In Million)

Particulars	In cash / cheque	Yet to be paid in cash / cheque	Total (₹)
Construction / acquisition of any assets	12.20	-	12.20
On purposes other than above	2.40	-	2.40

Notes to the Financial Statements

for the year ended March 31, 2023

(b) Details of CSR Expense

(₹ In Million)

Particulars	Amount as on 31st March 2023	Amount as on 31st March 2022
Amount required to be spent during the year	14.27	10.95
Amount actually spent :		
Construction / acquisition of any assets	12.20	11.00
On purposes other than above	2.40	-
Shortfall at the end of year	-	-
Total of previous year shortfall	-	-
Total Excess spend to be carried forwarded	2.43	2.10
Reason for such shortfall :	NA	NA
Nature of CSR activities :	Construction and development of Medical college & issue of Covaxin vaccine.	
Details of related party transactions :	Nil	Nil

Note : Excess amount spent by company towards CSR Expenses will be set off against CSR expenses to be incurred by company in next 3 financial years as per provisions of Section 135(5) of Companies Act, 2013.

Note 48 : Revenue from Contract with customers

The revenue from contracts with customers to the amounts disclosed as total revenue are as under:

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Revenue from Sale of Products	138.74	131.65
Revenue from Sale of Services	6,941.43	6,336.31
Total Revenue	**7,080.17**	**6,467.95**

The disaggregation of Revenue from Contract with Customers is as under:

(A) Revenue from Contract with Customers - Segment wise

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Revenue from Sale of Services		
In Patient Discharge		
Domestic	6,101.08	5,490.38
Overseas	91.01	42.56
Out Patient Discharge	353.00	432.98
Allied Services	343.43	329.35
Other operative Income	52.91	41.03
Total Revenue from Sale of services	**6,941.43**	**6,336.31**
Revenue from Sale of Products		
Revenue from Medicines & Medicare Items	138.74	131.65
Total Revenue from Contract with Customers	**7,080.17**	**6,467.95**

Contract Asset

The Company does not have any contract assets as at 31 March 2023 and 31 March 2022.

Notes to the Financial Statements

for the year ended March 31, 2023

Contract Liability

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Opening Balance of Contract Liability	28.52	35.12
Revenue Recognised from the opening balance of Contract Liability	28.52	35.12
Current year Contract liability - Carried Forward	43.15	28.52
Closing Balance of Contract Liability	**43.15**	**28.52**

The nature of services and its disclosure of timing of satisfaction of performance obligation is mentioned in para 4.8 of Note No. 4.

Contract Liabilities in the balance sheet constitutes advance payments and billings in excess of revenue recognised. The Company expects to recognise such revenue in the next financial year.

There were no significant changes in contract assets and contract liabilities during the reporting period except amount as mentioned in the table and explanation given above.

Under the payment terms generally applicable to the Company's revenue generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of the services.

The Company generates revenue from knee replacement surgeries, other indoor and outdoor patient discharges, diagnostic services. clinical trials, trainings and other sales of medicines and Medicare items.

The revenue from rendering Healthcare services and Pharmaceutical products satisfies 'at a point in time' recognition criteria as prescribed by IND AS 115.

Note 49 : Un-hedged Foreign Currency Exposure

The company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The company does not enter into any derivative instruments for trading or speculative purposes.

The foreign currency exposure not hedged as at 31st March, 2023 are as under:

(₹ In Million)

Particulars	Payable (In Foreign Currency)		Receivable (In Foreign Currency)		Payable (In Indian Rupee)		Receivable (In Indian Rupee)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD	-	-	-	0.03	-	-	-	1.92

Note : 50 Equity settled share based payments (ESOP) :

Senior level management employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). In respect of options granted during the current year under "Shalby Limited Employee Stock Options Scheme - 2021 (the "Shalby ESOP Scheme 2021"), the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes Method formula which is in accordance with Indian Accounting Standard 102 (Ind AS 102).

Notes to the Financial Statements

for the year ended March 31, 2023

The cost of equity settled transaction is recognised, together with a corresponding increase in Equity settled share based payments reserves in other equity, over the period in which the service conditions are fulfilled. This expense is included under the head "Employee benefits expense" as employee share-based expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Expense for the period from grant date to reporting date recognised is ₹ 5.23 Mn (March 31, 2022: NIL).

Natue and characteristics of ESOP plans existed during year as tabulated below:

(in ₹)

Particulars	As at March 31, 2023					As at March 31, 2022
Grant Date	16-05-2022	01-06-2022	12-07-2022	18-10-2022	15-11-2022	-
Vesting requirement	ESOPs will vest not earlier than 1 (One) year and not more than 3 (Three) years from the grant date					-
Maximum term of options	3 years from vesting date					-
Method of settlement	Equity settled					-
Exercise Price	10	10	10	10	10	-
Share Price on Grant Date	106.95	111.40	107.90	145.50	143.20	-
Accounting method	Fair value method					-

Options movement during year as tabulated below (in No):

(in Nos.)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Granted during the year*	2,39,235	-
Exercised during the year	-	-
Lapsed during the year	33,000	-
Closing balance	2,06,235	-
Exercisable at the end of the year	2,06,235	-

* Including share given to Employees of Subsidiary Companies.

None of the options expired during the year under review.

Weighted-average exercise prices of options as tabulated below:

(in ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Granted during the year	10	-
Exercised during the year	NA	-
Forfeited during the year	NA	-
Expired during the year	10	-
Closing balance	10	-
Exercisable at the end of the year	NA	-

Notes to the Financial Statements

for the year ended March 31, 2023

Stock options outstanding at the end of period as tabulated below

Particulars	As at March 31, 2023	As at March 31, 2022
Exercise Price	₹ 10	-
Weighted average remaining contractual life (Years)	1.21 Yrs.	-

Black Scholes method is used for fair valuation of ESOP.

Fair value and underlying assumptions for stock options granted as tabulated below

(in ₹)

Particulars	As at March 31, 2023					As at March 31, 2022
Grant date	16-05-2022	01-06-2022	12-07-2022	18-10-2022	15-11-2022	-
Option price model	Black Scholes Method					-
Exercise price	10	10	10	10	10	-
Share price on grant date	106.95	111.40	107.90	145.50	143.20	-
Expected volatility	54.56%	54.57%	86.39%	85.08%	53.75%	-
Expected number of years to exercise shares	Immediately After Vesting					-
Risk-free rate of return	6.42%	6.50%	7.39%	7.43%	7.26%	-
Dividend Yield	0.82%	0.82%	0%	0%	0%	-
Fair value of ESOP at grant date	96.27	101.11	100.48	137.87	134.55	-
Weighted average fair value of ESOP at grant date	106.65	112.28	108.21	144.6	143.56	-
Attrition rate per annum	27.78%					-
Expected shares to vest ultimately	206,235					

Notes to the Financial Statements

for the year ended March 31, 2023

Note 51 :

Sr. No	Ratio	Formula	UOM	Amount as on 31st March 2023	Ratio as on 31st March 2023	Amount as on 31st March 2022	Ratio as on 31st March 2022	% Deviation	Reasons for Variance above 25%
1	**Current Ratio**								
	Current Assets	Current Assets / Current Liability	Times	4,148.25	3.89	3,441.21	3.54	9.93%	
	Current Liabilities			1,067.05		973.06			
2	**Debt-to-equity Ratio**								
	Liabilities	Total Debt / Share Holder's Equity	Times	255.93	0.03	414.23	0.05	(42.27%)	Repayment of Bank overdraft during financial year.
	Equity			9,703.23		9,067.23			
3	**Debt Service Coverage Ratio**								
	Earnings available for debt service*	Earnings available for debt service / Interest + Principal Service	Times	1,615.49	4.82	1,471.83	13.78	(65.01%)	Repayment of one demand loan taken during the year increases Debt service cost
	Debt Service			334.90		106.78			
4	**Return on Equity Ratio**								
	Net Profit after Tax	Net Profits after taxes - Preference Dividend (if any) / Average Shareholder's Equity	%	808.08	8.61%	698.06	7.95%	8.32%	
	Equity			9,385.23		8,781.86			
5	**Inventory Turnover Ratio**								
	Cost of Goods Sold	Cost of Goods Sold / Average Inventory	Times	1,949.50	9.88	1,796.88	9.04	9.38%	
	Inventory			197.23		198.84			
6	**Receivables Turnover Ratio**								
	Net Credit Sales	Net Credit Sales / Average Accounts Receivable	Times	4,518.67	4.91	3,441.13	3.67	33.71%	Increase in operation with same level of receivables
	Average Receivables			919.69		936.47			
7	**Payables Turnover Ratio**								
	Purchases	Net Credit Purchase / Average Accounts Payable	Times	4,752.86	7.00	4,264.86	7.06	(0.87%)	
	Average Payables			678.98		603.97			

Notes to the Financial Statements

for the year ended March 31, 2023

Sr. No	Ratio	Formula	UOM	Amount as on 31st March 2023	Ratio as on 31st March 2023	Amount as on 31st March 2022	Ratio as on 31st March 2022	% Deviation	Reasons for Variance 25% above
8	**Net capital turnover Ratio**								
	Net Sales	Net Sales/ Working Capital (CA-CL)	Times	7,080.17	2.55	6,467.95	3.02	(15.49%)	
	Average Working Capital			2,774.68		2,142.24			
9	**Net profit ratio**								
	Profit After Tax	Net Profit / Net Sales	%	808.08	11.41%	698.06	10.79%	5.75%	
	Net Sales			7,080.17		6,467.95			
10	**Return on Capital employed Ratio**								
	EBIT	Earning before interest and taxes / Capital Employed	%	1,244.57	11.96%	1,027.10	10.55%	13.32%	
	Capital Employed			10,407.37		9,732.64			
11	**Return on investment Ratio**								
	Earnings from Investment	Net Return On Investment / Average Investment	%	97.09	5.23%	74.67	4.86%	7.69%	
	Average Investment			1,854.79		1,536.12			

Notes to the Financial Statements

for the year ended March 31, 2023

Note 52 : Disclosure to Reporting under Rule 11(e) and Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014

The company (Funding Party) has made investment and provided loan to its subsidiary company Mars Medical Devices Limited (intermediary) for the purpose of investing or giving for Working Capital to the intermediary's wholly owned subsidiaries (ultimate beneficiary) Shalby Advanced Technologies and Shalby Global Technologies PTE. Limited

For FY 2022-2023

Date of Funds given to intermediary	Date of Fund given to ultimate Beneficiary	Amt in ₹ Mn.	Details of Intermediary	Details of Ultimate Beneficiary
13 April 2022	13 April 2022	12.94	Mars Medical Devices Limited (U33100GJ2020PLC113358) Shalby Hospitals, Opp. Karnavati Club, S G Highway, Ahmedabad 380015	Shalby Advanced Technologies, Inc.
18 April 2022	18 April 2022	40.25		
29 April 2022	29 April 2022	12.42		
20 May 2022	20 May 2022	465.72		
19 July 2022	19 July 2022	15.38		
25 July 2022	25 July 2022	79.94		
01 September 2022	02 September 2022	40.46		
26 September 2022	26 September 2022	82.10		
19 October 2022	19 October 2022	34.00		
10 November 2022	10 November 2022	86.09		
18 November 2022	18 November 2022	85.81		
22 August 2022	22 August 2022	10.36		Shalby Global Technologies Pte. Ltd.
24 November 2022	01 December 2022	12.08		
15 March 2023	15 March 2023	18.53		
	21 February 2023	0.62		
	Total	**996.70**		

For FY 2021-2022

Date of Funds given to intermediary	Date of Fund given to ultimate Beneficiary	Amt in ₹ Mn.	Details of Intermediary	Details of Ultimate Beneficiary
14 May 2021	14 May 2021	0.39	Mars Medical Devices Limited (U33100GJ2020PLC113358) Shalby Hospitals, Opp. Karnavati Club, S G Highway, Ahemdabad 380015	Shalby Advanced Technologies, Inc.
18 May 2021	18 May 2021	220.11		
19 January 2022	19 January 2022	74.70		
28 February 2022	28 February 2022	12.25		
08 March 2022	08 March 2022	15.14		
28 March 2022	28 March 2022	44.62		
31 August 2021	31 August 2021	13.33		Shalby Global Technologies Pte. Ltd.
30 November 2021	30 November 2021	11.68		
24 March 2022	24 March 2022	19.71		
	Total	**411.92**		

The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999), to the extent applicable, the Companies Act, 2013 for such transactions and these transactions do not violate the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Notes to the Financial Statements

for the year ended March 31, 2023

Note 53 : Other Statutory Information

(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(d) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) except disclosed in Note 52 with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. A6

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

(g) The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

(h) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(i) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

(j) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023.

(k) Company has acquired Land on lease at Indore in year 2019 for a period of 30 years with a plan for additional unit at Indore. Due to change in local business estimates management decided to liquidate the said land and accordingly one-time loss amounting to ₹ 44.37 Million on relinquishment of right of use of land has been recognized as expense in exceptional item in the financial statement.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 54 : The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent and has been published in the Gazette of India. However, the effective date of the Code and final rules for quantifying the financial impact are yet to be notified. The Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

Note 55 : Statement of Management

(a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.

(b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

Note 56: Balances of Sundry Creditors, Sundry debtors, Loans & advances, etc. are subject to confirmation and reconciliation, if any.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Independent Auditor's Report

To the Members of Shalby Limited

Report on the Audit of the Consolidated Financial Statements

Auditor's Opinion

We have audited the accompanying consolidated financial statements of **Shalby Limited** (hereinafter referred to as "the Parent") and its subsidiary companies (the Parent and its subsidiaries together referred as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Sr	Key Audit Matter	Auditor's Response
1	**Evaluation of uncertain tax positions** The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 37 to the Consolidated Financial Statements.	We evaluated the related accounting policy for provisioning for tax exposures and found it to be appropriate. We have obtained details of completed tax assessments and demands upto the year ended March 31, 2023 from management. We evaluated auditee's response / opinion taken from various tax experts by auditee to challenge the underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at March 31, 2023 to evaluate whether any change was required to management's position on these uncertainties. We evaluated the adequacy of disclosures in the financial statements. Based on the above procedures performed, the results of management's assessment were considered to be consistent with the outcome of our procedures.
2	**Migration of ERP System** During the previous year, company has migrated its accounting software from "Tally" to "SAP". The implementation of a new system has an inherent risk of loss of integrity of key data being migrated, and the breakdown in operation or monitoring of IT dependent controls within critical business processes such as patient billing, procurement and recording of transaction, which could lead to financial errors or misstatements and inaccurate financial reporting. The Company's financial accounting and reporting systems are heavily dependent on the new system and there is a risk that automated accounting procedures and related IT dependent manual controls are not designed and operating effectively.	We have reviewed the accounting software migration process and Information Technology General Procedures Controls (ITGC) with the assistance of IT audit specialists, our procedures included: Testing general IT controls around system access, change management and computer operations within specific applications pertinent to the financial statements by assessing appropriate policies are in place and adhered to by inspecting supporting evidence. Also assessed the operation of controls over changes or transactions being recorded in the systems and testing manual compensating controls, such as reconciliations between systems and other information sources, through re-performance or inspection. We reviewed the management's planning and processes around systems migration in order ascertain how controls in existing information systems are mapped into new information systems. We also independently tested completeness, validity and accuracy of transaction and master data migrated to new accounting software. Where general IT controls and compensating manual controls were inadequate or ineffective, we performed additional substantive testing, such as using extended sample sizes and performing data analysis routines over impacted accounts to test the integrity of the transactional level data that is flowing into the Company's financial statements. Our procedures did not identify any material exceptions.

Sr	Key Audit Matter	Auditor's Response
3	**Allowances for credit losses relating to Trade Receivables** As stated in Note 15, the Group has determined the allowance for credit loss based on historical loss experience which is adjusted to reflect current and estimated future economic conditions. The historical loss experience model required revisions considering the overall economic conditions and its impact on the customers' business operations/ability to pay dues. Based on such analysis the Company has recorded an allowance aggregating to ₹ 152.44 Million as included Note 15 of the Consolidated financial statements. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.	We performed the following key audit procedures: 1. We tested the design and implementation and operating effectiveness of controls over (a) development of methodology for the allowance for credit losses, including consideration of the overall economic conditions (b) completeness and accuracy of information used in estimation of the probability of default (c) computation of the expected credit loss allowances. 2. For a sample of customers under each category, verified publicly available credit reports and other information relating to the Company's customers to test if the Management had correctly considered the adjustments to credit risk. 3. Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the Management to determine if there were any material differences individually or in the aggregate.

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

The Parent's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report and Annexure to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with Ind AS and the accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. The accompanying Statement includes the audited financial results / statements and other information in respect of 8 subsidiaries whose financial results / information reflects share of total assets of ₹ 4,225.12 Million as at March 31, 2023, total revenues of ₹ 1,819.63 Million, total net Profit / (Loss) after tax of ₹ 90.10 Million, total comprehensive

income ₹ 81.70 Million for the year ended on March 31, 2023 respectively, and net cash inflow of ₹ 5.58 Million for the year ended March 31, 2023 as considered in the statement whose financial results \ financial information have been audited by us.

b. We did not audit the financial results \ statements and other financial information, in respect of 1 subsidiary, whose financial information reflects total assets of ₹ 0.44 Million as at March 31, 2023, and total revenues of ₹ 0.24 Million, total net Profit \ (Loss) after tax of ₹ (1.43) Million, total comprehensive income ₹ (0.89) Million for the year ended March 31,2023 respectively and net cash outflow of ₹ 0.43 Million for the year ended March 31, 2023 as considered in the financial statement.

c. The Consolidated Financial Results includes financial results / statements and other financial information, in respect of 1 subsidiary, whose financial information reflects total assets of ₹ 15.76 Million as at March 31, 2023, and total revenues of ₹ 0.00 Million, total net Profit / (Loss) after tax of ₹ 36.28 Million, total comprehensive income ₹ 36.54 Million for the year ended March 31,2023 respectively and net cash outflow of ₹ 3.95 Million for the year ended March 31, 2023 as considered in the financial statement.

