

Affinity Holdings Pvt. Ltd

FINANCIAL STATEMENTS FOR THE YEAR ENDED

MARCH 31, 2021

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CORPORATE INFORMATION

		Date of appointment	Date of resignation
DIRECTORS	: Dr Azad Moopen Mandayapurath	January 24, 2008	-
	Naseera Azad	January 24, 2008	-
	Neernaysingh Madhour	January 28, 2014	-
	Savinilorna Payandi - Pillay Ramen	May 11, 2018	-
	Ravi Prasad	September 23, 2019	April 27, 2020
	Sevin Chendriah	September 23, 2019	-
	Layla Mohamed Hassan Ali Marzooqi	April 27, 2020	-
ADMINISTRATOR AND SECRETARY	: IQ EQ Corporate Services (Mauritius) Ltd Les Cascades Building 33, Edith Cavell Street Port Louis, 11324 Republic of Mauritius		
REGISTERED OFFICE	: C/o IQ EQ Corporate Services (Mauritius) Ltd Les Cascades Building 33, Edith Cavell Street Port Louis, 11324 Republic of Mauritius		
AUDITOR	: BDO & Co 10, Frère Félix de Valois Street Port Louis Republic of Mauritius		
BANK	: Absa Bank (Mauritius) Limited Absa House, 68 Wall Street Cybercity, Ebene 72201 Republic of Mauritius		

COMMENTARY OF DIRECTORS FOR THE YEAR ENDED MARCH 31, 2021

The directors are pleased to present their commentary together with the audited financial statements of **Affinity Holdings Pvt. Ltd** (the "Company") for the year ended March 31, 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company is to engage in investment holding.

RESULTS AND DIVIDENDS

The Company's results for the year are shown in the statement of profit or loss and other comprehensive income on page 8.

The directors do not recommend the payment of dividend for the year under review (2020: USD 12,900,000).

STATUS

The Company was incorporated in the Republic of Mauritius on January 24, 2008 under the Mauritius Companies Act 2001 and holds a Global Business Licence.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards ("IFRS") have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping accounting records which disclose, with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor, BDO & Co., has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed at the annual meeting.

**CERTIFICATE FROM THE SECRETARY
TO THE MEMBERS OF AFFINITY HOLDINGS PVT. LTD
UNDER SECTION 166(d) OF THE COMPANIES ACT 2001**

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We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under section 166 (d) of the Companies Act 2001 for the year ended 31 March 2021.



**IQ EQ Corporate Services (Mauritius) Ltd
CORPORATE SECRETARY**

33, Edith Cavell Street
Port Louis, 11324
Republic of Mauritius

Date: 28 February 2022

IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port-Louis, 11324, Mauritius

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AFFINITY HOLDINGS PVT. LTD

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Affinity Holdings Pvt. Ltd

Report on the audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of the Affinity Holdings Pvt. Ltd, on pages 7 to 25 which comprise the statement of financial position as at March 31, 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements on pages 7 to 25 give a true and fair view of the financial position of the Company as at March 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by exemption from consolidation in the Mauritian Companies Act 2001 for companies holding a Global Business Licence and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the commentary of directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of Affinity Holdings Pvt. Ltd

Responsibilities of Directors and Those Charged with Governance for the Financial Statements (continued)

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of directors' 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 financial statements, including the disclosures, and whether the 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.

AFFINITY HOLDINGS PVT. LTD

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of Affinity Holdings Pvt. Ltd

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditor and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other matter

This report is made solely to the member of the Company, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & Co

Chartered Accountants

Port Louis,
Republic of Mauritius.

