SUBMISSION FORM

Financial Services Commission
Mauritius

Online Data Capture System

Date: 27-Sep-18

1. Licensee Name: Affinity Holdings Pvt. Ltd

2. **Licence No, FSC Code & Activity**

Licence No.	FSC Code	Activity
C108005205	FS-4.1	Investment Holding

3. **Reporting Entity Relationship with Licensee**

   Management Company: SGG Corporate Services (Mauritius) Ltd

4. Period: 01-Apr-17 To 31-Mar-18

5. Number of pages attached: 22 Pages *(excluding this page)*

6. Declaration

   I, the undersigned, hereby declare that the documents attached to this Submission Sheet are true copies of the originals and I agree to submit originals to the Financial Services Commission upon request.

   Signature: ....

   Responsible Officer: Kamalam Pillay Rungapadiachy

   Position: Authorised signatory

   Contact No.: 213 9921

   Email Address: Kamalam.Rungapadiachy@sgggroup.com

AFFINITY HOLDINGS PVT. LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED

MARCH 31, 2018

AFFINITY HOLDINGS PVT. LTD

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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	-
	Sahjahan Ally Nauthoo	November 15, 2014	May 11, 2018

ADMINISTRATOR AND SECRETARY	: SGG Corporate Services (Mauritius) Ltd Les Cascades Building Edith Cavell Street Port Louis Republic of Mauritius
REGISTERED OFFICE	: C/o SGG Corporate Services (Mauritius) Ltd Les Cascades Building Edith Cavell Street Port Louis Republic of Mauritius
AUDITOR	: BDO & Co 10, Frère Félix de Valois Street Port Louis Republic of Mauritius
BANK	: Barclays Bank (Mauritius) Limited 3rd Floor, Barclays House 68-68A Cybercity Ebene Republic of Mauritius

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, 2018.

PRINCIPAL ACTIVITY

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

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 (2017: USD Nil).

STATUS

The Company was incorporated in the Republic of Mauritius on January 24, 2008 under the Companies Act 2001 and holds a Category 1 Global Business Licence.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL

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 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.

AFFINITY HOLDINGS PVT. LTD

SECRETARY'S CERTIFICATE FOR THE YEAR ENDED MARCH 31, 2018

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **Affinity Holdings Pvt. Ltd** under the Companies Act 2001 during the year ended March 31, 2018.

For and on behalf of
SGG Corporate Services (Mauritius) Ltd
Secretary

Date: 28 SEP 2018

SGG Corporate Services (Mauritius) Ltd
33, Edith Cavell Street, Port Louis, 11324, Mauritius

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BRN C07004928

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10, Frère Félix de Valois Street
Port Louis, Mauritius
P.O. Box 799

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Affinity Holdings Pvt. Ltd

This report is made solely to the member of Affinity Holdings Pvt. Ltd (the "Company"), as a body, in accordance with Section 205 of the 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.

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of the Company, on pages 7 to 20 which comprise the statement of financial position as at March 31, 2018, 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 financial statements on pages 7 to 20 give a true and fair view of the financial position of the Company as at March 31, 2018, 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 Companies Act 2001 for companies holding a Category 1 Global Business Licence and comply with the 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' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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.

BDO & Co, a firm of Chartered Accountants in Mauritius, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

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

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 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.

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 judgment 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.

AFFINITY HOLDINGS PVT. LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of Affinity Holdings Pvt. Ltd

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

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.

BDO & Co
Chartered Accountants

Zaaki Permessur, FCCA
Licensed by FRC

Port Louis,
Republic of Mauritius.

28 SEP 2018

AFFINITY HOLDINGS PVT. LTD

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018

	Notes	2018	2017
		USD	USD
ASSETS			
Non-current asset			
Investment in subsidiary company	5	278,890,375	278,890,375
Current assets			
Other receivables	7	3,000	63,000
Cash and cash equivalents	8	609,101	67,961
		612,101	130,961
Total assets		279,502,476	279,021,336
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	9	1,000	1,000
Retained earnings		17,234,406	17,252,820
Total equity		17,235,406	17,253,820
Non-current liabilities			
Redeemable preference shares	10	225,604,675	234,589,675
Borrowings	11	16,483,502	20,165,867
		242,088,177	254,755,542
Current liabilities			
Borrowings	11	20,165,867	7,000,000
Other payables	12	13,026	11,974
		20,178,893	7,011,974
Total equity and liabilities		279,502,476	279,021,336

The financial statements have been approved by the Board of Directors on 28 SEP 2018
and signed on its behalf by:

SPayRamen
Savinilorna Payandi-Pillay-Ramen
Director

Neernaysingh Madhour
Director

The notes on pages 11 to 20 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, 2018

	Note	2018	2017
		USD	USD
EXPENSES			
Audit fees		**5,290**	3,000
Professional fees		**4,300**	2,488
Licence fees		**2,060**	2,060
Bank charges		**1,850**	2,893
Accounting fees		**1,700**	1,700
Secretarial fees		**1,500**	1,500
Administration fees		**1,200**	-
Disbursements		**250**	250
		18,150	13,891
Loss before interest expense		**(18,150)**	(13,891)
Interest expense		**(264)**	(155,738)
Loss before taxation		**(18,414)**	(169,629)
Taxation	13	-	-
Loss for the year		**(18,414)**	(169,629)
Other comprehensive income		-	-
Total comprehensive income for the year		**(18,414)**	(169,629)