This financial statements / financial information are unaudited / unreviewed and have been furnished to us by the Management and our opinion and conclusion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, is solely based on such unaudited / unreviewed financial statements / financial information. In our opinion and according to the information and explanations given to us by the Board of Directors of the Parent Company, this financial statements / financial information is not material to the Group.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "**Annexure A**" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements of the subsidiaries incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

   (c) The Consolidated Balance Sheet, the Consolidated statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

   (e) On the basis of the written representations received from the directors of the Parent & Subsidiary companies as on March 31, 2023 taken on record by the Board of Directors of the Parent / Subsidiary Company incorporated in India, none of the directors of these entities is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statement and the operating effectiveness of such controls, refer to our Report in "Annexure B", which is based on the auditor's report of the Parent Company. Our report expresses an unmodified opinion on the adequacy and operating

effectiveness of internal financial controls over financial reporting of those companies, for reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Holding Company to its directors during the year.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as referred to in Note 37 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.

iv. (i) The Management has represented that, to the best of their knowledge and belief, other than as disclosed in the Note 51 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) the management has represented, that, to the best of their knowledge and belief, no funds have been received by the group from any person(s) or entity (ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures, nothing has come to our notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **T R Chadha & Co LLP**
Firm's Reg. No: 006711N / N500028
Chartered Accountants

Brijesh Thakkar
(Partner)
Membership No: 135556
UDIN: 23135556BGUWVW5629

Place: Ahmedabad
Date: 18/05/2023

ANNEXURE A

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

Based on the CARO reports issued by the auditors of the subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For **T R Chadha & Co LLP**
Firm's Reg. No: 006711N / N500028
Chartered Accountants

Brijesh Thakkar
(Partner)
Membership No: 135556
UDIN: 23135556BGUWVW5629

Place: Ahmedabad
Date: 18/05/2023

ANNEXURE B

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SHALBY LIMITED

(Referred to in Paragraph 2(f) under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

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

In conjunction with our audit of the Consolidated Financial Statements of the Parent Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of **SHALBY LIMITED** (hereinafter referred to as "the Parent Company") and its subsidiary Companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its Subsidiaries companies which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial control with reference to financial statements of the Parent and its subsidiary companies, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditor of the subsidiary companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial with reference to financial statements of the Parent and its subsidiary companies incorporated in India.

Meaning of Internal Financial Controls with reference to financial statements

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

regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor, as referred to in the Other Matters paragraph below, the Parent and its subsidiary Companies which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to consolidated / standalone financial statements of subsidiary companies which are incorporated in India, is based solely on the corresponding reports of the auditor of such company.

Our opinion is not modified in respect of the above matter.

For **T R Chadha & Co LLP**
Firm's Reg. No: 006711N / N500028
Chartered Accountants

Brijesh Thakkar
(Partner)
Membership No: 135556
UDIN: 23135556BGUWVW5629

Place: Ahmedabad
Date: 18/05/2023

Consolidated Balance Sheet

as at March 31, 2023

(₹ In Million)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	5	6,300.06	6,375.11
Capital work-in progress	5	61.64	45.12
Right of Use Assets	6	380.15	181.10
Goodwill	7	101.53	101.55
Intangible Assets	8	69.92	96.20
Intangible assets under development	8	43.81	12.54
Financial Assets			
Other Financial Assets	10	106.67	70.74
Income Tax Assets (Net)	11	267.46	199.58
Other non current assets	13	309.89	364.80
		7,641.15	**7,446.74**
Current assets			
Inventories	14	1,854.04	1,211.21
Financial assets			
Investments	9	1,457.20	246.98
Trade Receivables	15	1,063.64	1,009.87
Cash and Cash Equivalents	16	122.44	555.76
Other Bank Balances	17	0.41	549.87
Other Financial Assets	10	575.03	797.01
Other Current Assets	13	99.73	51.88
		5,172.50	**4,422.54**
Assets classified as held for sale	18	**-**	**66.08**
		5,172.50	**4,488.62**
Total Assets		**12,813.64**	**11,935.36**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	1,073.10	1,080.10
Other Equity	20	8,203.76	7,683.20
		9,276.86	**8,763.23**
Non Controlling Interest		(0.69)	(1.39)
		9,276.17	**8,761.84**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	21	674.22	873.86
Lease Liability	25	341.48	133.58
Other Financial Liabilities	22	3.66	4.33
Provisions	23	25.98	28.35
Deferred Tax Liabilities (Net)	12	434.36	305.62
Other Non-current Liabilities	24	113.95	103.21
		1,593.63	**1,448.96**
Current liabilities			
Financial Liabilities			
Borrowings	21	742.49	676.30
Lease Liability	25	46.86	57.00
Trade Payables	26		
- Total Outstanding dues to Micro Enterprise & Small Enterprise		2.09	1.67
- Total Outstanding dues to Other than Micro Enterprise & Small Enterprise		877.10	705.66
Other Financial Liabilities	22	124.47	119.05
Provisions	23	14.54	10.91
Other Current liabilities	24	136.29	153.54
		1,943.84	**1,724.14**
Liabilities directly associated with assets classified as held for sale	18	-	0.44
Total Equity and Liabilities		**12,813.64**	**11,935.36**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ In Million)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME			
Revenue from Operations	27	8,049.21	6,989.45
Other Income	28	225.20	124.22
Total Income		**8,274.41**	**7,113.67**
EXPENSES			
Cost of Material Consumed	29	323.65	196.04
Operative expenses	29	3,763.78	3,635.52
Purchase of stock in trade	30	722.67	1,337.76
Changes in inventories	31	(458.96)	(1,226.13)
Employee benefits expense	32	1,436.38	1,147.39
Finance Cost	33	91.32	59.01
Depreciation and Amortization	34	480.88	428.70
Other Expenses	35	894.26	699.54
Total Expenses		**7,253.98**	**6,277.84**
Profit before exceptional items and tax		**1,020.43**	**835.83**
Exceptional Items		-	44.37
Profit Before Tax		**1,020.43**	**791.46**
Current tax		354.48	188.67
Adjustment of earlier years		0.04	(11.90)
MAT Credit Entitlement		(4.13)	(158.73)
Deferred tax		(6.73)	233.71
Total tax expense:		**343.66**	**251.75**
Profit for the year from continuing operations		**676.77**	**539.71**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		4.07	(4.42)
Income tax effect on above		(1.42)	1.55
Gain/ (Loss) arising from translating the financial statement of foreign Operation		8.60	5.09
Income tax effect on above		-	-
		11.25	**2.23**
Total comprehensive income for the year, net of tax		**688.02**	**541.93**
Profit for the year attributable to			
Owners of the Company		677.01	541.25
Non Controlling Interest		(0.23)	(1.54)
		676.78	**539.71**
Other comprehensive income attributable to			
Owners of the Company		11.27	2.23
Non Controlling Interest		-	-
		11.27	**2.23**
Total comprehensive income for the year attributable to			
Owners of the Company		688.29	543.48
Non Controlling Interest		(0.23)	(1.54)
		688.06	**541.93**
Earning per Equity Share	35		
Basic (In ₹)		**6.31**	**5.00**
Diluted (In ₹)		**6.27**	**5.00**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Consolidated Cash Flow Statement

for the year ended March 31, 2023

(₹ In Million)

	Particulars		As at March 31, 2023	As at March 31, 2022
A.	**Cash flow from Operating Activities**			
	Net Profit before Tax as per Statement of Profit & Loss		1,020.44	791.46
	Adjustments for			
	Depreciation and amortisation		387.91	428.70
	Finance cost		91.32	59.01
	Interest Income			
	- on fixed deposits with Bank		(68.36)	(58.93)
	- on other financial assets		(10.83)	(13.21)
	Gain on Sale of Investment		(18.59)	(3.69)
	Loss/(gain) on sale of property plant & equipment (net)		-	44.21
	Provision for doubtful debts		0.91	84.97
	Non cash items - provision for ESOP		8.16	-
	Net Loss/(Gain) on foreign exchange fluctuations		0.93	(0.16)
	On restatement of outstanding balance		8.61	-
	Investment W/off			1.10
	Sundry balances written back		(0.72)	(7.19)
	Operating profit before working capital changes		**1,419.78**	**1,326.28**
	Adjustments for			
	(Increase) / Decrease in Inventories		(642.86)	(980.74)
	(Increase) / Decrease in Trade receivables		(54.68)	(147.95)
	(Increase) / Decrease in Other Non current financial assets		(35.86)	(4.97)
	(Increase) / Decrease in Other current financial asset		92.35	(11.56)
	(Increase) / Decrease in Other non current asset		54.90	(38.62)
	(Increase) / Decrease in Other current assets		(47.86)	(1.83)
	Increase / (Decrease) in Trade Payables		172.57	138.81
	Increase / (Decrease) in Provisions		5.20	7.91
	Increase / (Decrease) in Other Non current financial liabilities		(0.68)	(0.69)
	Increase / (Decrease) in Other Non current liabilities		10.73	2.87
	Increase / (Decrease) in Other current financial liabilities		5.89	64.63
	Increase / (Decrease) in Other current liabilities		(17.69)	64.87
	Cash generated from operations		961.84	419.02
	Direct taxes Refund / (Paid)		(284.09)	(229.85)
	Net Cash from / (used in) Operating Activities	**[A]**	**677.75**	**189.17**
B.	**Cash flow from Investing Activities**			
	Purchase of Property, Plant and Equipment		(184.82)	(753.93)
	Proceeds from Sale of Property, Plant & Equipment		7.46	271.15
	Payment for purchase of investments		(5,326.72)	(4,230.32)
	Proceeds from Sale of Investment		4,135.09	4,142.36
	(Investment in) / Proceed from Bank Deposit		673.54	(104.75)
	Interest received		84.66	72.46
	Net Cash from / (used in) Investing Activities	**[B]**	**(610.79)**	**(603.02)**

Consolidated Cash Flow Statement

for the year ended March 31, 2023

(₹ In Million)

	Particulars		As at March 31, 2023	As at March 31, 2022
C.	**Cash flow from financing activities**			
	Repayment of Borrowing		(402.65)	(86.10)
	Proceeds from Short term borrowing		150.00	49.96
	Proceeds from borrowing		119.20	1,145.97
	Repayment of Finance lease liabilities		(109.77)	(56.71)
	Interest paid		(74.21)	(40.52)
	Dividend Paid		(108.01)	(108.01)
	Dividend received from treasury shares		0.63	-
	Purchase of equity shares		(75.43)	-
	Net cash from / (used in) Financing Activities	**[C]**	**(500.24)**	**904.59**
		[A+B+C]	**(433.08)**	**490.74**
	Opening balance of Cash and cash equivalents		555.54	64.81
	Closing balance of Cash and cash equivalents		122.44	555.54
	Components of Cash and cash equivalent (Refer Note no:-16)			
	Balances with scheduled banks		115.77	252.55
	Fixed Deposits with maturity less than 3 months		-	297.05
	Cash in hand		6.66	5.94
Total			**122.44**	**555.54**

Explanatory Notes to Cash Flow Statement

1. The above Cash Flow Statements has ben prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS-7)- Statement of Cash Flow.
2. In Para A of the Cash Flow Statements, figures in brackets indicated deduction made from the net profit for deriving the cash flow from the operating activities. In Part B & Part C, figures are indicates cash outflows.
3. Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.
4. **Reconciliation of borrowings as disclosed in financing activities**

(₹ In Million)

Particulars	April 1, 2022	Proceeds	Repayments	March 31, 2023
Borrowings	1,550.16	269.20	402.65	1,416.71

(₹ In Million)

Particulars	April 1, 2021	Proceeds	Repayments	March 31,2022
Borrowings	440.33	1,195.93	86.10	1,550.16

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Consolidated Statement of changes in Equity

for the year ended March 31, 2023

A. Equity share capital

(₹ In Million)

As at April 1, 2021	**1,080.10**
Changes due to prior period errors	-
Restated Balance as April 1, 2021	**1,080.10**
Changes during the year 2021-22	-
As at March 31, 2022	**1,080.10**
Changes due to prior period errors	-
Restated Balance as April 1, 2022	**1,080.10**
Changes during the year 2022-23	(7.00)
As at March 31, 2023	**1,073.10**

B. Other equity

(₹ In Million)

Particulars	Reserves and Surplus					Remeasurement of Defined Plans	Fair value changes relating to old credit risk of financial liabilities	Total equity	Non-controlling interest	Total equity
	Securities Premium	Capital Redemption reserve	Retained Earnings	Capital Reserve on consolidation	Reserve for share based payment					
Balance as at April 1, 2021	**4,455.04**	**5.33**	**2,792.76**	**10.39**	**-**	**2.95**	**-**	**7,266.48**	**0.16**	**7,266.64**
Profit for the year	-	-	541.25	-	-	-	-	541.25	(1.54)	539.71
Share Issue Expenses	(16.37)	-	(2.45)	-	-	-	-	(18.82)		(18.82)
Addition during the year	-	-	-	-	-	-	5.09	5.09		5.09
Dividend paid (including dividend distribution tax)			(108.01)		-	-	-	(108.01)		(108.01)
Other comprehensive income for the year	-	-	-	-	-	(2.87)	-	(2.87)		(2.87)
Balance as at March 31, 2022	**4,438.67**	**5.33**	**3,223.63**	**10.39**	**-**	**0.08**	**5.09**	**7,683.13**	**(1.38)**	**7,681.75**
Profit for the year	-	-	677.01	-	-	-	-	677.01	(0.23)	676.78
Received during the year		-	-	-	-	-	-	-	0.93	0.93
Share Issue Expenses	(68.43)	-	-	-	-	-	-	(68.43)		(68.43)
Addition during the year	-	-	-	-	8.16	-	-	8.16		8.16
Dividend paid (including dividend distribution tax)	-	-	(108.01)	-	-	-	-	(108.01)		(108.01)
Dividend received from treasury shares	-	-	0.63			-	-	0.63		0.63
Other comprehensive income for the year	-	-	-	-	-	2.66	8.61	11.27		11.27
Balance as at March 31, 2023	**4,370.24**	**5.33**	**3,793.26**	**10.39**	**8.16**	**2.74**	**13.70**	**8,203.83**	**(0.68)**	**8,203.14**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

Notes to the Financial Statements

for the year ended March 31, 2023

Note 1: Corporate Information

Shalby Limited (the Parent Company) is a company engaged in healthcare delivery space and listed with bourses in India. The registered office of the Company is located at Opposite Karnavati Club, Sarkhej Gandhinagar Highway, Near Prahladnagar Garden, Ahmedabad – 380014. The company operates as a chain of multi-specialty hospitals across India. The business of the company is to offer tertiary and quaternary healthcare services to patients in various areas of specialization such as orthopedics, complex joint replacements, cardiology, neurology, oncology, renal transplantations etc.

Following subsidiary entities have been considered in the preparations of the consolidated financial statements.

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Shalby Kenya Limited	Kenya	100.00%
Shalby International Limited	India	100.00%
Vrundavan Shalby Hospitals Limited	India	100.00%
Yogeshwar Healthcare Limited	India	94.68%
Griffin Mediquip LLP	India	95.00%
Slaney Healthcare Private Limited	India	100.00%
Shalby Hospital Mumbai Private Limited	India	100.00%
Mars Medical Devices Limited	India	100.00%
Shalby Advanced Technologies Inc.	USA	100.00%
Shalby Global Technologies PTE Limited	Singapore	99.33%

The Consolidated Ind AS financial statements for the year ended March 31, 2023 were authorized for issue in accordance with resolution passed by the Board of Directors of the company on 18 May, 2023.

Note 2 (a): Basis of Preparation & Compliance with Ind AS

These consolidated financial statements of the Parent Company as at and for the year ended March 31, 2023 has been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ('Act') and the Companies (Indian Accounting Standards) Rules issue from time to time and other relevant provisions of the Companies Act, 2013 (collectively called as Ind AS).

2.1 Basis of Measurement

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

a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.

b) The defined benefit asset/liability is recognized as the present value of defined benefit obligation less fair value of plan assets.

c) Assets held for sale measured at fair value less cost to sales

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Parent Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the

Notes to the Financial Statements

for the year ended March 31, 2023

inputs to the fair value measurement in its entirety, which are described as follows:

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

2.2 Functional and Presentation Currency

Items included in the consolidated financial statements of the Parent Company are measured using the currency of the primary economic environment in which the Parent Company operates ("the functional currency"). Indian Rupee is the functional currency of the Parent Company.

The consolidated financial statements are presented in Indian Rupees (₹) which is the Parent company's presentation currency, and all values are rounded to the nearest million, except when otherwise stated.

2.3 Current and non-Current classification:

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

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

a) It is expected to be realized or intended to be sold or consumed in the Company's normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is expected to be realized within twelve months after the reporting period, or

d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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

a) it is expected to be settled in the Company's normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Parent Company classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Parent Company has identified twelve months as its operating cycle.

Note 2 (b) : Consolidation of Financial Statements

Principle of Consolidation

a) The consolidated financial statements relate to Shalby Limited and its subsidiary entities. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company 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 to direct the relevant activities of the entity. Consolidation of an entity begins when the Company obtains control over the entity and ceases when Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control or until the date when the Company ceases to control the entity, respectively.

b) The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transaction between group companies are eliminated. Ind AS -12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Notes to the Financial Statements

for the year ended March 31, 2023

c) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31st March.

d) Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

e) Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Parent Company.

f) Consolidated financial statements includes Limited Liability partnership in which Shalby Limited holds pertinent interest are also consolidated with same effects and treatments as given to the corporate subsidiaries in compliance with Indian Accounting Standard 110.

Consolidation Procedure

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(a) Derecognises the assets (including goodwill) and liabilities of the subsidiary;

(b) Derecognises the carrying amount of any non-controlling interests;

(c) Derecognises the cumulative translation differences recorded in equity;

(d) Recognises the fair value of any investment retained;

(e) Recognises any surplus or deficit in profit or loss, and

(f) Reclassifies the parent's share of components, previously recognized in OCI, to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

e) The notes and the significant accounting policies to the consolidated financial statements are intended to serve as a guide for better understanding of the group's position. In this respect, the company has disclosed such notes and policies, which represent the needed disclosures.

f) In case of foreign subsidiaries, revenue and expenses items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve through Other Comprehensive Income.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 3 : Critical and Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of standalone financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Group's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements.