Zaaki Permessur, FCCA
Licensed by FRC

Date: February 28, 2022

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021

	Notes	2021 USD	Restated 2020 USD	2019 USD
ASSETS				
Non-current assets				
Investment in subsidiary companies	5	279,348,646	279,348,646	279,348,646
Financial asset at amortised cost	6	1,100,000	1,100,000	1,100,000
		<u>280,448,646</u>	<u>280,448,646</u>	<u>280,448,646</u>
Current assets				
Financial assets at amortised cost	6	2,234,834	2,483,487	1,904,848
Other receivables	7	2,260	2,432	-
Cash and cash equivalents	8	240	3,716	322,784
		<u>2,237,334</u>	<u>2,489,635</u>	<u>2,227,632</u>
Total assets		<u><u>282,685,980</u></u>	<u><u>282,938,281</u></u>	<u><u>282,676,278</u></u>
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	9	219,325,675	219,325,675	1,000
Retained earnings		16,485,094	16,976,119	16,965,049
Total equity		<u><u>235,810,769</u></u>	<u><u>236,301,794</u></u>	<u><u>16,966,049</u></u>
Non-current liabilities				
Redeemable preference shares	10	-	-	219,324,675
Borrowings	11	42,937,528	42,929,369	42,929,369
		<u>42,937,528</u>	<u>42,929,369</u>	<u>262,254,044</u>
Current liabilities				
Other payables	12	3,034,296	2,531,219	2,353,518
Current tax liability	13	64,722	337,234	264,002
Borrowings	11	838,665	838,665	838,665
		<u>3,937,683</u>	<u>3,707,118</u>	<u>3,456,185</u>
Total equity and liabilities		<u><u>282,685,980</u></u>	<u><u>282,938,281</u></u>	<u><u>282,676,278</u></u>

The financial statements have been approved by the board of directors on 28 February 2022
and signed on its behalf by:



Savinilorna Payandi - Pillay Ramen
Director



Neernaysingh Madhour
Director

The notes on pages 11 to 25 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
YEAR ENDED MARCH 31, 2021**

	Note	2021	2020
		USD	USD
REVENUE			
Interest income		38,500	39,557
Other income		107,493	152,083
Dividend income		-	13,290,000
		145,993	13,481,640
EXPENSES			
Other expenses		515,229	-
Audit fees		10,120	10,781
Administration fees		5,550	2,650
Director fees		3,000	3,639
Licence		2,664	230
Bank charges		1,778	826
Accounting fees		1,700	1,700
Tax filing fees		1,638	925
Penalty fees		970	4,290
Disbursement		250	-
		542,899	25,041
(Loss)/profit before interest expense		(396,906)	13,456,599
Interest expense		(19,250)	(19,777)
(Loss)/profit before taxation		(416,156)	13,436,822
Taxation	13	(74,869)	(525,752)
(Loss)/profit for the year		(491,025)	12,911,070
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		(491,025)	12,911,070

The notes on pages 11 to 25 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

	Notes	Stated capital USD	Retained earnings USD	Total USD
At April 1, 2020		219,325,675	16,976,119	236,301,794
Total comprehensive income for the year:				
- Loss for the year		-	(491,025)	(491,025)
At March 31, 2021		<u>219,325,675</u>	<u>16,485,094</u>	<u>235,810,769</u>
At April 1, 2019				
- As previously reported		1,000	16,965,049	16,966,049
- Prior year adjustments	16	<u>219,324,675</u>	-	<u>219,324,675</u>
As restated		219,325,675	16,965,049	236,290,724
Total comprehensive income for the year:				
- Profit for the year		-	12,911,070	12,911,070
- Dividends	14	<u>-</u>	<u>(12,900,000)</u>	<u>(12,900,000)</u>
At March 31, 2020		<u>219,325,675</u>	<u>16,976,119</u>	<u>236,301,794</u>

The notes on pages 11 to 25 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
	USD	USD
Cash flows from operating activities		
(Loss)/profit before taxation	(416,156)	13,436,822
<i>Adjustments for:</i>		
Dividend income	-	(13,290,000)
Expenses paid on behalf of the Company	(71,866)	(122,518)
Interest income	(38,500)	(39,557)
Interest expense	19,250	19,777
	<u>(507,272)</u>	<u>4,524</u>
<i>Changes in working capital:</i>		
Financial assets at amortised cost	287,152	(149,082)
Prepayment	172	(2,432)
Other payables	483,827	157,924
Cash generated from operating activities	<u>263,879</u>	<u>10,934</u>
Tax paid	(275,514)	(330,002)
Net cash used in operating activities	<u>(11,635)</u>	<u>(319,068)</u>
Cash flows from investing activity		
Dividend received	-	12,900,000
Net cash flows generated from investing activity	<u>-</u>	<u>12,900,000</u>
Cash flows from financing activities		
Proceed from borrowings	8,159	-
Dividend paid to shareholder	-	(12,900,000)
Net cash generated from/(used in) financing activities	<u>8,159</u>	<u>(12,900,000)</u>
Net movement in cash and cash equivalents	<u>(3,476)</u>	<u>(319,068)</u>
Cash and cash equivalents at beginning of the year	<u>3,716</u>	<u>322,784</u>
Cash and cash equivalents at end of the year	<u><u>240</u></u>	<u><u>3,716</u></u>

The notes on pages 11 to 25 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. GENERAL INFORMATION

Affinity Holdings Pvt. Ltd (the "Company") was incorporated on January 24, 2008 as a private company limited by shares in the Republic of Mauritius. It holds a Global Business Licence. The Company's principal activity is to engage in investment holding activities.

The address of the Company's registered office is c/o IQ EQ Corporate Services (Mauritius) Ltd, Les Cascades Building, 33, Edith Cavell Street, Port Louis, 11324, Republic of Mauritius.

The financial statements will be submitted for consideration and approval at the forthcoming annual meeting of the shareholder of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Company in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as modified by the exemption from consolidation in the Mauritius Companies Act for companies holding a Global Business Licence and comply with the Mauritius Companies Act 2001. Therefore, the financial statements are separate financial statements of the Company only and do not include figures of the subsidiary companies of Aster DM Healthcare FZC and Dr. Moopens Healthcare Management Services W.LL as at March 31, 2021 and 2020. The financial statements are prepared under the historical cost convention. Where necessary, comparative figures have been amended to conform with change in presentation in the current year.

Going concern

During the year ended March 31, 2021, the Company's loss for the year was USD 491,025 (2020: profit of USD 12,911,070). As at that date, the Company's current liabilities exceeded its current assets by USD 1,700,349 (2020: USD 1,217,483) and it had retained earnings of USD 16,485,0954 (2020: USD 16,976,119). However, the total assets of the Company exceeded its total liabilities by USD 235,810,769 (2020: USD 236,301,794). The Company meets its day-to-day working capital requirements through loans received from related parties. At the end of the reporting date, the loans received from related parties amounted to USD 43,776,193 (2020: USD 43,768,034).

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The directors are confident that with the increase in capital, expansion plan for future years, and based on the new marketing plans, the Company is likely to be profitable in the foreseeable future.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(a) Basis of preparation (continued)*****Amendments to published Standards effective in the reporting period***

Definition of a Business (Amendments to IFRS 3) clarifies the definition of a business to help determine whether a transaction should be accounted for as a business combination or an asset acquisition and permits, in certain circumstances, a simplified assessment that an acquired set of activities and assets is not a business. The amendments have no impact on the Company's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8) clarifies the definition of material and aligns the definitions used across IFRSs and other IASB publications. The amendments have no impact on the Company's financial statements.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) provides relief from certain hedge accounting requirements in order to avoid unnecessary discontinuation of existing hedge relationships during the period before the replacement of an existing interest rate benchmark with an alternative interest rate. The amendments have no impact on the Company's financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards relate to minor amendments to various standards to reflect the revised Conceptual Framework for Financial Reporting. The amendments have no impact on the Company's financial statements.