3.1 Impairment of investments in subsidiaries

The Management reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

3.2 Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

3.3 Taxes

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

3.4 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

3.5 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Consolidated Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

3.6 Allowance for uncollectible trade receivables

Trade receivables, predominantly from Government schemes/insurance companies and corporates which enjoy high credit ratings are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off when management deems it not to be collectible.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix considering the nature of receivables and the risk characteristics. The provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix.

3.7 Impairment of Property, Plant & Equipment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

Notes to the Financial Statements

for the year ended March 31, 2023

3.8 Litigations

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

Note 4 (a) : Significant Accounting Policies

4.1 Financial Instruments

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

(a) Financial Assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group committed to purchase or sell the asset.

Subsequent Measurement:

(i) **Financial assets measured at amortized Cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) ***Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):***

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the Group classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) **Fair Value through Profit or Loss (FVTPL):**

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

(b) Financial Liabilities

Initial Recognition and Measurement

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:

Financial Liabilities are classified for subsequent measurement into following categories:

(i) **Financial liabilities at Amortized Cost:**

The Group is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Notes to the Financial Statements

for the year ended March 31, 2023

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

(ii) Financial liabilities at Fair Value through Profit or Loss:

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

De-recognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting of Financial assets and Financial Liabilities

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Group has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

(d) Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Group's Operations. A Change in business occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

4.2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

4.3 Property, Plant and Equipment

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/ sold during a period is proportionately charged for the period of use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold land with lease term of 99 years or more and renewable with mutual consent are considered as finance leases with perpetual lease term and the same are not amortised with effect from 1st April, 2016.

Notes to the Financial Statements

for the year ended March 31, 2023

Estimated useful lives of the assets are as follows:

Type of Asset	Useful Life
Buildings (*)	30 years and 60 years
Plant and Machinery	15 years
Medical Equipment	13 years and 15 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years and 10 years
Servers and Computers	3 years and 6 years

(*) For this class of assets based on internal assessments and technical evaluation carried out by the management, it believes that useful life as given above best represents the period over which the management expects to use these assets. Hence, the useful life for this asset is different from useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within "other income / other expenses" in the Statement of profit and loss.

4.4 Intangible assets

Intangible Assets acquired separately

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

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Goodwill generated on business combination is tested for impairment.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

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

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Type of Asset	Useful Life
Computer software and data processing software	3 years
SAP ERP Software	6 years

4.5 Inventories

Inventories of all medicines, medicare items traded and dealt with by the Group are measured at the lower of weighted average cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for GST wherever applicable.

Materials and consumables and general stores are charged to the Statement of Profit and Loss as and when they are procured and stock of such items at the end of the year is valued at cost.

4.6 Impairment

(a) Financial assets (other than at fair value)

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured though a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not

Notes to the Financial Statements

for the year ended March 31, 2023

constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

(b) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to it's recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

4.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision 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 recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

4.8 Revenue Recognition

(a) Rendering of Services

Healthcare Services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to Patients. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the amounts due from patients and/or medical funding entities. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

Other Services

Income from Clinical trials on behalf of Pharmaceutical Companies is recognized on completion of the service, based on the terms and conditions specified to each contract.

Other services fee is recognized on basis of the services rendered and as per the terms of the agreement.

(b) Sale of Goods

Pharmacy Sales & Implant Sales are recognized when the significant risks and rewards of ownership is

Notes to the Financial Statements

for the year ended March 31, 2023

transferred to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for rebates granted upon purchase and are stated net of returns and discounts wherever applicable. Sales are adjusted for Value Added Tax/GST wherever applicable.

(c) Dividend and Interest Income

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4.9 Leases

Company as a lessee

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Company as a lessor

At the inception of the lease, the group classifies each of its leases as either an operating lease or a finance lease. The group recognizes lease payments received under operating leases as income over the lease term on a straight-line basis.

4.10 Foreign Currency Translation

The functional currency of the Group is the Indian Rupee (₹)

Exchange differences on monetary items are recognised in the Consolidated Statement of profit and loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

(ii) exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements of the Group for the period immediately before the beginning of the first Ind AS financial reporting period (prior to April 1, 2016), as per the previous GAAP, pursuant to the Group's choice of availing the exemption as permitted by Ind AS 101.

Notes to the Financial Statements

for the year ended March 31, 2023

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

4.11 Borrowing Costs

Borrowing costs include

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of finance leases, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

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

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

4.12 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

4.13 Employee benefits

(a) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

The Parent Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans

(i) Defined contribution plans

The Parent Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employees Death Linked Insurance and Employee State Insurance and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Parent Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Notes to the Financial Statements

for the year ended March 31, 2023

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(c) Compensated Absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(d) Equity-settled share-based payments (ESOP)

Equity-settled share-based payments to employees are measured at the fair value of the options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Equity settled share based payments". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Equity settled share based payments" are transferred to the "Retained Earnings".

When the options are exercised, the Company issues new equity shares of the Company of ` 10 each fully paid-up. The proceeds received and the related balance standing to credit of the Equity settled share based payments, are credited to share capital (nominal value) and Securities Premium, if any.

4.14 Income Taxes

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

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Notes to the Financial Statements

for the year ended March 31, 2023

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

No Deferred tax asset is recognized for goodwill arising on business combination.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4.15 Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition comprises the:

(a) fair values of the assets transferred;

(b) liabilities incurred to the former owners of the acquired business;

(c) equity interests issued by the Company; and

(d) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

4.16 Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Notes to the Financial Statements

for the year ended March 31, 2023

4.17 Earnings per share

The Parent Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon 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. Dilutive potential equity shares are determined independently for each period presented.

4.18 Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or a liability acting in their best economic interest. The Parent Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

4.19 Cash and cash equivalent

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

4.20 Segment Reporting

Identification of segments: Segments are identified in line with Ind AS - 108 "Operating Segments", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

Segment Policies: The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

4.21 Cash Flow Statement

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

Note 4 (b) : Recent Accounting Pronouncements

MCA notifies Companies (Indian Accounting Standards) Amendment Rules, 2023 vide Notification No. G.S.R 242(E) Dated: 31st March, 2023 and further amended Companies (Indian Accounting Standards) Rules, 2015, which shall come into force with effect from 1st day of April, 2023.
Amendments to existing Ind AS:

The MCA has carried amendments to the following existing standards which will be effective from 1st April, 2023. The Company is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

1. Ind AS 1 – Presentation of Financial Statements
2. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 12 – Income Taxes
4. Ind AS 101 – First-time Adoption of Indian Accounting Standards
5. Ind AS 102 – Share Based Payment
6. Ind AS 103 – Business Combinations
7. Ind AS 107 – Financial Instruments: Disclosures
8. Ind AS 109 – Financial Instruments
9. Ind AS 115 - Revenue from Contracts with Customers

Notes to the Financial Statements

for the year ended March 31, 2023

Note 5 : Property, Plant and Equipment

Note 5.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount			Translation difference	Accumulated Depreciation				Translation difference	Net carrying Amount	
	As at April 1, 2022	Additions/ Transfer from held for sale *	Deduction / Adjustments		As at March 31, 2023	As at April 1, 2022	For the year	Deduction / Adjustments due to Revaluation		As at March 31, 2023	As at March 31, 2023
Owned Assets											
Free hold land	399.29	0.35	-	-	399.64	-	-	-	-	-	399.64
Buildings	2,932.78	63.88	-	-	2,996.66	335.14	51.05	-	-	386.19	2,610.46
Medical Equipment and Surgical Instruments	2,682.96	174.95	(5.81)	20.91	2,873.01	766.67	190.83	(0.84)	0.71	957.37	1,915.64
Plant & Machinery	642.93	14.20	(0.19)	10.27	667.21	174.21	46.08	(0.09)	1.72	221.93	445.28
Electrical Installation	207.69	3.22	-	-	210.91	88.92	20.74	-	-	109.66	101.25
Office Equipment	97.10	1.87	(0.01)	-	98.96	65.75	7.17	-	-	72.92	26.04
Computers and Printers	95.02	9.74	-	1.07	105.83	56.54	13.98	-	0.20	70.72	35.10
Furniture and Fixtures	434.63	8.25	(0.05)	0.50	443.32	178.58	42.91	-	0.12	221.61	221.70
Vehicles	89.66	4.31	(2.94)	-	91.03	46.53	9.78	(0.61)	-	55.69	35.34
Kitchen Equipment	-	3.69	-	-	3.69	-	0.09	-	-	0.09	3.60
Leasehold Assets											
Land	535.03	5.62	-	0.28	540.93	29.62	5.28	-	0.04	34.93	505.99
Total	**8,117.09**	**290.07**	**(9.00)**	**33.02**	**8,431.18**	**1,741.98**	**387.91**	**(1.54)**	**2.78**	**2,131.13**	**6,300.06**
CWIP											**61.64**

* Vrundavan Shalby Hospital Limited, Assets are transferred from Assets for sale.

Note 5.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount			Translation difference	Accumulated Depreciation				Translation difference	Net carrying Amount	
	As at April 1, 2021	Additions/ Transfer from held for sale *	Deduction / Adjustments		As at March 31, 2022	As at April 1, 2021	For the year	Deduction / Adjustments due to Revaluation		As at March 31, 2022	As at March 31, 2022
Owned Assets											
Free hold land	399.29	-	-	-	399.29	-	-	-	-	-	399.29
Buildings	2,917.68	15.10	-	-	2,932.78	290.26	44.88	-	-	335.14	2,597.64
Medical Equipment and Surgical Instruments	2,244.99	457.02	(19.04)	-	2,682.96	609.15	163.84	(6.10)	(0.22)	766.67	1,916.29
Plant & Machinery	482.51	161.69	(1.27)	-	642.93	125.55	48.85	(0.47)	0.28	174.21	468.72
Electrical Installation	207.21	1.34	(0.86)	-	207.69	69.10	20.17	(0.35)	-	88.92	118.77
Office Equipment	82.54	14.99	(0.43)	-	97.10	54.13	11.99	(0.37)	0.01	65.75	31.34
Computers and Printers	70.24	24.97	(0.19)	-	95.02	45.73	10.94	(0.15)	0.03	56.54	38.48
Furniture and Fixtures	424.32	10.61	(0.31)	-	434.63	137.08	41.62	(0.13)	0.02	178.58	256.04
Vehicles	81.51	9.31	(1.16)	-	89.66	37.86	9.49	(0.82)	-	46.53	43.13
Leasehold Assets											
Land	864.55	3.66	(333.18)	-	535.03	43.56	4.86	(18.81)	0.01	29.62	505.42
Total	**7,774.85**	**698.68**	**(356.44)**	-	**8,117.09**	**1,412.42**	**356.64**	**(27.20)**	0.12	**1,741.98**	**6,375.11**
CWIP											**45.12**

Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note :- 21.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 5.3 : Capital Work In Progress Ageing Schedule

(₹ In Million)

Particulars	Amount as on March 31, 2023 in CWIP for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Capital Work in Progress	16.50	10.17	7.57	27.40	61.64
Total	**16.50**	**10.17**	**7.57**	**27.40**	**61.64**
Project Temporarily Suspended	Nil	Nil	Nil	Nil	Nil

(₹ In Million)

Particulars	Amount as on March 31, 2022 in CWIP for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Capital Work in Progress	10.15	7.57	12.00	15.40	45.12
Total	**10.15**	**7.57**	**12.00**	**15.40**	**45.12**
Project Temporarily Suspended	Nil	Nil	Nil	Nil	Nil

Note 5.4: The Group does not have any project under capital work-in-progress, whoes completion isoverdue w.r.t.to its cost & timeline copmared to its original plan.

Note 6 : Right of use assets

Note 6.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net carrying Amount
	As at April 1, 2022	Additions*	Adjustments / Deletions	Translation difference	As at March 31, 2023	As at April 1, 2022	For the year	Adjustments / Deletions	Translation difference	As at March 31, 2023	As at March 31, 2023
Building	248.72	302.00	(132.58)	10.27	428.41	67.62	63.96	(88.11)	4.78	48.26	380.15
Total	**248.72**	**302.00**	**(132.58)**	**10.27**	**428.41**	**67.62**	**63.96**	**(88.11)**	**4.78**	**48.26**	**380.15**

Note 6.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net carrying Amount
	As at April 1, 2021	Additions*	Adjustments / Deletions	Translation difference	As at March 31, 2022	As at April 1, 2021	For the year	Adjustments / Deletions	Translation difference	As at March 31, 2022	As at March 31, 2022
Building	109.80	149.54	(10.62)	-	248.72	12.94	54.38	(0.35)	0.65	67.62	181.10
Total	**109.80**	**149.54**	**(10.62)**	**-**	**248.72**	**12.94**	**54.38**	**(0.35)**	**0.65**	**67.62**	**181.10**

Note 7 : Goodwill

Note 7.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount			Translation difference	Accumulated Depreciation				Translation difference	Net carrying Amount	
	As at April 1, 2022	Additions*	Adjustments / Deletions		As at March 31, 2023	As at April 1, 2022	For the year	Adjustments / Deletions		As at March 31, 2023	As at March 31, 2023
Goodwill	101.55	-	0.02	-	101.53	-	-	-	-	-	101.53
Total	**101.55**	**-**	**0.02**	**-**	**101.53**	**-**	**-**	**-**	**-**	**-**	**101.53**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 7.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount			Translation difference	Accumulated Depreciation				Translation difference	Net carrying Amount	
	As at April 1, 2021	Additions*	Adjustments / Deletions		As at March 31, 2022	As at April 1, 2021	For the year	Adjustments / Deletions		As at March 31, 2022	As at March 31, 2022
Goodwill	101.55	-	-	-	101.55	-	-	-	-	-	101.55
Total	**101.55**	**-**	**-**	**-**	**101.55**	**-**	**-**	**-**	**-**	**-**	**101.55**

At cash generating unit (CGUs) level, the goodwill is tested for impairment annually at the year-end or more frequently if there are indications that goodwill might be impaired. The entire goodwill balance is allocated to Shalby Hospitals Mohali Unit.

The Group made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management. Cash flow projections were developed covering a ten-year period as at March 31, 2023 and March 31, 2022 which reflects a more appropriate indication/trend of future track of business of the Group.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

Key Assumptions used for value in use calculations are as follows:

Key Assumptions	As at March 31, 2023	As at March 31, 2022
Discount Rate	12.02%	7.76%
Growth Rate	5-15%	20-25%

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

Discount rates - Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risk of the underlying asset that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of the capital (WACC).

Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 8 : Intangible Assets

Note 8.1 : As at March 31, 2023

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2022	Additions*	Adjustments / Deletions	As at March 31, 2023	As at April 1, 2022	For the year	Adjustments / Deletions	As at March 31, 2023	As at March 31, 2023
Software	134.50	2.57	-	137.07	38.29	29.01	-	67.30	69.77
Trademark	0.06	0.15	-	0.22	0.06	0.01	-	0.07	0.15
	134.56	**2.73**	**-**	**137.29**	**38.36**	**29.01**	**-**	**67.37**	**69.92**
Intangible assets under development									**43.81**

Note 8.2 : As at March 31, 2022

(₹ In Million)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net carrying Amount
	As at April 1, 2021	Additions*	Adjustments / Deletions	As at March 31, 2022	As at April 1, 2021	For the year	Adjustments / Deletions	As at March 31, 2022	As at March 31, 2022
Software	55.32	79.18	-	134.50	20.59	17.70	-	38.29	96.20
Trademark	0.06	-	-	0.06	0.06	-	-	0.06	-
	55.38	**79.18**	**-**	**134.56**	**20.66**	**17.70**	**-**	**38.36**	**96.20**
Intangible assets under development									**12.54**

Note 8.3: Intangible Assets under Development Ageing Schedule

(₹ In Million)

Particulars	Amount as on March 31, 2023 in IAUD for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Intangible Assets under Development	31.27	12.17	**0.37**	-	43.81
Total	**31.27**	**12.17**	**0.37**	**-**	**43.81**
Project Temporarily Suspended	NIL	NIL	NIL	NIL	NIL

(₹ In Million)

Particulars	Amount as on March 31, 2022 in IAUD for the Period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Intangible Assets under Development	12.17	0.37	-	-	12.54
Total	**12.17**	**0.37**	**-**	**-**	**12.54**
Project Temporarily Suspended	NIL	NIL	NIL	NIL	NIL

Notes to the Financial Statements

for the year ended March 31, 2023

Note 8.4 : The Group does not have any project under capital work-in-progress, whose completion is overdue w.r.t. its cost & Timeline compared to its original plan.

Note 9 : Investments

(₹ In Million)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Current			
Financial instruments at FVTPL			
Investment in Mutual fund (Quoted)	9.1	1,457.20	45.04
Investment in Bond (Quoted)	9.2	-	201.94
Total		**1,457.20**	**246.98**
Aggregate book value of Quoted Investments		1,457.20	246.98
Aggregate market value of Quoted Investments		1,457.20	246.98

Note 9.1 : Details of Investment in Mutual Fund

(₹ In Million)

Name of Body Corporate	Number of Units as at		Quoted/ Unquoted	Amount	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
DSP Liquidity Fund	1,01,799	-	Quoted	327.51	-
ICICI Prudential Liquid funds	19,01,582	-	Quoted	633.95	-
SBI Liquid Fund Direct Growth	1,13,709	-	Quoted	400.63	-
SBI Saving Fund	25,31,519	-	Quoted	95.11	-
SBI Over Night Fund Direct Growth	-	13,013	Quoted	-	45.04

Note 9.2 : Details of Investment in bond

(₹ In Million)

Name of Body Corporate	No. of Unit		Quoted/ Unquoted	Amount	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
8.15% Bank of Baroda Perpetual Bonds (Series XV)	-	50	Quoted	-	50.25
7.73% State Bank of India Perpetual Bonds (Series II)	-	100	Quoted	-	100.97
8.5% Bank of Baroda Perpetual Bond	-	50	Quoted	-	50.72

Note 10 : Other Financial Assets

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- current		
Fixed Deposit with Maturity of more than 12 months*	3.32	2.73
Notice period recovery receivable (Doctors)	0.25	12.54
Other Recoverable	9.72	9.72
Interest accrued but not due on fixed deposit	0.16	0.68

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Taxes Paid under protest	24.30	24.09
Payment under Protest**	20.98	20.98
Security deposits	47.93	-
Total (A):	**106.67**	**70.74**
Current		
Government Grant Receivable	10.86	103.65
Fixed Deposit with Maturity of less than 12 months*	545.52	670.19
Interest accrued but not due on Bond	-	5.11
Interest accrued but not due on fixed deposit	13.47	13.31
Security deposits	0.01	-
Others	5.17	4.74
Total (B):	**575.03**	**797.01**
Total (A) + (B):	**681.70**	**867.75**

'*The fixed deposits of ₹ 510.50 Million (PY ₹ 1,465 Million) is under lien with Bank against Bank Guarantee, Borrowings and Standby letter of Credit (SBLC).

**Payment under protest of ₹ 20.98 Million has been deposited as per order of Gujarat High court wrt. Litigation going on with consultant , which is a part of contingent liability as mentioned in note no 37.

Note 11 : Income Tax Assets (Net)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax	1,368.51	1,086.67
Less: Provision for taxation	1,101.05	887.09
	267.46	**199.58**

Note 12 : Deferred Tax

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax Assets	928.16	1,097.31
Deferred tax Liabilities	(1,362.52)	(1,402.93)
Total	**(434.36)**	**(305.62)**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 12.1 : Movement of Deferred Tax (Liability) / Assets 2022-23

The major components of deferred tax liabilities/(assets) arising on account of timing differences for the year ended March 31, 2023 are as follows :

(₹ In Million)

Particulars	Opening Balance	Recognised in Profit & loss statement	Recognised in Other comprehensive income	Exchange	Closing Balance
Difference of book depreciation and tax depreciation	(1,402.93)	41.27	-	(0.86)	(1,362.52)
Total deferred tax liabilities	**(1,402.93)**	**41.27**	**-**	**(0.86)**	**(1,362.52)**
Provision for leave obligation and gratuity	23.30	(8.82)	(1.42)	-	13.07
Unabsorbed business loss and depreciation	181.41	29.00	-	6.08	158.48
Unabsorbed Long term capital loss	26.45	-	-	-	26.45
Disallowance of Notional Lease Expenses	6.44	(3.24)	-	0.02	3.21
Expected Credit Loss	51.94	(5.48)	-	-	46.46
Provision disallowance for non deducting of TDS	-	13.14	-	-	13.14
Security Deposit for Leased assets	-	(1.13)	-	(0.03)	(1.16)
Total deferred tax assets	**289.55**	**(34.54)**	**(1.42)**	**6.07**	**259.66**
Minimum alternate tax credit	807.78	(139.27)		-	668.51
Net deferred tax Assets / (Liability)	**(305.61)**	**(132.53)**	**(1.42)**	**5.20**	**(434.36)**

The Major Components of deferred tax liabilities /(assets) arising on account of timing differences for the year ended on March 31,2022 are as follows

(₹ In Million)

Particulars	Opening Balance	Recognised in Profit & loss statement	Recognised in Other comprehensive income	Exchange	Closing Balance
Difference of book depreciation and tax depreciation	(1,343.87)	(59.06)	-	-	(1,402.93)
Total deferred tax liabilities	**(1,343.87)**	**(59.06)**	**-**	**-**	**(1,402.93)**
Provision for leave obligation and gratuity	8.50	13.24	**1.55**		23.30
Unabsorbed business loss and depreciation	432.06	(250.65)	-	-	181.41
Unabsorbed Long term capital loss	-	26.45	-	-	26.45
Disallowance of Notional Lease Expenses	-	6.44	-	-	6.44
Expected Credit Loss	21.36	30.58	-	-	51.94
Security Deposit for Leased assets	**461.92**	**(173.94)**	**1.55**	**-**	**289.55**
Total deferred tax assets	16.37	-	-		-
Minimum alternate tax credit	637.72	170.05	-		807.78
Net deferred tax Assets / (Liability)	**(227.85)**	**(62.95)**	**1.55**	**-**	**(305.62)**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 12.2: The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before taxes from continuing operations	1,020.43	791.46
	34.94%	17.47%
Current tax expense calculated using Normal Tax Rate / MAT tax rate at 17.472% (Previous year - 17.472%)	356.58	138.28
Tax effect of amounts which are not deductible / (taxable) in calculating taxable book profit:		
Add: Tax impact on		
Expenses not allowable under tax for deductions	155.41	15.63
Tax on income at different rates	75.57	0.94
Losses of subsidiaries	-	37.34
Others (net)	-	0.55
Less:		
Income exempt from tax	79.28	0.52
Other comprehensive income/(expense)	-	0.79
Income not chargeable to tax/expense allowed under tax for deduction	24.13	0.56
Set off and carry forward of losses	129.68	0.38
1/5 th of opening Ind AS adjustments transferred to retained earnings	-	1.82
Income Tax as per normal provisions	**354.48**	**188.67**

Note 12.3 : Income tax expense has been allocated as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income tax expense recognised in the Statement of Profit and loss		
Current tax on profits for the year	354.48	188.67
Current tax expense of earlier year (Net of MAT Impact)	0.04	(11.90)
MAT Credit Entitlement	(4.13)	(158.73)
	350.39	**18.04**
Deferred tax (other than disclosed under OCI)		
Decrease / (increase) in deferred tax assets	35.96	173.07
(Decrease) / increase in deferred tax liabilities	(41.27)	59.06
Deferred Tax recognised in OCI	(1.42)	1.58
	(6.73)	**233.71**
Income tax expense / (income) attributable to continuing operations	**343.66**	**251.75**
Income tax expense recognised in other comprehensive income		
Income tax included in other comprehensive income on:		
Defined benefit plan actuarial gains/(losses)	(1.42)	1.56
Income tax expense / (income) recognised in other comprehensive income	**(1.42)**	**1.56**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 13 : Other Non - current / Current Assets

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non - Current		
Capital advances*	298.04	299.40
Pre-paid expenses	11.85	14.43
Balance with government authorities	-	0.05
Security deposits	-	50.92
Total A:	**309.89**	**364.80**
Current		
Balance with Govt. authorities	21.72	6.49
Pre-paid expenses	24.98	18.67
Advance to suppliers, staff and doctors	52.94	26.72
Gratuity Fund	0.10	-
Total B:	**99.73**	**51.88**
Total (A+B)	**409.63**	**416.67**

* Out of Total Capital Advances of ₹ 298.04 Million, ₹ 297.47 Million (PY ₹ 299.47 Million) has been given to The Santacruz Residential Association for Construction of Hospital at Mumbai which is a part of Capital Work in Progress.

Note 14 : Inventories

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	148.98	260.11
Work in Progress	270.23	193.91
Finished Goods	1,424.48	751.06
General Stores	10.36	6.13
Total:	**1,854.04**	**1211.21**

Note 15 : Trade Receivables

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
(a) Considered good	1207.81	1,154.73
Less: Allowance for doubtful debts (including ECL)	(144.17)	(144.86)
	1,063.64	**1,009.87**
(b) Considered doubtful	8.27	7.49
Less: Allowance for doubtful debts (including ECL)	(8.27)	(7.49)
	0.00	**1,009.87**
Included in the financial statement as follows:		
Non-current	-	-
Current	1,063.64	1,009.87
Total:	**1,063.64**	**1,009.87**

Refer Note No 45.1 for Ageing Schedule

Notes to the Financial Statements

for the year ended March 31, 2023

Note 16 : Cash and cash equivalents

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Bank		
In Current accounts	115.77	252.55
Fixed Deposits with maturity less than 3 months	-	297.05
In Unclaimed Dividend account*	-	0.22
Cash on hand	6.66	5.94
Total cash and cash equivalents	**122.44**	**555.76**

Note 17 : Other Bank Balances

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months	0.17	549.87
In Unclaimed Dividend account*	0.24	-
	0.41	**549.87**

*If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of declaration.

Note 18 : Assets Classified as held for Sale

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Assets		
Asset held for Sale	**-**	
Cash and Cash Equivalents	-	0.03
Other Bank Balances	-	0.18
Trade Receivable		
Considered Doubtful	-	128.53
Less: Allowance for expected credit loss/Provision	-	(128.53)
Other Financial Assets	-	0.03
Balances with Government authorities	-	0.23
Current Tax Assets (Net)	-	0.00
Other Current Assets	-	65.61
	-	**66.08**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 18.2 : Liabilities associated with assets classified as held for sale

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Liabilities		
Trade Payables	-	0.43
Advance from Customers	-	-
Statutory Liabilities	-	0.01
Total	**-**	**0.44**
Net Carrying value	**-**	**65.64**

Note

At the meeting of Board of Directors of Parent Company held on January 17, 2023,one of subsidiary company i.e. Vrundavan Shalby Hospitals Limited (VSHL), has started its business operations and it has been be treated as a going concern. Accordingly, group has re-classified its investment from Assets Held for Sale.

Note 19 : Equity share capital

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital		
11,77,50,000 (March 31, 2022: 11,77,50,000) Equity Shares of ₹ 10/ each	1,177.50	1,177.50
	1,177.50	**1,177.50**
Issued share capital		
10,80,09,770 (March 31, 2022: 10,80,09,770) Equity Shares of ₹ 10/ each	1,080.10	1,080.10
Subscribed and fully paid up		
10,73,09,770 (March 31, 2022: 10,80,09,770) Equity Shares of ₹ 10/ each fully paid up	1,073.10	1,080.10
Total	**1,073.10**	**1,080.10**

Note 19.1 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

(in Nos)

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	108,009,770	108,009,770
Add: Shares issued for Cash or Right Issue	-	-
	108,009,770	**108,009,770**
Less: Treasury Shares	(700,000)	-
At the end of the year	**107,309,770**	**108,009,770**

Note 19.2 Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares having nominal value of ₹ 10/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013.

Notes to the Financial Statements

for the year ended March 31, 2023

The equity shareholders shall have:

(i) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company;

(ii) a right to receive dividend in proportion to the amount of capital paid up on the shares held.

The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date.

In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

Note 19.3 Details of shareholders holding more than 5% Shares in the company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Shah Family Trust	37,517,132	34.73%	3,75,17,132	34.73%
Zodiac Mediquip Ltd.	31,545,448	29.21%	3,15,45,448	29.21 %
Dr. Vikram I. Shah	7,845,493	7.26%	77,35,493	7.16 %

Note 19.4 : Details of Promoters holding Shares in the company

Particulars	As at March 31, 2023		As at March 31, 2022		%
	No. of Shares	% of holding	No. of Shares	% of holding	Deviation
Shah Family Trust	37,517,132	34.73%	37,517,132	34.73%	-
Zodiac Mediquip Ltd.	31,545,448	29.21%	31,545,448	29.21%	-
Dr. Vikram I. Shah	7,845,493	7.26%	7,735,493	7.16%	0.10%
Dr. Darshini Vikram Shah	3,012,500	2.79%	3,012,500	2.79%	-
Mr. Shanay Vikram Shah	137,525	0.13%	137,525	0.13%	-
Mr. Kairav Kirit shah	250	-	-	-	-
Mr. Kiritbhai Chimanlal Shah	-	-	250	-	-

Particulars	As at March 31, 2022		As at March 31, 2021		%
	No. of Shares	% of holding	No. of Shares	% of holding	Deviation
Shah Family Trust	3,75,17,132	34.73%	4,33,27,132	40.11%	(5.38%)
Zodiac Mediquip Ltd.	3,15,45,448	29.21%	3,15,45,448	29.21%	-
Dr. Vikram I. Shah	77,35,493	7.16%	77,35,493	7.16%	-
Dr. Darshini Vikram Shah	30,12,500	2.79%	30,12,500	2.79%	-
Mr. Shanay Vikram Shah	1,37,525	0.13%	1,37,525	0.13%	-
Mr Kairav Kirit shah	-	-	57,306	0.05%	(0.05%)
Mr Kiritbhai Chimanlal Shah	250	0.00%	250	0.00%	-

Note 19.5

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : NIL

Note 19.6

Calls unpaid : NIL; Forfeited Shares : NIL

Notes to the Financial Statements

for the year ended March 31, 2023

Note 20 : Other Equity

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium	4,370.24	4,438.67
Capital redemption reserve	5.33	5.33
Retained Earnings	3,795.93	3,223.64
Capital Reserve on Consolidation	10.39	10.39
Foreign Currency Translation Reserve	13.70	5.09
Reserve for Shared based Payment	8.16	-
	8,203.76	**7,683.13**

Note 20.1 : Reconciliation of other Equity

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium		
Balance at the beginning of the year	4,438.67	4,455.04
Less: Premium paid on Share Acquired	68.43	16.37
Balance at the end of the year	**4,370.24**	**4,438.67**
Capital redemption reserve		
Balance at the beginning of the year	5.33	5.33
Add : Additions during the year	-	-
Balance at	**5.33**	**5.33**
Surplus / (Deficit) in Statement of Profit & Loss	**-**	**-**
Balance at the beginning of the year	3,223.64	2,795.71
Add : Profit for the year	677.01	541.25
Add : Share issue expense	-	(2.45)
Add / (Less): OCI for the year	2.66	(2.87)
Less : Dividend on equity share	(108.01)	(108.01)
Add : Dividend Received from Treasury Shares	0.63	-
Balance available for appropriation	**3,795.93**	**3,223.64**
Less: Appropriation		
Transfer to Capital Redemption Reserve	-	-
Net Surplus / (Deficit)	**3,795.93**	**3,223.64**
Capital Reserve on Consolidation		
Balance at the beginning of the year	10.39	10.39
Add/(Less) : Additions/(Reduction) during the year	-	-
Balance at the end of the year	**10.39**	**10.39**
Foreign Currency Translation Reserve		
Balance at the beginning of the year	5.09	-
Add/(Less) : Additions/(Reduction) during the year	8.61	5.09
Balance at the end of the year	**13.70**	**5.09**
Reserve for Shared based Payment		
Balance at the beginning of the year	-	-
Addition during the year	8.16	-
Deduction during the year	-	-
Balance as at the end of the year	**8.16**	**-**
	8,203.76	**7,683.13**

Notes to the Financial Statements

for the year ended March 31, 2023

Nature and Purpose of other reserves

Securities Premium: The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

Capital Redemption Reserve: In terms of provisions contained in Section 55 of the Companies Act 2013, the Company has, upon redemption of Preference Shares pursuant to resolution passed at the meeting held on 20th December 2016, transferred the amount equivalent to the face value of Preference Shares from the accumulated profits to Capital Redemption Reserve. This fund can be utilized only for issuing fully paid bonus shares. No dividends can be distributed out of this fund.

Retained Earnings: Retained Earnings represents surplus/accumulated earnings of the Corporation and are available for distribution to shareholders.

Capital Reserve on Consolidation: This is not available for distribution of dividend.

Foreign Currency Translation Reserve: The foreign currency translation reserve contains the accumulated foreign exchange differences from the financial statements of the Group's foreign operations that are not considered integral to the operations of the parent company, arising when the Group's entities are consolidated.

Reserve for Shared based Payment : The Reserve for shared based payments account is used to record fair value of equity-settled, share based payment transaction with employees. The amounts recorded in reserve for shared based payment accounts are transferred to security premium upon the exercise of the stock options and transfer to the general reserve on accounts of stock option not exercise by employee.

Distributions Proposed

(₹ In Million)

Particulars	2022-23	2021-22
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 March 2023: ₹ 1.20 per share (31 March 2022: ₹ 1.00 per share)	129.61	108.01
Total Proposed Dividend	**129.61**	**108.01**

Note 21 : Borrowings

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- current		
Secured loans		
In Indian Currency	146.11	253.34
In Foreign Currency	528.11	620.52
Total (A)	**674.22**	**873.86**
Current maturities of long term debts (Short term borrowings)		
Secured loans		
Bank Overdraft		
In Indian Currency	-	49.96
In Foreign Currency	490.97	384.95
Current maturities of long term debts		
In Indian Currency	108.85	108.03
In Foreign Currency	142.67	131.63
From Financial Institutions	-	1.74
Total (B)	**742.49**	**676.30**
Total (A+B)	**1,416.71**	**1,550.16**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 21 : Principal Terms and Conditions of borrowings as at March 31, 2023

(a) Secured

(i) Term loans

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March, 2023	Amount Outstanding as at 31st March, 2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favour of
1	HDFC Bank Limited	146.17	219.26	Loans are repayable in 24 equal quarterly installments commencing from June,2019 & ending on March 18, 2025.	Within 45 days of interest reset date, the borrower has the option to prepay the amount of principal outstanding against the facility, in part or in full without any prepayment penalty. Prepayment on any other dates, other than mandatory prepayment event, shall be subject to a prepayment penalty of 2% of the principal amount being prepaid for the residual maturity of the facility. Penalty: Default interest of 2% p.a. over and above the applicable interest Rate till such time such default / non-compliances cured to the Lender's satisfaction."	(i) First & Exclusive Charge over immovable properties being land admeasuring 6879 sq. mtrs lying and being at Mouje Naroda, Taluka: Ahmedabad City (East), in the registration district of Ahmedabad -6 and together with building constructed thereon. (ii) First ranking security by way of hypothecation on the all present and future tangible movable assets, including movable plant and machinery, machinery spares, medical equipment tools and accessories, furniture and fixtures, vehicles and all other movable assets present and future second ranking security by way of hypothecation of All present and future current assets, operating cash flows, receivables, commissions and all other movable assets of the Borrower. (iii) Additional Security : Fixed deposit of ₹ 196 million under lien with HDFC bank for interest subsidy by bank.	SBICap Trustee Company Ltd.
2	IDFC First Bank	100.43	133.86	The loan is repayable in 28 structured quarterly installments starting from June 30, 2019 & ending on March 31, 2026.	Except as given in (i) and (ii) below, any prepayment of the loan made by the borrower shall be with a prepayment premium of 2% of the principal amount being prepaid. i) The borrower shall have a right to prepay the loan in full but not in part within 30 days of the reset date without any prepayment premium ii) The borrower shall have to mandatory prepay the loan to the extent of at least 30% of the outstanding amount from IPO proceeds without any prepayment premium.	Fixed deposit of ₹ 200 million under lien with IDFC First Bank Ltd.	IDFC First Bank Ltd.