Covid-19-Related Rent Concessions (Amendment to IFRS 16) provides an option to apply a simplified accounting treatment to some lease modifications in the accounts of the lessee. The amendment has no impact on the Company's financial statements.

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) extends the temporary exemption to accounting periods beginning before January 1, 2023. The amendments have no impact on the Company's financial statements.

New standards, amendments and interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2021 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 17 Insurance Contracts

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Annual Improvements 2018-2020

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(a) Basis of preparation (continued)***New standards, amendments and interpretations issued but not yet effective (continued)*

Reference to the Conceptual Framework (Amendments to IFRS 3)

Amendments to IFRS 17

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

Where relevant, the Company is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

(b) Foreign currencies*(i) Functional and presentation currency*

Items included in the financial statements are measured using United States Dollar ("USD"), the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in USD, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(c) Revenue recognition

Revenue earned by the Company is recognised on the following basis:

- Dividend income - when shareholder's right to receive payment has been established.
- Interest income - on a time- proportion basis using the effective interest method.

(d) Investment in subsidiary companies

Investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of the individual investment.

The Company does not present consolidated financial statements, as it is a wholly owned subsidiary of Aster DM Healthcare Limited, a company incorporated in India. Consequently, the Company took advantage of the exemption from consolidation as modified by the Mauritian Companies Act 2001 for companies holding a Global Business Licence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(e) Financial assets**

The Company classifies its financial assets into the categories discussed below, depending on the purpose for which the asset was acquired.

Amortised cost

These types of financial assets are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for loans to related parties and receivables are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve months expected credit loss along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise loan receivable and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents are short term, highly liquid investment that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

(f) Financial liabilities

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or amortised cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value.

The Company's financial liabilities include other payables and borrowings.

Subsequent measurement

Subsequent to initial recognition, the Company classifies financial liabilities at 'amortised cost'.

(g) Derecognition

A financial instrument or a portion of a financial instrument will be derecognised and a gain or loss recognised when the Company's contractual rights expire, financial assets are transferred or financial liabilities are extinguished. On derecognition of a financial asset or liability, the difference between the consideration and the carrying amount on the settlement date is included in finance charges or fair value movements for the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Derecognition (continued)**

Financial assets

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (i) The Company has transferred substantially all the risks and rewards of the asset; or
 - (ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

(h) Stated capitalOrdinary share capital

Ordinary shares are classified as equity.

Redeemable preference shares

Redeemable preference shares are classified as equity if they are non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions from equity.

(i) Expenses recognition

Expenses are accounted for in the statement of profit or loss and other comprehensive income on the accrual basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(j) Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

(k) Current and deferred income tax**Current tax**

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

(l) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(m) Related parties

Related parties are individuals and companies where the individual or the company has the ability directly or indirectly to control the other party or exercise significant influence over the other party in making financial and operating decisions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

3. FINANCIAL RISK MANAGEMENT**3.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks, including:

- concentration risk;
- liquidity risk;
- currency risk;
- credit risk;
- interest rate risk; and
- Covid -19 risk.

(a) Concentration risk

The Company's investment is concentrated in Middle East. The Company is, therefore, exposed to economic, political and social risks inherent to that region.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year USD	More than 1 year USD
<u>At March 31, 2021</u>		
Borrowings	838,665	42,937,528
Other payables	3,034,296	-
	<u>3,872,961</u>	<u>42,937,528</u>
<u>At March 31, 2020</u>		
Borrowings	838,665	42,929,369
Other payables	2,353,518	-
	<u>3,192,183</u>	<u>42,929,369</u>

(c) Currency risk

The Company has its subsidiary companies incorporated in United Arab Emirates ("UAE") and Qatar and the shares are denominated in UAE Dirham and Qatari Riyals respectively. However, the Company is unlikely to be exposed to currency risk with respect to investment in subsidiary company as it is maintained at cost (adjusted for any impairment), unless there are material changes in the exchange rate vis-à-vis the USD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(c) Currency risk (continued)***Currency profile*

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets		Financial liabilities	
	2021	2020	2021	2020
	USD	USD	USD	USD
United States Dollar ("USD")	3,335,074	3,587,203	46,810,489	46,121,552

Investment in subsidiary companies amounting to USD 279,348,646 (2020: USD 279,348,646), prepayments amounting to USD 2,260 (2020: USD 2,432) and tax liability USD 64,721 (2020: USD 337,234) have been excluded from financial assets and financial liabilities respectively.