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March, 2023	Amount Outstanding as at 31st March, 2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favour of
3	Indusind Bank	**670.78**	752.15	Loan is repayable in 9 half yearly installments, starting from May 2022 and ending on May 2026	N.A.	(i) Secured by SBLC of ₹ 1240 Million (SBLC issued on the behalf of Shalby Limited in favour of Indusind Bank) (ii) Additional Security MOVABLE ASSETS All the present and future moveable assets of SG Highway, Jabalpur, Jaipur, Indore, Naroda, Surat & Krishna Unit (319, Green City, Ghuma, Via Bopal, Ahmedabad) including all fixed assets, equipment, plant, machinery, tools, fixtures, fittings, spare parts, accessories, any accretions, alterations, other merchandise, and whatsoever being movable properties now or at anytime hereafter belonging to the Borrower or at the disposal of the Borrower and now or at any time hereafter lying, stored or to be stored or brought into or upon or in course of transit to the Borrower's factory or premises or at any other place whatsoever and wheresoever in his possession and occupation or at any other premises or place anywhere in India CURRENT ASSETS All present and future current assets including book debts, outstanding monies receivables, claims and bills, and whatsoever being the receivable, which are now due and owing or which may at anytime hereafter during the continuance of the security becomes due and owing to the Borrower in course of its business by any person, firm, company or body corporate, Trust, Society, HUF or by the Government Department or office or any municipal or local or public or semi government body or authority or undertaking. STOCKS All the present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing, other merchandise and whatsoever being stock now or at anytime hereafter belonging to the Borrower or at the disposal of the Borrower and now or at any time hereafter stored or to be stored or brought into or upon or in course of transit to the Borrower's factory or premises or at any other place whatsoever and wheresoever in the possession and occupation or at any other premises or place, anywhere in India. IMMOVEABLE PROPERTY First and exclusive mortgage charge on immovable properties being land and building of Krishna Shalby Hospital situated at 319 – Green City, Ghuma, Bopal, Ahmedabad, SG Shalby Hospital, Vapi Shalby Hospital Jaipur Shalby Hospital belonging to the Company"	IndusInd Bank Ltd, Gift City branch

Notes to the Financial Statements

for the year ended March 31, 2023

(ii) Vehicle loans

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March, 2023	Amount Outstanding as at 31st March, 2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favour of
1	Daimler Financial Services India Private Limited	Nil	1.74	Loans are repayable in 36 equal monthly installments commencing from December, 2019.	Prepayment Charges: 4% on the outstanding amount Penalty: 5% per annum plus applicable taxes or statutory levies, if any	First and exclusive charge of the Vehicle	Daimler Financial Services India Private Limited
2	HDFC bank Limited	6.66	8.25	Loans are repayable in 60 equal monthly installments commencing from November, 2021.		First and exclusive charge of the Vehicle	HDFC Bank Limited
3	HDFC Bank Limited	1.70	-	Loans are repayable in 60 equal monthly installments commencing from June, 2022	-	First and exclusive charge of the Vehicle	HDFC Bank Limited

(iii) Overdraft Facility

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March,2023	Amount Outstanding as at 31st March,2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favor of
1	Kotak Mahindra Bank Limited	Nil	Nil	12 Months	N.A	All present and future current assets, including book debts, outstanding receivables, claims and bills and whatsoever being the receivables of Krishna Shalby, Bopal, Ahmedabad belonging to borrowers	SBICap Trustee Company Ltd
2	HDFC Bank Ltd	Nil	Nil	12 Months	N.A	First Charge on Company's Stock-in- trade, consisting of raw materials, inventory, goods in process of manufacturing, finished goods, movable assets, all present and future book debts, outstanding monies receivables, claims, bills, invoice documents etc.	HDFC Bank Limited (on behalf of SBICAP Trustee)
3	IDFC First Bank Ltd	Nil	49.96	12 Months	N.A	Fixed deposit of ₹ 200 Millions under lien with IDFC bank.	IDFC First Bank Ltd.
4	ICICI Bank Ltd.	Nil	Nil	12 Months	0	Overdraft facility backed on Mortgage over Indore property of Shalby Limited	ICICI Bank Limited
5	IndusInd Bank Ltd.	Nil	384.95	12 months with annual renewal availability	N.A.	(i) Secured by SBLC of ₹ 1240 Million (SBLC issued on the behalf of Shalby Limited in favour of Indusind Bank) (ii) Additional Security MOVABLE ASSETS All the present and future moveable assets of SG Highway, Jabalpur, Jaipur, Indore, Naroda, Surat & Krishna Unit (319, Green City, Ghuma, Via Bopal, Ahmedabad) including all fixed assets, equipment, plant, machinery, tools, fixtures, fittings, spare parts, accessories, any accretions, alterations, other merchandise, and whatsoever being movable properties now or at anytime hereafter belonging to the Borrower or at the disposal of the Borrower and now or at any time hereafter lying, stored or to be stored or brought into or upon or in course of transit to the Borrower's factory or premises or at any other place whatsoever and wheresoever in his possession and occupation or at any other premises or place anywhere in India	IndusInd Bank Ltd. Gift city Branch

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Name of Lender	Amount Outstanding as at 31st March,2023	Amount Outstanding as at 31st March,2022	Repayment Term	Re-schedulement/ Prepayment Terms, and related penalty, if any	Security	In favor of
						CURRENT ASSETS All present and future current assets including book debts, outstanding monies receivables, claims and bills, and whatsoever being the receivable, which are now due and owing or which may at anytime hereafter during the continuance of the security becomes due and owing to the Borrower in course of its business by any person, firm, company or body corporate, Trust, Society, HUF or by the Government Department or office or any municipal or local or public or semi government body or authority or undertaking. STOCKS All the present and future stock in trade consisting of raw materials, finished goods, goods in process of manufacturing, other merchandise and whatsoever being stock now or at anytime hereafter belonging to the Borrower or at the disposal of the Borrower and now or at any time hereafter stored or to be stored or brought into or upon or in course of transit to the Borrower's factory or premises or at any other place whatsoever and wheresoever in the possession and occupation or at any other premises or place, anywhere in India. IMMOVEABLE PROPERTY First and exclusive mortgage charge on immovable properties being land and building of Krishna Shalby Hospital situated at 319 – Green City, Ghuma, Bopal, Ahmedabad, SG Shalby Hospital, Vapi Shalby Hospital Jaipur Shalby Hospital belonging to the Company.	
6	ICICI Bank Ltd.	490.97	Nil	12 months with annual renewal availability	N.A.	(i) Secured by SBLC of ₹ 1,100 Million (SBLC issued on the behalf of Shalby Limited in favour of ICICI Bank, New York) (ii) Other Assets: 1. Company Accounts Receivable. All accounts (including the accounts receivable insurance, chattel paper, contracts, contract rights, account receivable, tax refunds, notes receivable, documents other choses in action and general intangibles, including, but not limited to, proceeds of inventory and returned goods and proceeds from the sale of goods and services, and all rights, liens, securities, guaranties, remedies and privileges related thereto, including the right of stoppage in transit and rights and property of any kind forming the subject matter of any of the foregoing; and 2. Company Deposit Accounts. All time, savings, demand, certificate of deposit or other accounts deposits with or payable by the Bank in the name of the Debtor or in which the Debtor has any right, title or interest, including but not limited to all sums now or at any time hereafter on deposit, and any renewals, extensions or replacements of and all other property which may from time to time be acquired directly or indirectly using the proceeds of any of the foregoing; and 3. Company Inventory. All inventory of every type or description wherever located, including, but not limited to all raw materials, parts, containers, work in process, finished goods, goods in transit, wares, merchandise and goods returned for credit, repossessed, reclaimed or otherwise reacquired by the Debtor; and 4. Company Documents of Title. All Documents of Title and other property from time to time received, receivable or otherwise distributed in respect of, exchange or substitution for Company Accounts Receivable, or Company Deposit Accounts or Company Inventory; and 5. Proceeds of the Foregoing. All proceeds (including but not limited to insurance proceeds) and products of and accessions and annexations to any of the foregoing Company Accounts Receivable, or Company Deposit Accounts or Company Inventory; and 6. All Other Current Assets. All other current assets of Debtor.	ICICI Bank Ltd. New York

Notes to the Financial Statements

for the year ended March 31, 2023

Note 22 : Other Financial Liabilities

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Deposits	3.47	4.12
Retention money	0.19	0.22
Total (A):	**3.66**	**4.33**
Current		
Interest Accrued but not due on Borrowings	17.48	9.90
Creditors for capital goods	12.62	20.67
Retention money	-	0.06
Unclaimed Dividend*	0.24	0.22
Others	-	9.87
Employees	94.13	78.33
Total (B):	**124.47**	**119.05**
Total (A+B):	**128.13**	**123.38**

* None of the unclaimed amount is due to be transferred to Investor education and protection fund as on March 31, 2023.

Note 23 : Provisions

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Provision for employee benefits		
Gratuity (Unfunded)	1.23	0.71
Leave obligation	24.75	27.64
Total:	**25.98**	**28.35**
Current		
Provision for employee benefits		
Gratuity (Net of Plan asset) (Refer Note:-37)	-	6.05
Gratuity (Unfunded)	0.06	0.06
Leave obligation	14.48	4.81
Total:	**14.54**	**10.92**

Note 24 : Other non-current / current liabilities

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Government grant	83.29	92.67
Less Disclosed under current	10.34	10.54
Advance from customers	20.31	-
Total (A):	**113.95**	**103.21**

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Deferred Income Grant	0.89	0.80
Government Grants	9.38	9.37
Advance from customers	75.24	101.50
Statutory Liabilities	50.78	41.87
Total (B):	**136.29**	**153.54**
Total (A+B)	**250.24**	**256.75**

Note 25 : Lease Liability

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non- Current		
Lease Liability	341.48	133.58
Total (A):	**341.48**	**133.58**
Current		
Lease Liability	46.86	57.00
Total (B):	**46.86**	**57.00**
Total (A+B)	**388.34**	**190.57**

Note 26 : Trade Payables

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
A) Total Outstanding dues of micro enterprises and small enterprises (Refer note no:- 46)	2.09	1.67
B) Total Outstanding dues to creditors other than Micro Enterprise & Small Enterprise	877.10	705.66
Total	**879.18**	**707.33**

Refer Note 45.2 for Ageing Schedule

Note 27 : Revenue from Operations

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Revenue from Contracts with Customers (Refer Note 48)	7,996.30	6,947.74
Other Operative Revenue	52.91	41.71
	8,049.21	**6,989.45**

Break up of other operating revenue

Particulars	March 31, 2023	March 31, 2022
Revenue from Academy Division	24.07	21.07
Management Fees from Franchise Business	28.84	20.64
	52.91	**41.71**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 28 : Other Income

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Income		
From Banks	68.36	58.93
From Others		
From Bond	10.17	12.17
Notional Interest Income on Lease Deposit	0.41	0.40
Others	0.36	0.65
	79.30	**72.14**
Capital Subsidy	9.37	9.26
Interest Subsidy	7.67	16.32
Grant Income	0.86	0.66
Rent	20.52	10.52
Net Gain on Mutual Fund / Shares / Bond	18.70	3.69
Profit on sale of assets	-	0.15
Provision for Bad & Doubtful Debts written back	18.13	-
Vendor Registration fees	0.04	0.03
Net gain on foreign currency transactions and translation	39.11	0.16
Other Non-Operating Income		
Sundry balances written back (Net)	-	7.19
Miscellaneous Income	31.49	4.10
	145.90	**52.08**
	225.20	**124.22**

Note 29 : Cost Of Material Consumed & Operative expenses

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Cost of Material Consumed		
Opening Stock Of Raw Material	39.84	-
Add: Purchase of Raw Material during the period	429.42	235.90
Less: Closing Stock of Raw Materials	145.62	39.84
Total A:	**323.65**	**196.05**
Operative Expenses		
Materials and Consumables	1,374.88	1,436.55
Diagnostic Expenses	94.37	108.79
Fees to Doctors and Consultants	1,769.74	1,615.89
Power, Fuel and Water Charges	162.54	144.93
Housekeeping and Catering	127.72	126.63
Attendants and Securities	133.39	117.51
Linen & Uniform	9.69	8.17
Other Operative Expenses	91.45	77.05
Total B:	**3,763.78**	**3,635.72**
Total (A+B) :	**4,087.43**	**3,831.57**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 30 : Purchase of Stock-in-trade

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Medicines and Medicare Items	722.67	725.64
Implants	-	612.12
	722.67	**1,337.76**

Note 31 : Changes in inventories

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Inventory at the end of the year		
Finished Goods	1,424.48	1,695.82
Work-in-Progress	270.23	190.66
Inventory at the beginning of the year		
Finished Goods	1,030.29	660.36
Work-in-Progress	205.45	-
(Increase) / Decrease in stocks	**(458.96)**	**(1,226.13)**

Note 32 : Employee benefits expense

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Salary, Allowances & Bonus	1,369.62	1,097.28
Contribution to Provident & other funds	58.82	47.09
Staff Welfare expenses	2.71	3.01
ESOP Compensation Expenses	5.23	-
	1,436.38	**1,147.39**

During the FY 2022-23, Project team & IT team salary cost amounting to ₹ 33.08 Million (P. Year ₹ 41.28 Million) has been capitalised through capital work-In-Progress and intangible assets under development as it is related with upcoming unit at Mumbai and development of E-Commerce platform namely "Hosply" which is under development.

Note 33 : Finance Cost

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Interest on Working Capital from Banks	14.20	-
Interest on Term Loan from Banks	55.99	49.05
Interest expense on lease liability	9.53	9.80
Other ancillary Cost	11.60	0.16
	91.32	**59.01**

Note 34 : Depreciation and Amortization

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Depreciation expense on property, plant and equipment	387.91	357.08
Amortisation on Intangible assets	29.01	17.70
Amortisation on Right of Use Assets	63.96	53.92
	480.88	**428.70**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 35 : Other expenses

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Advertising and Publicity	187.61	70.97
Auditors' Remuneration	5.32	7.19
Attendants and Securities	5.53	-
Housekeeping and Catering	0.45	-
Communication	14.60	13.85
Rent, Rates and Taxes	69.24	45.93
Fees and Legal	113.32	53.04
Insurance	30.97	39.99
Freight Expense	-	15.07
Commission Expense	89.88	31.67
Stationery and Printing	28.78	20.95
Repairs and Maintenance		
Hospital Equipment	122.44	119.85
Building	31.14	10.83
Others	67.80	51.54
Travelling and Conveyance	54.45	70.18
Net loss on foreign exchange fluctuations	0.08	0.72
Loss on sale of assets	0.68	-
Provision for Bad & Doubtful Debts	0.91	84.97
Sundry Debit Balance Written off	0.02	-
Bank charges	14.32	16.33
Freight Charges	13.38	-
Corporate Social Responsibility	12.17	11.00
Fixed Assets Written off	-	5.05
Miscellaneous Expenses	31.27	30.41
	894.26	**699.54**
35.1 Payment to Auditor		
For Statutory Audit	4.11	5.67
For Limited Review	0.60	0.54
For Taxation Matter	0.28	0.86
For Certification	0.20	0.13
For Reimbursement of Expenses	0.03	0.00
Total	**5.23**	**7.19**

Note 36 : Earning per Share

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Net Profit attributable to Equity shareholders (₹)	676.77	539.71
Number of equity shares	108,009,770	108,009,770
Weighted Average number of Equity Shares	107,422,921	108,009,770
Basic earning per Share (₹)	6.31	5.00
Diluted earning per Share (₹)	6.27	5.00

Notes to the Financial Statements

for the year ended March 31, 2023

Note 37 : Contingent Liabilities and Commitments

(₹ In Million)

	Particulars	As at March 31, 2023	As at March 31, 2022
A	**Contingent Liabilities not provided for in respect of**		
(i)	Claim against the company not acknowledged as debt	130.61	130.61
(ii)	Income tax Demand for Assessment Years		
	2012-13	-	2.06
	2013-14	-	110.85
	2014-15	-	27.45
	2015-16	41.42	41.42
	2016-17	3.72	3.72
	2018-19	18.26	18.26
	2019-20	0.26	-
	2021-22	0.90	-
(iii)	Bank Guarantee	-	16.08
(iv)	Sales Tax Demand including Interest & Penalty for years (Based on expert advice received by client)		
	2009-10	-	52.61
	2010-11	-	63.13
	2011-12	-	76.00
	2012-13	-	91.90
	2013-14	-	204.78
	2014-15	-	4.62
	2016-17	-	0.61
	2017-18	0.13	-
(v)	Export Obligation under EPCG Scheme	35.45	30.19
(vi)	TDS default demand	1.92	2.68
B	**Capital Commitments**		
	Estimated amount of contract remaining to the executed on capital accounts	13.82	4.17

Note 38: Employee Benefits

Note 38.1 Defined contribution plan

The Group has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to Provident Fund and Pension Scheme, included under contribution to provident and other funds	42.29	31.60
Contribution to Employee State Insurance Scheme, included under contribution to provident and other funds	4.01	4.05

Note 38.2 : Defined benefit plan

(a) Gratuity

The Group operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Group`s obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Group recognizes actuarial gains and losses immediately in other comprehensive income, net of taxes. The Group accrues gratuity as per the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The Group contributes all ascertained liabilities towards gratuity to the Fund. The plan assets have been primarily invested in insurer managed funds. The Group provides for gratuity, a defined benefit retiring plan covering eligible employees. The Gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment based on the respective employees salary and tenure of the employment with the Group.

(b) Defined Benefit Plan

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Gratuity

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	6.95%
Expected rate(s) of salary increase	6.00%	6.00%
Rate of return on plan assets	7.30%	6.95%

The following table sets out the status of the amounts recognised in the balance sheet & movements in the net defined benefit obligation as at 31st March, 2023 & as at 31st March, 2022

(₹ In Million)

Particulars	March 31, 2023 Gratuity (Funded)	March 31, 2022 Gratuity (Funded)
Changes in the present value of obligation		
1. Present value of obligation (Opening)	40.37	27.37
2. Interest cost	2.71	1.72
3. Past service cost adjustments/Prior year Charges	-	-

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

	Particulars	March 31, 2023 Gratuity (Funded)	March 31, 2022 Gratuity (Funded)
4.	Current service cost	11.09	10.10
5.	Curtailment Cost / (Gain)	-	-
6.	Settlement Cost / (Gain)	-	-
7.	Benefits paid	(4.10)	(3.26)
8.	Actuarial (Gain) / Loss arising from change in financial assumptions	(0.60)	(2.15)
9.	Actuarial (Gain) / Loss arising from change in demographic assumptions	(5.90)	-
10.	Actuarial (Gain) / Loss arising from change on account of experience changes	1.78	5.97
11.	**Present value of obligation (Closing)**	**45.34**	**40.37**
	Changes in the fair value of plan assets		
1.	Present value of plan assets (Opening)	33.58	25.15
2.	Past contribution / Adjustment to Opening Fund		-
3.	Expected return on plan assets	(0.65)	(0.61)
4.	Interest Income	2.70	1.84
5.	Actuarial Gain / (Loss)	-	-
6.	Employers Contributions	12.63	10.37
7.	Employees Contributions	-	-
8.	Benefits paid	(4.10)	(3.17)
9.	Expense deducted from the fund	-	-
10.	**Fair Value of Plan Assets (Closing)**	**44.15**	**33.58**
	Percentage of each category of plan assets to total fair value of plan assets at the year end		
1.	Bank Deposits	-	-
2.	Debt Instruments	-	-
3.	Administered by Life Insurance Corporation of India	100%	100%
4.	Others	-	-

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

(₹ In Million)

Particulars	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Present Value of funded obligation at the end of the year	45.34	40.37
Fair Value of Plan Assets as at the end of the period	44.15	33.58
Amount not recognised due to asset limit		
Deficit of funded plan	1.19	6.79
Deficit of unfunded plan	-	-
- Current	1.19	6.79
- Non-Current	-	-

Notes to the Financial Statements

for the year ended March 31, 2023

Amount recognized in consolidated statement of profit and loss in respect of defined benefit plan are as follows:

Expense recognised in the Statement of Profit and Loss	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Current Service Cost	11.09	10.10
Past Service Cost	-	-
Adjustment to opening fund	-	-
Net interest Cost	0.01	(0.12)
Net value of Remeasurement on the obligation and plan assets	-	-
Adjustment to Opening Fund	-	-
(Gains)/Loss on Settlement	-	-
Total Expenses recognized in the Statement of Profit and Loss #	**11.10**	**9.98**

Amount recorded in Other comprehensive Income (OCI)	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Re-measurements during the year due to		
Changes in financial assumptions	(0.60)	(2.15)
Changes in demographic assumptions	(5.90)	-
Experience adjustments	1.78	5.97
Return on plan assets excluding amounts included in interest income	0.65	0.61
Amount recognised in OCI during the year	(4.07)	4.42

(c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Gratuity

Impact on defined benefit obligation

(₹ In Million)

Particulars	Change in Assumption		Movements	Increase in Assumptions		Movements	Decrease in Assumptions	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
Discount rate	0.50%	0.50%	Decrease by	44.39	38.75	Increase by	44.39	42.11
Salary growth rate	0.50%	0.50%	Increase by	45.78	42.01	Decrease by	53.37	38.82

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(d) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	%		(₹ in Million)	
Insurer managed funds	100.00%	100.00%	44.15	33.58
Total	**100.00%**	**100.00%**	**44.15**	**33.58**

Notes to the Financial Statements

for the year ended March 31, 2023

(e) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investment is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

(f) Defined benefit liability and employer contribution

The Group generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post -employment benefit plan (Gratuity) for the year ending **March 31, 2024 is ₹ 91,02,265/-.**

The weighted average duration of the defined benefit obligation is **3.35 years (As at 31st March, 2022 - 8.68 years).**

The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

Gratuity

(₹ In Million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Cash Flow (₹)	(%)	Cash Flow (₹)	(%)
1st following year	11.42	20.10%	2.75	3.40%
2nd following year	10.46	18.40%	3.04	3.80%
3rd following year	6.77	11.90%	4.50	5.60%
4th following year	6.13	10.80%	3.25	4.00%
5th following year	5.10	9.00%	3.88	4.80%
Sum of year 6 to 10th	12.57	22.10%	18.64	23.00%

Note 39 : Segment Information

As per Indian Accounting Standard 108 'Operating Segments', the Company has reported 'Segment Information', as described below:

a) The Healthcare Services segment includes business of setting up and managing hospitals and medical diagnostics services.

b) The Manufacturing segment represents manufacturing of Implants.

(₹ In Million)

Sr. No.	Particulars	Year Ended	
		31-03-2023 (Audited)	31-03-2022 (Audited)
I	**Segment Revenue**		
	a) Healthcare Services	7,139.66	6,681.62
	b) Manufacturing of Implants	909.55	307.84
	Income from Operations	**8,049.21**	**6,989.45**

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Sr. No.	Particulars		Year Ended 31-03-2023 (Audited)	31-03-2022 (Audited)
II	**Segment Results**			
	a)	Healthcare Services	1,186.37	961.06
	b)	Manufacturing of Implants	(165.94)	(169.60)
	Profit / (Loss) Before Tax		**1,020.43**	**791.46**
III	**Capital employed**			
	a)	**Healthcare Services**		
		Segment Assets	10,540.46	10,372.46
		Segment Liabilities	(1,582.44)	(1,793.13)
	b)	**Manufacturing of Implants**		
		Segment Assets	2,273.19	1,562.92
		Segment Liabilities	(1,955.03)	(1,380.33)
	Total Capital Employed		**9,276.17**	**8,761.92**

Note 40 :

1. Related Party Disclosures for the year ended March 31, 2023

(a) Details of Related Parties

Description of Relationship	Names of Related Parties
Promoter and Promoter Group	Shah Family Trust
	Zodiac Mediquip Limited
	Dr. Vikram I. Shah
	Dr. Darshini Shah
	Mr. Shanay Shah
	Mr. Kairav Shah
	Mr. Kirit Shah (Upto 27/11/2022)
Key Management Personnel (KMP)	Dr. Vikram I. Shah (Director)
	Mr. Prahlad Inani (Upto 15/12/2021) (CFO)
	Dr. Nishita Shukla (COO)
	Mr. Tushar Shah (AVP & CS)
	Mr. Sushobhan Das Gupta (Director)
	Mr. Venkat Parasuraman (from 02/02/2022) (CFO)
Relatives of KMP	Dr. Darshini V. Shah
	Mr. Shanay V. Shah
Enterprise over which KMP / Relatives of KMP exercise significant influence through controlling interest (Other Related Party)	Uranus Medical Devices Limited
	Shalby Orthopaedic Hospital and Research Centre
	Friends of Shalby Foundation

(b) Key management personnel compensation

(₹ In Million)

Particulars	2022-23	2021-22
Short-term employee benefits	43.70	39.32
Termination benefits	-	-
Total Compensation	**43.70**	**39.32**

Notes to the Financial Statements

for the year ended March 31, 2023

(c) Details of transactions with related parties for the year ended March 31, 2023 in the ordinary course of business:

(₹ in Million)

Sr. No.	Nature of Relationship / Transaction	Promoter Company		KMP & Relatives		Enterprise over which KMP and Relatives have significant influence		Total	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	**Professional Fees**								
	Dr. Vikram I. Shah	-	-	-	8.41	-	-	-	8.41
	Dr. Darshini V. Shah	-	-	22.48	15.82	-	-	22.48	15.82
2	**Rent Expenses**								
	Dr. Vikram I. Shah	-	-	11.51	11.91	-	-	11.51	11.91
	Shalby Orthopaedic Hospital and Research Centre	-	-	-		0.60	0.60	0.60	0.60
3	**Salary**								
	Mr. Prahlad Rai Inani	-	-	-	5.05	-	-	-	5.05
	Mr. Shanay V. Shah	-	-	6.83	5.60	-	-	6.83	5.60
	Mr. Tushar Shah	-	-	3.55	3.26	-	-	3.55	3.46
	Dr. Nishita Shukla	-	-	8.30	7.02	-	-	8.30	7.02
	Mr. Sushobhan Das Gupta	-	-	26.32	22.08	-	-	-	22.08
	Mr. Venkat Parasuraman	-	-	5.53	1.72	-	-	5.53	1.72
4	**Commission Expense**								
	Zodiac Mediquip Limited	1.19	0.87	-	-	-	-	1.19	0.87
5	**ESOP Cross Charge Cost**								
	Zodiac Mediquip Limited	0.15	-	-	-	-	-	-	-
6	**Guest House Expenses**								
	Zodiac Mediquip Limited	2.57	1.79	-	-	-	-	2.57	1.79

(d) Amount due to / from related parties as at March 31, 2023

(₹ in Million)

Sr. No.	Nature of Relationship / Transaction	Promoter Company		KMP & Relatives		Enterprise over which KMP and Relatives have significant influence		Total	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	**Trade Payable**								
	Dr. Vikram I. Shah	-	-	-	1.61	-	-	-	1.61
	Dr. Darshini V. Shah	-	-	2.00	3.05	-	-	2.00	3.05
	Zodiac Mediquip Limited	0.14	0.08	-	-	-	-	0.14	0.08
2	**Rent Payable**								
	Dr. Vikram I. Shah	-	-	0.41	1.15	-	-	0.41	1.15
	Shalby Orthopaedic Hospital and Research Centre	-	-	-	-	-	0.05	-	0.05

Notes to the Financial Statements

for the year ended March 31, 2023

Note 41: Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and total equity of the Group.

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Total equity attributable to the equity share holders of the company	9,276.86	8,763.30
As percentage of total capital	**92.56%**	**102.67%**
Current loans and borrowings	742.49	676.30
Non-current loans and borrowings	674.22	873.86
Total loans and borrowings	**1,416.71**	**1,550.16**
Cash and Bank balances including Fixed Deposit	671.45	1,778.33
Net loans & borrowings	**745.26**	**(228.17)**
As a percentage of total capital	**7.44%**	**(2.67%)**
Total capital (loans and borrowings and equity)	**10,022.12**	**8,535.13**

Note 42: Fair value measurements

A. Financial instruments by category

(₹ In Million)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Assets						
Investments	-	1,457.20	-	-	246.98	-
Trade and other receivables	1,063.64	-	-	1,009.87	-	-
Cash and cash Equivalents	122.44	-	-	555.76	-	-
Other bank balances	0.41	-	-	549.87	-	-
Other financial assets	681.70	-	-	867.75	-	-
Total Financial Assets	**1,868.19**	**1,457.20**	**-**	**2,983.24**	**246.98**	**-**
Financial Liabilities						
Borrowings	1,416.71	-	-	1,550.16	-	-
Lease Liabilities	388.34			190.57		
Trade payables	879.18	-	-	707.34	-	-
Other financial liabilities	128.13	-	-	123.38	-	-
Total Financial Liabilities	**2,812.36**	**-**	**-**	**2,571.46**	**-**	**-**

Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to the Financial Statements

for the year ended March 31, 2023

B. Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2023

(₹ In Million)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
- Mutual Fund	1,457.20	-	-	1,457.20
- Bond	-	-	-	-
Total	**1,457.20**	**-**	**-**	**1,457.20**

Financial assets measured at fair value at March 31, 2022

(₹ In Million)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
- Mutual Fund	45.04	-	-	45.04
- Bond	201.94	-	-	201.94
Total	**246.98**	**-**	**-**	**246.98**

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

(i) The use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

D. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 43 : Financial risk management

The Group`s board of directors has overall responsibility for the establishment and oversight of the Group`s risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Group`s risk management policies. The Committee holds meetings at least twice in a year and report to board on its activities.

The Group`s risk management policies are established to identify and analyses the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group`s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee 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 audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – Foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds & Equity Instrument	Credit ratings	Portfolio diversification and regular monitoring

(a) 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. The Group is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Trade and other receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set for patients without medical aid insurance. Services to customers without medical aid insurance are settled in cash or using major credit cards on discharge date as far as possible. Credit Guarantees insurance is not purchased. The receivables are mainly unsecured; the Group does not hold any collateral or a guarantee as security. The provision details of the trade receivable are provided in Note 15 of the financial statements.

Notes to the Financial Statements

for the year ended March 31, 2023

The provision matrix of ECL at the end of the reporting period is as follows.

Particulars	Expected Credit Loss %
Within 90 days due	3.00%
90 to 180 days due	6.19%
180 to 270 days	9.20%
270 to 360 days	13.75%
360 to 450 days	18.99%
450 to 540 days	24.76%
540 to 630 days	28.77%
630 to 720 days	34.19%
720 to 810 days	42.21%
810 to 900 days	51.14%
900 to 990 days	62.79%
990 to 1080 days	82.56%
(> 1080 days)	**100.00%**

Reconciliation of loss allowance provision

Trade receivables

Particulars	(₹ In Million)
Loss allowance as on March 31, 2022	152.35
Changes in loss allowance	0.09
Loss allowance as on March 31, 2023	152.44

Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Group generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Group considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

(b) Liquidity risk

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

The Group`s treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The working capital position of the Group is given below:

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Cash and cash equivalents	122.44	555.76

Notes to the Financial Statements

for the year ended March 31, 2023

Liquidity Table

The Group`s remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at March 31, 2023

(₹ In Million)

Financial Liabilities	Less than 1 year	1-5 years	5 years and above	Total
Non-current financial liabilities				
Borrowings^	742.49	674.22	-	1,416.71
Lease liability	46.86	314.86	26.62	388.34
Other Financial Liabilities	124.47	3.66	-	128.13
Trade Payables	879.18	-	-	879.18
Total financial liabilities	**1,793.01**	**992.73**	**26.62**	**2,812.36**

^ Borrowings are disclosed net of processing charges.

As at March 31, 2022

(₹ In Million)

Financial Liabilities	Less than 1 year	1-5 years	5 years and above	5 years and above
Non-current financial liabilities				
Borrowings^	676.30	873.86	-	1,550.16
Lease liability	57.00	97.17	36.40	190.57
Other Financial Liabilities	119.05	4.33	-	123.38
Trade Payables	707.34	-	-	707.33
Total financial liabilities	**1,559.69**	**975.37**	**36.40**	**2,571.46**

^ Borrowings are disclosed net of processing charges.

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Group`s income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i) Currency Risk

The Group is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Group`s functional currency (₹), primarily in respect of US$, and Euro. The Group ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

Notes to the Financial Statements

for the year ended March 31, 2023

Exposure to currency risk

The currency profile of financial assets and financial liabilities are given below:

(Amount in Million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount	Amount in USD	Amount
Financial Assets	-	-	-	-
Other Financial Assets	-	-	15.00	1,137.10
Total-Financial assets	**-**	**-**	**15.00**	**1,137.10**

Sensitivity Analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

(₹ In Million)

Particulars	Profit or Loss			
	March 31, 2023		March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD (Increase/decrease by 1%)	-	-	11.37	(11.37)
Euro (Increase/decrease by 5%)	-	-	-	-
Total	**-**	**-**	**11.37**	**(11.37)**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group`s exposure to the risk of changes in market interest rates relates primarily to the Group`s debt obligations with floating interest rates and investments.

Most of the Group`s borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

The exposures of the Group`s financial assets / liabilities at the end of the reporting period are as follows:

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings	-	1.74
Floating rate borrowings	1,416.71	1,548.42
Total	**1,416.71**	**1,550.16**

Notes to the Financial Statements

for the year ended March 31, 2023

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Impact on profit – increase in 50 basis points	7.08	7.74
Impact on profit – decrease in 50 basis points	(7.08)	(7.74)

(iii) Price Risk Exposure

The Group`s exposure to securities price risk arises from investments held in mutual funds & Equity Instrument classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Group diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

Note 44 : Leases

(A) Additions to right of use assets

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property.