(d) Credit risk

Credit risk arises when a failure by counterparty to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date.

The Company's credit risk arises principally from cash and cash equivalents. The Company's policy is to maintain cash balances and short term deposits with a reputable banking institution and to monitor the placement of cash and deposit balances on an ongoing basis.

The Company's credit risk also arises from financial asset at amortised cost. The board does not see any risk in failing to recover those amounts since they are from related parties.

(e) Interest rate risk

The majority of the Company's financial assets and liabilities are fixed interest bearing and hence, the Company is not exposed to the risk of fluctuating interest rates. As a result, the Company is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

(f) Covid-19 risk

The Board of directors acknowledge the current outbreak of Coronavirus (Covid-19) and its potentially adverse economic impact on the country and markets in which the Company operates. The directors will pay close attention to the development of the Covid-19 outbreak and evaluate its impact on the financial position and operating results of the Company.

The Board of directors will continue to remain alert to the situation and monitor the performance of the Company. In the event that the financial markets and/or the overall economy are impacted for an extended period, the performance of the Company may be materially adversely affected.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**3.2 Capital risk management**

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to the shareholder.

The Company is financed by equity, redeemable preference shares and borrowings.

The debt-to-equity ratios at March 31, 2021 and 2020 were as follows:

	2021	2020
	USD	USD
Total borrowings	43,776,193	43,768,034
Less: cash and cash equivalents	(240)	(3,716)
	43,775,953	43,764,318
Total equity	235,810,770	16,966,049
Debt-to-equity ratio	0.186:1	0.185:1

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of investment in subsidiary companies

The Company follows the guidance of IAS 36 on determining when an investment is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

In considering the value in use, the directors have taken into consideration the audited financial statements, management accounts and expected future results of the subsidiaries. The actual results could however, differ from these estimates.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**Critical accounting estimates and assumptions (continued)**Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rated. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each year.

Measurement of the expected credit loss ("ECL") allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of debtor segment and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

When using the simplified approach for measurement of expected credit loss for loans receivable, the application of a provision matrix requires significant assumptions and judgements, such as:

- Determining the appropriate groupings of receivables into categories of shared credit risk;
- Determining the period over which historical loss rates are obtained to develop estimates of expected future loss rates;
- Determining the historical loss rates;
- Considering macro-economic factors and adjust historical loss rates to reflect relevant future economic conditions; and
- Calculating the expected credit losses.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

5. INVESTMENT IN SUBSIDIARY COMPANIES

	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
<u>Unquoted:</u>		
At April 01 and at March 31,	<u>279,348,646</u>	<u>279,348,646</u>

(i) Details of the investment in subsidiary companies are as follows:

Name of company	Country of incorporation	Class of shares	% holding		Carrying amount	
			2021	2020	2021	2020
					USD	USD
Aster DM Healthcare FZC	UAE	Equity shares	99.98%	99.98%	<u>278,890,375</u>	<u>278,890,375</u>
Dr Moopens Healthcare Management Services W.L.L	Qatar	Equity shares	99.00%	99.00%	<u>458,271</u>	<u>458,271</u>

(ii) The investment in Aster DM Healthcare FZC is denominated in UAE Dirham while investment in Dr Moopens Healthcare Management Services W.L.L is denominated in Qatari Riyals.

(iii) The directors are of the opinion that the costs of the investments approximate their fair value and that there is no indication for impairment in the above investments for the year ended March 31, 2021.