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets, except for investment property	380.15	181.10

(B) Carrying value of right of use assets at the end of the reporting period by class

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Balance at beginning of the year	181.09	96.86
Addition during the year	302.00	149.54
Depreciation charge for the year	(166.69)	54.38
Deletion/Adjustment for the year	63.96	10.92
Balance at closing of the year	380.15	181.09

(C) Maturity analysis of lease liabilities

(₹ In Million)

Maturity analysis – Contractual undiscounted cash flows	As at March 31, 2023	As at March 31, 2022
Less than one year	62.15	64.90
One to five years	358.01	115.94
More than five years	28.41	50.65
Total undiscounted lease liabilities at 31 March 2023	**448.57**	**231.49**
Lease liabilities included in the statement of financial position at 31 March 2023	**388.34**	**190.57**
Current	46.86	57.00
Non-Current	341.48	133.58

Notes to the Financial Statements

for the year ended March 31, 2023

(D) Amounts recognised in profit or loss

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on lease liabilities	9.53	9.80
Variable lease payments not included in the measurement of lease liabilities	12.64	13.57
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	5.24	4.11

(E) Amounts recognised in the statement of cash flows

(₹ In Million)

Particulars	2022-23	2021-22
Total cash outflow for leases	109.77	85.60

Note 45 : Ageing Schedule

45.1 : Trade Receivables

(₹ In Million)

Particulars	Unbilled Revenue	Not Due	Outstanding as on March 31, 2023 for following periods from due date of payment					Total
			Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	100.08	66.05	443.23	138.34	112.74	101.38	228.56	1,190.37
Undisputed trade receivable-Significant increase in credit risk		-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired		-	-	-	-	-	3.79	3.79
Disputed Trade Receivable-Considered good		-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk		-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired		-	-	-	0.11	0.42	21.39	21.93
Gross Trade Receivable	100.08	66.05	443.23	138.34	112.85	101.80	253.74	1,216.08
Less: Allowance for expected credit loss								126.73
Less: Allowance for doubtful debts								25.72

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ In Million)

Particulars	Unbilled Revenue	Not Due	Outstanding as on March 31, 2022 for following periods from due date of payment					Total
			Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	87.10	28.60	554.54	187.96	130.58	120.79	45.16	1,154.73
Undisputed trade receivable-Significant increase in credit risk		-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired		-	-	-	-	-	3.79	3.79
Disputed Trade Receivable-Considered good		-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk		-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired		-	-	-	-	-	3.70	3.70
Gross Trade Receivable	87.10	28.60	554.54	187.96	130.58	120.79	52.65	1,162.22
Less: Allowance for expected credit loss								144.86
Less: Allowance for doubtful debts								7.49

Note 45.2 : Trade Payables

(₹ In Million)

Particulars	Not Due	Outstanding as on March 31 2023 for following periods from due date of payment				Total
		Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	-	2.09	-	-	-	2.09
Others	437.37	384.19	28.91	10.22	16.41	877.10
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**437.37**	**386.28**	**28.91**	**10.22**	**16.41**	**879.18**

(₹ In Million)

Particulars	Not Due	Outstanding as on March 31 2022 for following periods from due date of payment				Total
		Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	-	1.67	-	-	-	1.67
Others	462.89	193.15	20.71	21.26	7.65	705.66
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	**462.89**	**194.82**	**20.71**	**21.26**	**7.65**	**707.33**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 46 : Due to Micro, Small and Medium Enterprise and confirmations

(a) Due to Micro, Small and Medium Enterprise

(₹ In Million)

Sr. No.	Particulars	March 31, 2023	March 31, 2022
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	2.09	1.67
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	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 Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The group has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

Note 47 : Corporate social Responsibility

(a) The amount spent during the period / year on:

(₹ In Million)

Particulars	In cash / cheque	Yet to be paid in cash / cheque	Total (₹)
Construction / acquisition of any assets	12.20	-	12.20
On purposes other than above	2.40	-	2.40

(b) Details of CSR Expense

(₹ In Million)

Particulars	Amount as on 31st March 2023	Amount as on 31st March 2022
Amount required to be spent during the year	14.27	10.95
Amount actually spent :		
Construction / acquisition of any assets	12.20	11.00
On purposes other than above	2.40	-
Shortfall at the end of year	-	-
Total of previous year shortfall	-	-
Total Excess spend to be carried forwarded	2.43	2.10
Reason for such shortfall :	NA	NA
Nature of CSR activities :	Construction and development of Medical college & issue of Covaxin vaccine.	
Details of related party transactions :	Nil	Nil

Note : Excess amount spent by company towards CSR Expenses will be set off against CSR expenses to be incurred by group in next 3 financial years as per provisions of Section 135(5) of Companies Act, 2013.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 48 : Revenue from Contract with customers

The revenue from contracts with customers to the amounts disclosed as total revenue are as under:

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Revenue from Sale of Products	1,085.05	439.49
Revenue from Sale of Services	6,964.16	6,549.97
Total Revenue	**8,049.21**	**6,989.45**

The disaggregation of Revenue from Contract with Customers is as under:

(A) Revenue from Contract with Customers - Segment wise

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Revenue from Sale of Services		
In Patient Discharge		
Domestic	6,192.08	5,703.37
Overseas	-	42.56
Out Patient Discharge	382.08	453.62
Clinical Trials	6.45	7.24
Event Income	6.04	6.88
Allied Services	316.16	245.24
Other operative Income	61.36	91.06
Total Revenue from Sale of services	**6,964.16**	**6,549.97**
Revenue from Sale of Products		
Revenue from Medicines & Medicare Items	1,085.05	439.49
Total Revenue from Contract with Customers	**8,049.21**	**6,989.45**

Contract Asset

The Company does not have any contract assets as at 31 March 2023 and 31 March 2022.

Contract Liability

(₹ In Million)

Particulars	March 31, 2023	March 31, 2022
Opening Balance of Contract Liability	101.50	46.57
Revenue Recognised from the opening balance of Contract Liability	101.50	46.57
Current year Contract liability - Carried Forward	75.24	101.50
Closing Balance of Contract Liability	**75.24**	**101.50**

The nature of services and its disclosure of timing of satisfaction of performance obligation is mentioned in para 4.8 of Note No. 4.

Contract Liabilities in the balance sheet constitutes advance payments and billings in excess of revenue recognised. The Group expects to recognise such revenue in the next financial year.

There were no significant changes in contract assets and contract liabilities during the reporting period except amount as mentioned in the table and explanation given above.

Under the payment terms generally applicable to the Group`s revenue generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of the services.

Notes to the Financial Statements

for the year ended March 31, 2023

The Group generates revenue from knee replacement surgeries, other indoor and outdoor patient discharges, diagnostic services, clinical trials, trainings and other sales of medicines and medicare items.

The revenue from rendering Healthcare services and Pharmaceutical products satisfies 'at a point in time' recognition criteria as prescribed by IND AS 115.

Note 49 : Un-hedged Foreign Currency Exposure

The group does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

The foreign currency exposure not hedged as at 31st March, 2023 are as under:

(Amount in Million)

Particulars	Payable (In Foreign Currency)		Receivable (In Foreign Currency)		Payable (In Indian Rupee)		Receivable (In Indian Rupee)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD	-	15.00	-		-	1,137.10		

Note : 50 Equity settled share based payments (ESOP)

Senior level management employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). In respect of options granted during the current year under "Shalby Limited Employee Stock Options Scheme - 2021 (the "Shalby ESOP Scheme 2021") , the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes Merton formula which is in accordance with Indian Accounting Standard 102 (Ind AS 102).

The cost of equity settled transaction is recognised, together with a corresponding increase in Equity settled share based payments reserves in other equity, over the period in which the service conditions are fulfilled. This expense is included under the head "Employee benefits expense" as employee share-based expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Expense for the period from grant date to reporting date recognised is 5.23 Mn (March 31, 2022: NIL).

Nature and characteristics of ESOP plans existed during year as tabulated below:

(in ₹)

Particulars	As at March 31, 2023					As at March 31, 2022
Grant Date	16-05-2022	01-06-2022	12-07-2022	18-10-2022	15-11-2022	-
Vesting requirement	ESOPs will vest not earlier than 1 (One) year and not more than 3 (Three) years from the grant date					-
Maximum term of options	3 years from vesting date					-
Method of settlement	Equity settled					-
Exercise Price	10	10	10	10	10	-
Share Price on Grant Date	106.95	111.40	107.90	145.50	143.20	-
Accounting method	Fair value method					-

Notes to the Financial Statements

for the year ended March 31, 2023

Options movement during year as tabulated below:

(In Nos.)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Granted during the year*	2,39,235	-
Exercised during the year	-	-
Forfeited during the year	33,000	-
Closing balance	2,06,235	-
Exercisable at the end of the year	2,06,235	-

* Including share given to Employees of Group Companies.

No options expired during the periods covered in the above table.

Weighted-average exercise prices of options as tabulated below:

(in ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Granted during the year	10	-
Exercised during the year	NA	-
Forfeited during the year	NA	-
Expired during the year	10	-
Closing balance	10	-
Exercisable at the end of the year	NA	-

Stock options outstanding at the end of period as tabulated below

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Exercise Price	10	-
Weighted average remaining contractual life (Years)	1.21 Yrs.	-

Black Scholes method is used for fair valuation of ESOP.

Fair value and underlying assumptions for stock options granted as tabulated below:

(in ₹)

Particulars	As at March 31, 2023					As at March 31, 2022
Grant date	16-05-2022	01-06-2022	12-07-2022	18-10-2022	15-11-2022	-
Option price model	Black Scholes Method					-
Exercise price	10	10	10	10	10	-
Share price on grant date	106.95	111.40	107.90	145.50	143.20	-
Expected volatility	54.56%	54.57%	86.39%	85.08%	53.75%	-

Notes to the Financial Statements

for the year ended March 31, 2023

(in ₹)

Particulars	As at March 31, 2023					As at March 31, 2022
Expected number of years to exercise shares	Immediately After Vesting					-
Risk-free rate of return	6.42%	6.50%	7.39%	7.43%	7.26%	-
Dividend Yield	0.82%	0.82%	0%	0%	0%	-
Fair value of ESOP at grant date	96.27	101.11	100.48	137.87	134.55	-
Weighted average fair value of ESOP at grant date	106.65	112.28	108.21	144.6	143.56	-
Attrition rate per annum	27.78%					-
Expected shares to vest ultimately (in Nos.)	206,235					

Note 51: Other Statutory Information

(a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(b) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(c) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(d) The Group has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(e) The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(g) The Group is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India

(h) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes to the Financial Statements

for the year ended March 31, 2023

(i) The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets & Intangible Assets) during the year.

(j) The Group does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at March 31, 2023.

k) Group has acquired Land on lease at Indore in year 2019 for a period of 30 years with a plan for additional unit at Indore. Due to change in local business estimates management decided to liquidate the said land and accordingly one-time loss amounting to ₹ 4,43,67,557/- on relinquishment of right of use of land has been recognized as expense in exceptional item in the financial statement.

Note 52: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent and has been published in the Gazette of India. However, the effective date of the Code and final rules for quantifying the financial impact are yet to be notified. The Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

Note 53: Statement of Management

(a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.

(b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

Note 54: Balances of Sundry Creditors, Sundry debtors, Loans & advances, etc. are subject to confirmation and reconciliation, if any.

Note 55 : Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies/Entity

(₹ in Million except Exchange Rate)

Name of Subsidiary	Griffin Mediquip LLP	Vrundavan Shalby Hospitals Limited	Shalby International Limited	Yogeshwar Healthcare Limited	Shalby Hospitals Mumbai Private Limited	Mars Medical Devices Limited	Slaney Healthcare Private Limited	Shalby Kenya Limited	Shalby Global Technologies Pte. Ltd	Shalby Advanced Technologies Inc.
Country	India	India	India	India	India	India	India	Kenya	Singapore	USA
Reporting Currency	₹	₹	₹	₹	₹	₹	₹	KSH	SGD	USD
Exchange Rate	1	1	1	1	1	1	1	0.62	61.75	82.17
Share capital /Partner capital	13.20	115.81	0.50	7.35	0.10	500.00	0.10	0.06	86.21	543.57
Reserves and Surplus	-	(19.98)	(0.22)	(7.30)	(0.12)	(19.72)	31.44	(7.92)	(73.23)	(225.42)

Notes to the Financial Statements

for the year ended March 31, 2023

(₹ in Million except Exchange Rate)

Name of Subsidiary	Griffin Mediquip LLP	Vrundavan Shalby Hospitals Limited	Shalby International Limited	Yogeshwar Healthcare Limited	Shalby Hospitals Mumbai Private Limited	Mars Medical Devices Limited	Slaney Healthcare Private Limited	Shalby Kenya Limited	Shalby Global Technologies Pte. Ltd	Shalby Advanced Technologies Inc.
Total Assets	150.14	101.32	0.31	0.09	0.02	1,521.73	76.55	3.07	15.76	2,374.95
Total Liabilities	136.95	5.49	0.04	0.04	0.04	1,041.45	45.01	10.93	2.78	2,056.80
Turnover/Total Income	398.53	22.82	0.18	0.02	-	180.75	278.09	0.24	-	939.23
Profit / (Loss) Before Tax	5.06	9.62	0.14	(0.08)	(0.04)	(16.35)	16.23	(2.01)	(36.28)	(165.94)
Tax Expense / (Credit)	1.58	(19.48)	-	-	-	(2.49)	4.09	(0.58)	-	(44.94)
Profit / (Loss) after tax	3.48	29.10	0.14	(0.08)	(0.04)	(13.85)	12.14	(1.43)	(36.28)	(121.00)
Proposed dividend and tax thereon	-	-	-	-	-	-	-	-	-	-
Investments (except in case of investment in the subsidiaries)	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00	100.00	100.00	94.68	100.00	100.00	100.00	100.00	99.33	100.00

Note 56: Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of Entities	Net Assests i.e. Total Assets minus Total Liabilties		Statement in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As a % of consolidated net assets	Amount (₹ in Millions)	As a % of consolidated profit & loss	Amount (₹ in Millions)	As a % of consolidated other comprehensive income	Amount (₹ in Millions)	As a % of consolidated total comprehensive income	Amount (₹ in Millions)
Parent								
Shalby Limited	87.28	8,096.03	172.81	1,169.55	22.81	2.57	170.36	1,172.12
Subsidiary								
Indian								
Vrundavan Shalby Hospital Limited	1.07	99.52	4.31	29.15	-	-	4.24	29.15
Yogeshware Healthcare Limited	-	0.06	(0.01)	(0.07)	-	-	(0.01)	(0.07)
Shalby Internation Limited	-	0.09	(0.01)	(0.04)	-	-	(0.01)	(0.04)
Griffin Mediquip LLP	(1.29)	(119.96)	(58.16)	(393.59)	-	-	(57.20)	(393.59)
Shalby Mumbai Hospitals Private Limited	-	(0.02)	(0.01)	(0.04)	-	-	(0.01)	(0.04)
Mars Medical Devices Limited	4.28	396.98	53.76	363.81	-	-	52.88	363.81
Slaney Healthcare Private Limited	0.34	31.54	1.79	12.14	0.80	0.09	1.78	12.23

Notes to the Financial Statements

for the year ended March 31, 2023

Name of Entities	Net Assests i.e. Total Assets minus Total Liabilties		Statement in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As a % of consolidated net assets	Amount (₹ in Millions)	As a % of consolidated profit & loss	Amount (₹ in Millions)	As a % of consolidated other comprehensive income	Amount (₹ in Millions)	As a % of consolidated total comprehensive income	Amount (₹ in Millions)
Foreign								
Shalby Kenya Limited	0.03	2.97	(0.21)	(1.43)	4.85	0.55	(0.13)	(0.89)
Shalby Global Technologies Pte. Ltd	8.12	753.19	(68.92)	(466.43)	73.80	8.31	(66.58)	(458.12)
Shalby Advanced Technologies Inc.	0.17	15.76	(5.33)	(36.06)	(2.26)	(0.25)	(5.28)	(36.31)
Non Controling Interest in above subsidiaries	-	-	(0.03)	(0.23)	-		(0.03)	(0.23)
Grand Total	**100**	**9276.16**	**100**	**676.76**	**100**	**11.27**	**100**	**688.02**

As per our report of even date

For, T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Brijesh Thakkar
Partner
Membership No: 135556

Place : Ahmedabad
Date : May 18, 2023

For and on behalf of the Board
Shalby Limited

Dr. Vikram I. Shah
Chairman & Managing Director
DIN: 00011653

Shyamal Joshi
Director
DIN: 00005766

Venkat Parasuraman
Chief Financial Officer

Tushar Shah
AVP & Company Secretary

Place : Ahmedabad
Date : May 18, 2023

SHALBY LIMITED
•Passion••Compassion••Innovation•

Shalby Limited
Regd.: Shalby Hospitals, Opp. Karnavati Club, S. G. Road, Ahmedabad 380015
Tel : +91 79 4020 3000, Website : www.shalby.org Email : companysecretary@shalby.in CIN:L85110GJ2004PLC044667

Notice of 19th Annual General Meeting

Notice is hereby given that the 19th Annual General Meeting ('AGM') of the Members of Shalby Limited will be held on Monday, August 14, 2023 at 4:00 p.m. IST through video conferencing (VC)/ Other Audio Visual Means (OAVM), to transact the following business;

ORDINARY BUSINESS

Item No. 1 - Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2023 together with Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2023 together with the Report of the Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a Final Dividend of ₹ 1.20 (Rupees One and Twenty Paise only) per Equity Share of the face value ₹ 10/- (Rupees Ten only) each for the financial year 2022-23.

Item No. 3 - Appointment of Mr. Sushobhan Dasgupta (DIN: 06381955) as Director, liable to retire by rotation

To appoint a Director in place of Mr. Sushobhan Dasgupta (DIN: 06381955), who retires by rotation in and being eligible, offers himself for reappointment.

Item No. 4 - Re-appointment of M/s. T. R. Chadha & Co., LLP as Statutory Auditors of the Company for second term of 5 years.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and as approved by the Board of Directors, M/s. T. R. Chadha & Co., LLP, Chartered Accountants (Firm Registration No. 006711N), be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of 19th Annual General Meeting till the conclusion of 24th Annual General Meeting with a remuneration of ₹ 3.07 mn. as may be decided by Audit Committee and Board of Directors in consultation with Auditors plus fees for issuing various other certificates from time to time as may be decided on case to case basis and with applicable taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution."

SPECIAL BUSINESS

Item No. 5 – Appointment of Mr. Ashok Bhatia (DIN:02090239) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 read with schedule IV and read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions and rules made under the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Ashok Bhatia (DIN:02090239), a Non-Executive Director of the Company,

who has given his consent and has submitted a declaration that he meets the criteria for being appointed as Independent Director under section 149(4) of the Act and as recommended by Nomination and Remuneration Committee and appointed by the Board of Directors as an Independent Director of the Company and in respect of whom company has received a notice in writing from a member under section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for his first term of 5 years w.e.f. May 18, 2023, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard."

Item No. 6 - Appointment of Mr. Vijay Kedia (DIN:00230480) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 read with schedule IV and read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions and rules made under the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Vijay Kedia (DIN:00230480), a Non-Executive Director of the Company, who has given his consent and has submitted a declaration that he meets the criteria for being appointed as Independent Director under section 149(4) of the Act and as recommended by Nomination and Remuneration Committee and appointed by the Board of Directors as an Independent Director of the Company and in respect of whom company has received a notice in writing from a member under section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for his first term of 5 years w.e.f. May 18, 2023 not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard."

Item No. 7 - Authorization under Section 186 of the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to (a) give any loan to any person(s) or other body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 750 crores (Rupees Seven Hundred and Fifty Crores Only) notwithstanding that the individual / aggregate of the loans or guarantees or securities, so given or to be given and/or securities acquired or to be acquired by the Company may collectively exceed the limits prescribed under section 186 of the Companies Act, 2013 read with rules made thereunder.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company."

Item No. 8 - Ratification of the remuneration payable to Cost Auditors of the Company for the FY 2023-24

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,10,000 /- (Rupees One Lakh Ten Thousand only) plus applicable taxes and out of pocket expenses, as recommended by Auditor and as approved by the Board of Directors and set out in the statement annexed to the notice convening this meeting, to be paid to M/s. Borad Sanjay B & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 102408), appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2024, be and is hereby ratified."