(iv) Aster DM Healthcare FZC entered into an agreement with the Axis Bank Limited for a term loan facility of USD 295,000,000 on March 17, 2017. As a result, the Company entered into another Share Pledge Agreement with the Abu Dhabi Commercial Bank PJSC on July 27, 2017 and has pledged 522,337 shares (each of par value AED 1,000) in Aster DM Healthcare FZC.

(v) During the year ended March 31, 2019, Affinity Holdings Pvt. Ltd entered into a Trust Deed dated May 27, 2018, among Alfa Investments Limited ("Trustee Co"), Affinity Holdings Pvt. Ltd ("Beneficiary") and Mr Zuhdi Mohammad Ahmad Mohammad Sarhan ("shareholder") whereby the Trustee Co is 100% legally held by the shareholder.

6. FINANCIAL ASSETS AT AMORTISED COST

	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Loan receivable from related party	1,100,000	1,100,000
Amount receivable from related party	2,120,441	2,407,593
Interest receivable from related party	114,393	75,894
	<u>3,334,834</u>	<u>3,583,487</u>
 Analysed as follows:		
	<u>2021</u>	<u>2020</u>
	<u>USD</u>	<u>USD</u>
Non-current	1,100,000	1,100,000
Current	2,234,834	2,483,487
	<u>3,334,834</u>	<u>3,583,487</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

6. FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

- (i) The loan has been granted in 2 tranches of USD 550,000 each for a period of 24 months respectively, automatically extended for similar period. It bears interest at 3.5% per annum, is unsecured and is denominated in USD.
- (ii) The amount receivable from related party is interest free, unsecured, repayable on demand and denominated in USD.
- (iii) The directors have concluded that it would require undue costs and effort to determine the credit risk of these balances on their respective dates of initial recognition. These balances are also assessed to have credit risk other than loss. Accordingly the Company recognises lifetime ECL until they are derecognised. The identified impairment loss was immaterial.

7. OTHER RECEIVABLES

	2021	2020
	USD	USD
Prepayments	2,260	2,432

8. CASH AND CASH EQUIVALENTS

	2021	2020
	USD	USD
Cash at bank	240	3,716

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

9. STATED CAPITAL

	2021	Restated 2020	2019
	USD	USD	USD
<i>Issued and fully paid</i>			
1,000 Ordinary shares of USD 1 each	1,000	1,000	1,000
219,324,675 Redeemable Preference shares of USD 1 each	219,324,675	219,324,675	-
	219,325,675	219,325,675	1,000

The ordinary shares have been issued at USD 1 each.

10. REDEEMABLE PREFERENCE SHARES

	2021	Restated 2020	2019
	USD	USD	USD
At start and end of year	-	-	219,324,675

The redeemable preference shares have been issued at USD 1 each.

11. BORROWINGS

	2021	2020
	USD	USD
Loans from related parties		
At March 31,	43,776,193	43,768,034
Analysed as follows:		
Non-current	42,937,528	42,929,369
Current	838,665	838,665
	43,776,193	43,768,034

- (a) Loans from related parties amounting to USD 42,937,528 (2020: USD 42,929,369) are interest free, unsecured and repayable after 24 months as from date of disbursement with automatic extensions and a loan of USD 838,665 (2020: USD 838,665) received from subsidiary company bears interest at the rate of 3.5% per annum.
- (b) The loans are denominated in USD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

12. OTHER PAYABLES

	2021	2020
	USD	USD
Amount payable to related party	2,961,528	2,468,299
Interest payable	57,064	37,814
Accruals	15,704	25,106
	3,034,296	2,531,219

- (i) The carrying amounts of other payables approximate their fair values.
(ii) Other payables are denominated in USD.

13. TAXATION

Following the Finance Act 2018, all companies categorised as Category 1 Global Business Licence will be now licensed as Global Business Licence. Effective from January 2019, deemed Foreign Tax Credit regime available to GBC 1 companies will be abolished. Instead, the FSC may issue a Global Business Licence (“GBL”) if the company satisfies certain conditions. The Company will be deemed to hold a GBL as from July 01, 2021 under section 96A(1)(b) of the FSA.

As from July 01, 2021, the Company will not be allowed to compute its foreign tax according to a presumed amount of 80% of the Mauritian tax of the relevant foreign sourced income. Furthermore, transactions with GBL corporations and non-residents will not necessarily be considered to be foreign sourced income. Effective as from January 01, 2019, the Company may apply a partial exemption on some of its income including but not limited to foreign dividend income and interest income: the partial exemption is computed at 80% of the relevant foreign sourced income. The partial exemption is not mandatory: the Company may apply the credit system if it so wishes.

(a) Statement of financial position

	2021	2020
	USD	USD
At start of the year	337,234	264,002
Current tax charge for the year	3,002	403,234
Paid during the year	(275,514)	(330,002)
As at March 31,	64,722	337,234

(b) Statement of profit or loss

	2021	2020
	USD	USD
Current tax on the adjusted result for the year	3,002	403,234
Other taxation	71,867	122,518
	74,869	525,752

The tax on the Company's result before taxation differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	2021	2020
	USD	USD
Profit before taxation	(416,155)	13,436,822
Tax calculated at 15% (2020: 15%)	(62,423)	2,015,523
Expenses not deductible for tax purpose	77,430	644
Deemed tax credit	(12,005)	(1,612,933)
Other taxation	71,867	122,518
Tax charge	74,869	525,752

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**14. DIVIDENDS PER SHARE**

	2021	2020
	USD	USD
Amount recognised as distribution to equity holder	-	12,900,000

15. RELATED PARTY TRANSACTIONS

During the years ended March 31, 2021 and 2020, the Company traded with related entities. The nature, volume of transactions and the balances with the entities are as follows:

Name of companies	Nature of relationship	Nature of transactions	Volume of transactions USD	2021 USD	2020 USD
Aster DM Healthcare FZC	Subsidiary company	(i) Other payable	(22,000)	2,323,781	2,345,781
		(ii) Interest payable	19,250	57,064	37,814
		(iii) Loan payable	8,159	43,776,193	43,768,034
		(iv) Dividend receivable	(390,000)	-	390,000
Alfa Investments Limited	Entreprise with common shareholders	Amount receivable	-	1,865,510	1,865,510
Dr Moopen Healthcare Management Services WLL	Subsidiary company	(i) Loan receivable	-	1,100,000	1,100,000
		(ii) Expenses paid on behalf of the Company	515,229	637,747	122,518
		(iii) Consultancy income	102,848	254,931	152,083
		(iv) Interest receivable	38,499	114,393	75,894

Terms and conditions of transactions with related parties

- (i) There have been no guarantees provided or received for any outstanding balances.
- (ii) The terms of the amount due from and payable to related parties are disclosed in their respective notes.
- (iii) The transactions with the related parties have been made on normal commercial terms and in the ordinary course of business.
- (iv) For the years ended March 31, 2021 and 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of each related party and the market in which the related party operates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**16. PRIOR YEAR ADJUSTMENTS**

The Company previously accounted for the redeemable preference shares as liability. The redeemable preference shares should have been treated as contributed capital. The financial statements for the year ended March 31, 2020 have been restated to correct this error. The effect of the restatement of those financial statements is summarised below:

	<u>Effect 2020</u> <u>USD</u>
Effect on profit & loss	<u>-</u>
Effect on statement of financial position	
Increase in equity	219,324,675
Decrease in borrowings	<u>(219,324,675)</u>

17. HOLDING COMPANY

The directors consider Aster DM Healthcare Limited, a company incorporated in India as the holding company.

18. EVENTS AFTER THE REPORTING DATE

There have been no material events after the reporting period which would require disclosure or adjustment to the financial statements for the year ended March 31, 2021.