By Order of the Board of Directors

Tushar Shah
AVP & Company Secretary
Mem. No. FCS7216

Date: May 18, 2023
Place: Ahmedabad

Regd. Office:
Shalby Hospitals,
Opp. Karnavati Club
S. G. Road, Ahmedabad 380015

NOTES

1. Pursuant to the General Circular No. 20/ 2020 dated 5th May 2020 read with other relevant circulars including 10/ 2022 dated 28th December 2022 issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars'), the Company is convening the Annual General Meeting ('AGM') through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM'), without the physical presence of the Members at common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Monday, August 14, 2023 at 4:00 p.m. IST. The deemed venue for the Nineteenth AGM will be Shalby Hospitals, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to MCA circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, the Body Corporate are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the AGM is annexed hereto. The relevant details pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standards issued by Institute of Company Secretaries of India on General Meetings in respect of Director seeking appointment / re-appointment at this AGM are also annexed.

4. Members seeking any information with regard to the accounts or any matter to be placed at the ensuing AGM, are requested to write to the Company on or before August 4, 2023 through email on companysecretary@shalby.in.

5. Members who would like to express their views or ask questions during the AGM, may register themselves as a

speaker between August 3, 2023 and August 7, 2023 by sending an email on companysecretary@shalby.in from their registered email address, mentioning their name, demat account number / folio number and mobile number. Those Members who holds shares as on cut-off date for 19th Annual General Meeting and who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time as appropriate for smooth conduct of the AGM.

Dispatch of Annual Report through electronic mode

6. In line with the MCA Circulars and SEBI Circulars, Notice of 19th AGM along with the Annual Report 2022-23 is being sent only through electronic mode to all the members, whose e-mail address is registered with the Company / Depository Participant as per latest beneficial position available. Members may note that the Notice convening 19th Annual General Meeting and Annual Report 2022-23 will also be available on the Company's website www.shalby.org, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

7. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities of listed entities can be processed only in dematerialized form. Further, pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website and on the website of the Company's Share Registrar and Transfer Agents – Kfin Technologies Ltd. at https://ris.kfintech.com/. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerialising those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation. It may be noted that any service request of the shareholders can be processed only after the folio is KYC Compliant.

Mandatory KYC by Shareholders holding physical shares

8. SEBI vide circular dated 3rd November, 2021 has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents are not available with us, on or after 1st October, 2023, shall be frozen as per the aforesaid SEBI circular.

   The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our website www.shalby.org In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

   The Company had sent letters two times to the shareholders holding shares in physical form in relation to the aforesaid in December 2022 and in May 2023 . In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

E-Voting facility

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to "e-voting Facility Provided by Listed Entities", the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 19th AGM. Shareholders are requested to refer instructions for detailed procedure to be followed for e-Voting and participation in the AGM through VC/OAVM.

10. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

Book Closure:

11. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, August 9, 2023 to Monday, August 14, 2023 (both days inclusive)

to determine entitlement of the shareholders to receive dividend for the year 2022-23 and in connection with Annual General Meeting of the Company.

Dividend:

12. The Board of Directors at its meeting held on May 18, 2023, has recommended a final dividend of ₹ 1.20 per equity share of the face value of ₹ 10/- each. The final dividend, if declared at the Annual General Meeting, will be paid to those members of the Company, whose names appear in the Register of Members or Register of Beneficial Ownership as on Tuesday, August 8, 2023. The dividend will be paid to all the shareholders within statutory timelines.

13. The dividend, if approved, will be paid by crediting in to the bank account as provided by NSDL and CDSL through ECS / NECS / electronic transfer, to those shareholders holding shares in electronic form and having valid bank details registered with the depository. In respect of shareholders holding shares in physical form and active bank details are not updated with RTA or in case of ECS / NECS / electronic payment is rejected, dividend will be paid by dividend warrants / demand drafts.

14. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided facility to the Members for remittance of dividend electronically through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details, Folio Number along with an original cancelled cheque and Form ISR-1 to the Company's Registrar and Transfer Agent, Kfin Technologies Ltd. Members holding shares in electronic form are requested to submit their bank details to their respective Depository Participants.

    The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members, through permissible mode.

15. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April, 2020 and the Company is required to deduct Tax at Source (TDS) from dividend paid to the Members as prescribed under the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through email by Monday, August 7, 2023. The tax will not be deducted in case where the Shareholder has furnished Form 15G/15H/10F (as may be applicable) on or before Monday, August 7, 2023, provided the eligibility conditions are being met.

16. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending respective declaration/documents as mentioned hereinabove at companysecretary@shalby.in.

17. In case the Dividend has remained unclaimed in respect of financial year 2018-19, and onwards, the Shareholders are requested to approach the Company with details of DP ID, client ID, with or without their dividend warrants with the request letter, copy of PAN card and a cancelled cheque of the first named shareholder for credit of the dividend amounts directly to bank account. The Company has uploaded the data regarding unpaid and unclaimed dividends amount lying with the Company on the website of the Company as well as on the website of the Ministry of Corporate Affairs. Investors are therefore requested to verify the data and lodge their claims of unpaid dividend, if any.

AGM:

18. The Company has appointed National Securities Depository Limited, to provide e-voting and Video Conferencing facility for the Annual General Meeting.

19. Pursuant to the provisions of the MCA circulars, Members are requested to attend the meeting through log in credentials provided to them for Video conference. Members will be allowed to attend AGM through VC/OAVM on first come first served basis.

20. Institutional / corporate Members (that is, other than Individuals, HUFs, NRIs, etc.) are required to send the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of

the duly authorized representative(s), at e-mail ID: companysecretary@shalby.in. Such authorization shall contain necessary authority in favour of its authorized representative(s) to attend the AGM.

21. The Members can join the AGM 15 minutes prior to the scheduled time of the commencement of the Meeting by following the procedure mentioned in a separate annexure to this Notice.

22. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

Other Notes

23. Relevant documents referred to in the accompanying Notice and Explanatory Statement are open for inspection by the members in electronic mode.

24. Members desirous in seeking any information with regard to accounts / financial statements are requested to send their queries to the Company through email at companysecretary@shalby.in at least ten days before the meeting so as to enable the management to keep the relevant information ready and answer them in the meeting.

25. As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialized form. Shareholders holding shares in physical form are advised to dematerialize the same.

26. Members holding shares in electronic mode are:-

    (a) requested to update their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts, if not submitted to their DPs.

    (b) requested to register/update their email address with their respective DPs for receiving all communication from the Company electronically.

    (c) advised to contact their respective DPs for registering the nomination.

27. Non-Resident Indian Members are requested to inform respective Depository Participants, immediately about

    (a) Change in their residential status on return to India for permanent settlement.

    (b) Particulars of bank account maintained in India with name of bank, branch address, bank account number, type of account etc.

28. The Scrutinizer shall make, not later than 48 hours of the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against or invalid votes, if any, and submit forthwith to the Chairman of the Company or any other director or person authorized, who shall countersign the same and declare the result of the voting. The results so declared along with Scrutinizer's Report shall be placed on the Company's website www.shalby.org and on the website of www.evoting.nsdl.com and shall also be disseminated on the website of Stock Exchanges, where the Company's shares are listed.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Friday, August 11, 2023 at 9:00 A.M. and ends on Sunday, August 13, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Tuesday, August 8, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, August 8, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://cdslindia.com/myeasitoken/Home/Login 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

3. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Chintan Patel at cschintan.mba@gmail.com with a copy marked to evoting@nsdl.co.in and companysecretary@shalby.in Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to companysecretary@shalby.in

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to companysecretary@shalby.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility smoothly.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@shalby.in. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

M/s. T. R. Chadha & Co., LLP, Chartered Accountants has been the Statutory Auditors of Shalby Limited since the 14th Annual General Meeting of the company.

Section 139 of Companies Act, 2013 was made effective from April 1, 2014 which stipulated the appointment of the statutory auditor for five financial years. In order to follow the said provisions of Companies Act, 2013, the Company appointed M/s. T. R. Chadha & Co., LLP, Chartered Accountants for a period of five years in the annual general meeting of financial year 2017-18 held on September 17, 2018.

The Rule 5 of Companies (Audit and Auditor) Rules, 2014 relating to rotation of auditors and Section 139 (2) of the Companies Act, 2013 is applicable to the company.

Now, M/s. T. R. Chadha & Co., LLP, Chartered Accountants has completed consecutive five years as the Statutory auditor of the Company since its appointment in the 14th AGM held after the commencement of the provisions of Section 139(2) and the maximum number of consecutive years for which the said firm may be appointed in the company is 5 years.

Hence, M/s. T. R. Chadha & Co., LLP, Chartered Accountants retires as the Statutory Auditors of the company at the conclusion of the 19th Annual General Meeting.

Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the board of directors of the company has in its meeting held on May 18, 2023 proposed to re-appoint M/s. T. R. Chadha & Co., LLP, Chartered Accountants, Ahmedabad (Firm Registration No.: 006711N) as the Statutory Auditors of the company for a second term of five years commencing from the conclusion of 19th AGM till the conclusion of the 24th AGM to be held in the year 2028. The proposed fees payable to the said Auditors will be ₹ 3.07 mn. inclusive of other services.

M/s. T. R. Chadha & Co., LLP, Chartered Accountants, Ahmedabad (Firm Registration No.: 006711N) have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Further requirement of ratification of Auditors by members at every annual general meeting has been omitted by the Companies (Amendment) Act, 2017 effective from May 7, 2018.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice.

The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

ITEM NO. 5

Mr. Ashok Bhatia (DIN: 02090239) was appointed as Non-Executive Director by Members at 14th Annual General Meeting dated September 17, 2018. As Mr. Bhatia has more than 45 years of rich professional experience, he can enhance the value and the growth of business development of the Company.

The Board, based on performance evaluation and as per the recommendation of NRC, considers that, given his background and experience, the continued association of Mr. Bhatia would be beneficial to the Company. Accordingly it is proposed to appoint Mr. Bhatia as an independent director of the Company whose office shall not be liable to retire by rotation.

Mr. Ashok Bhatia is interested in the resolution set out in item No. 5 of the notice with regard to his re-appointment. Relatives of Mr. Ashok Bhatia may be deemed to be interested in the resolution to the extent of their shareholding interest, if any in the Company.

Details of Mr. Bhatia are annexed herewith. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as an appropriate disclosure under the Act and the Listing regulations.

As per regulation 25(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment/re-appointment of independent director is subject to approval of shareholders by way of Special Resolution.

The Board recommends the Special Resolution as set out at Item No. 5 of the Notice for approval by members.

ITEM NO. 6

Mr. Vijay Kedia (DIN: 00230480) was appointed as Non-Executive Director through postal ballot resolution dated December 10, 2022. He is an expert in assessing business viability, strategies to lead the business and others which can significantly benefit organizational growth in the long run.

The Board, based on performance evaluation and as per the recommendation of Nomination and Remuneration Committee considers that, given his background and experience, the continued association of Mr. Vijay Kedia would be beneficial to the Company. Accordingly it is proposed to Appoint Mr. Vijay Kedia as an independent director of the Company whose office shall not be liable to retire by rotation.

Mr. Vijay Kedia is interested in the resolution set out in item No. 6 of the notice with regard to his appointment. Relatives of Mr. Vijay Kedia may be deemed to be interested in the resolution to the extent of their shareholding interest, if any in the Company.

Details of Mr. Vijay Kedia are annexed herewith. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as an appropriate disclosure under the Act and the Listing regulations.

As per regulation 25(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment/re-appointment of independent director is subject to approval of shareholders by way of Special Resolution.

The Board recommends the Special Resolution as set out at Item No. 6 of the Notice for approval by members.

ITEM NO. 7

In terms of section 186 of the Companies Act, 2013, Shareholders of the Company at the 18th Annual General Meeting held on September 26, 2022 approved Special Resolution authorizing the Board of Directors of the Company to invest, give loan and give guarantee or provide security to the extent of ₹ 500 crore. The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding 60% (sixty) percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition of securities of any body corporate as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required.

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to increase the said limit of ₹ 500 crore to ₹ 750 crore and make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate including unlisted subsidiaries as and when required.

Accordingly, the Board of Directors in its meeting held on May 18, 2023 approved increasing the aforesaid threshold to ₹ 750 Crores (Rupees Seven Hundred and Fifty Crores only) over and above the limit specified under section 186 of the Companies Act, 2013 subject to approval of the Shareholders.

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

The Special Resolution at Item No. 7 of the Notice is being recommended by the Board of Directors for approval of the members pursuant to section 186(2) of the Companies Act, 2013.

ITEM NO. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Borad Sanjay B & Associates, Cost Accountants, Ahmedabad as the Cost Auditor of the Company to audit the cost records of the Company for the financial year ending on March 31, 2024 at a remuneration of ₹ 1,10,000/- (Rupees One Lakh Ten Thousand only) plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors need to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 8 of the Notice.

Accordingly, Board of Directors recommend the Ordinary resolution at item no. 8 of the Notice for members' approval for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

By Order of the Board of Directors

Tushar Shah
AVP & Company Secretary
Mem. No. FCS7216

Date: May 18, 2023
Place: Ahmedabad

Regd. Office:
Shalby Hospitals,
Opp. Karnavati Club
S. G. Road, Ahmedabad 380015

Item No. 3, 5, 6:

INFORMATION REQUIRED PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2), IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 19TH ANNUAL GENERAL MEETING

Name of Director	Mr. Sushobhan Dasgupta [DIN: 06381955]	Mr. Ashok Bhatia [DIN: 02090239]	Mr. Vijay Kedia [DIN: 00230480]
Age in completed years (as on March 31, 2023)	60	69	63
Date of first appointment on the Board	17-05-2021	23-10-2017	18-10-2022
Qualification / Brief Resume / Expertise in specific functional area / experience	Mr. Sushobhan Dasgupta, a gold medalist in Business Administration from Jadavpur University and a Master of Science degree in Human Physiology from Presidency College, Kolkata. He was Managing Director of Johnson & Johnson Medical India and Vice President, Orthopedics, Johnson & Johnson Asia Pacific serving as a member of the Johnson & Johnson Orthopedics Global Board. Over 30 years of his career with Johnson & Johnson, Mr. Dasgupta has lived and worked in several developed and emerging markets such as USA, UK, Germany, Singapore and Australia / New Zealand. In his various roles, he has led and delivered accelerated business growth through innovation, continuous talent and organization development. He has always been a strong proponent and advocate of business ethics and compliant business practices. Mr. Dasgupta was actively engaged in helping shape the healthcare environment through active participation in leading industry forums. He is Past President of the Healthcare Federation of India (NATHEALTH), immediate Past Chairman of the FICCI Medical Devices Forum and currently Chair – Finance, Healthcare Sector Skills Council. In addition, he was also an active member of FICCI's National Committee on Healthcare, CII's National Committee on Public Health and CII's National Committee on MNCs, The American Chamber of Commerce's (AMCHAM) and ADVAMED Medical Devices Forum. He is a founder member of the newly formed Medical Technology Association of India (MTaI).	Mr. Ashok Bhatia holds a bachelors' degree in science from Punjab University, and a master's degree in business administration, with a specialization in marketing management from the Adam Smith University of America, USA. He has more than 45 years of professional experience. In the past, he has been associated with Indo-Pharma Pharmaceutical Works Limited and Cadila Healthcare Limited. He was also an external Advisor to Mckinsey and a guest faculty to IIM, Ahmedabad. Currently he is Group CEO of Abacus Pharma (Africa) Ltd.	Mr. Vijay Kedia, a prominent and veteran investor, has joined Shalby Limited as a Non-Executive Director. He is the Managing Director of Kedia Securities Pvt. Ltd. He is an expert in capital market, assessing business viability, strategies to lead the business and others. He has been holding Directorship in many other companies like Atul Limited, Greenline Tea & Exports Ltd. and Three PL Services Private Limited etc. In 2016 Mr. Kedia was conferred with a Doctorate degree for Excellence in The Field of Management. He was also awarded with "SARVOTTAM SAMMAN" 2020 at Raj Bhavan by the Maharashtra Governor Shri. Bhagat Singh Koshyari. He was also accredited with Shri Babasaheb Ambedkar award and Shri Abdul Kalam award. Mr Kedia is a very popular name in the investment community and has inspired many youth investors through the large viewership on his YouTube channel. He has been a keynote speaker in various Top Management colleges not only in India rather International as well like IIM Amritsar and London Business School.

Name of Director	Mr. Sushobhan Dasgupta [DIN: 06381955]	Mr. Ashok Bhatia [DIN: 02090239]	Mr. Vijay Kedia [DIN: 00230480]
	Mr. Dasgupta is the recipient of the honorary fellowship from the Association of Minimal Access Surgeons of India (AMASI), a rare recognition to an industry leader. He is also the recipient of the Award of Appreciation from the Indian Arthroplasty association at IAACON 2017 Kolkata for his contribution over the years in the field of Arthroplasty in India.		
No. of Shares held in the Company	Nil	300 Shares	6,99,650 Shares
Relationship with other Directors and Key Managerial Personnel	Mr. Sushobhan Dasgupta, is not related to any of the Directors or KMP.	Mr. Ashok Bhatia, is not related to any of the Directors or KMP.	Mr. Vijay Kedia, is not related to any of the Directors or KMP.
No of meetings of the Board attended during the year	4/4	4/4	Post appointment of Mr. Vijay Kedia as an Additional Director, one Board Meeting was held upto March 31, 2023 and he has attended the same.
Other Directorships	None	• Onnext Healthcare Private Limited	• Atul Auto Limited • Greenline Tea & Exports Limited • Three PL Services Private Limited • Kedia Securities Private Limited
Chairmanship / Membership of Committees of other companies	None	None	Name of Company: Atul Auto Limited Name of Committee*: RMC Chairman/ Member: Member

* Abbreviation:

AC – Audit Committee NRC – Nomination and Remuneration Committee CSR – Corporate Social Responsibility Committee

RMC – Risk Management Committee

Note

Note

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SHALBY LIMITED

CIN: L85110GJ2004PLC044667

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