The notes on pages 11 to 20 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, 2018

	Stated capital	Retained earnings	Total
	USD	USD	USD
At April 1, 2017	1,000	17,252,820	17,253,820
Total comprehensive income for the year:			
- Loss for the year	-	(18,414)	(18,414)
At March 31, 2018	**1,000**	**17,234,406**	**17,235,406**
At April 1, 2016	1,000	17,422,449	17,423,449
Total comprehensive income for the year:			
- Loss for the year	-	(169,629)	(169,629)
At March 31, 2017	**1,000**	**17,252,820**	**17,253,820**

The notes on pages 11 to 20 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, 2018

	2018	2017
	USD	USD
Cash flows from operating activities		
Loss before taxation	(18,414)	(169,629)
Adjustment for:		
Interest expense	264	155,738
Operating loss before changes in working capital	(18,150)	(13,891)
Change in working capital:		
Other payables	788	(705)
Cash used in operating activities	(17,362)	(14,596)
Interest paid	-	(500,000)
Net cash used in operating activities	(17,362)	(514,596)
Cash flows from financing activities		
Issue of redeemable preference shares	-	7,000,000
Redemption of redeemable preference shares	(8,985,000)	(31,339,000)
Proceeds from borrowings	16,543,502	44,842,700
Repayment of borrowings	(7,000,000)	(20,000,000)
Net cash generated from financing activities	558,502	503,700
Net movement in cash and cash equivalents	541,140	(10,896)
Cash and cash equivalents at beginning of the year	67,961	78,857
Cash and cash equivalents at end of the year	609,101	67,961

Non-cash transactions:

(i) Duirng the year ended March 31, 2018, amount receivable from the subsidiary company amounting to USD 60,000 has been offset against against loan payable to the latter company.

(ii) During the year ended March 31, 2017, dividend receivable from the subsidiary company amounting to USD 18,354,284 had been offset against loan payable to the latter company.

The notes on pages 11 to 20 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

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 Category 1 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 SGG Corporate Services (Mauritius) Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, 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 Companies Act for companies holding a Category 1 Global Business Licence and comply with the Companies Act 2001. The financial statements are prepared under the historical cost convention, except for relevant financial assets and liabilities which are stated at fair value. Therefore, the financial statements do not include figures of the subsidiary company, Aster DM Healthcare FZC as at March 31, 2018 and 2017. 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, 2018, the Company's loss for the year was USD 18,414 (2017: loss of USD 169,629). As at that date, the Company had retained earnings of USD 17,234,406 (2017: USD 17,252,820) and the total assets of the Company exceeded its total liabilities by USD 17,235,406 (2017: USD 17,253,820). However, 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 36,649,369 (2017: USD 27,165,867).

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

Amendments to published Standards effective in the reporting period

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12). The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. The amendment has no impact on the Company's financial statements.

Disclosure Initiative (Amendments to IAS 7). The amendments require the entity to explain changes in its liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes such as acquisitions, disposals, accretion of interest and unrealised exchange differences. The amendment has no impact on the Company's financial statements.

Annual Improvements to IFRSs 2014-2016 Cycle

IFRS 12 Disclosure of Interests in Other Entities. The amendments clarify that entities are not exempt from all of the disclosure requirements in IFRS 12 when entities have been classified as held for sale or as discontinued operations. The amendment has no impact on the Company's financial statements.

Standards, Amendments to published Standards 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, 2018 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:

IFRS 9 Financial Instruments
IFRS 15 Revenue from Contracts with Customers
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
IFRS 16 Leases
Clarifications to IFRS 15 Revenue from Contracts with Customers
Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)
Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)
Annual Improvements to IFRSs 2014-2016 Cycle
IFRIC 22 Foreign Currency Transactions and Advance Consideration
Transfers of Investment Property (Amendments to IAS 40)
IFRS 17 Insurance Contracts
IFRIC 23 Uncertainty over Income Tax Treatments
Prepayment Features with negative compensation (Amendments to IFRS 9)
Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
Annual Improvements to IFRSs 2015-2017 Cycle
Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 company

Investment in subsidiary company is 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 provided by the Companies Act 2001 for companies holding a Category 1 Global Business Licence. Therefore, this is a separate financial statements and do not include figures of the subsidiary company.

(e) Financial instruments

The Company's accounting policies in respect of the main financial instruments are set out below:-

(i) Cash and cash equivalents

Cash comprises of cash in hand and cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of change in value.

(ii) Other receivables

Other receivables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

(iii) Other payables

Other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (continued)

(iv) Borrowings

Borrowings are recognised at fair value being their issue proceeds net of transaction costs incurred and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of reporting period.

(f) Stated capital

Ordinary share capital

Ordinary shares are classified as equity.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions from equity.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividends payment are not discretionary. Dividends thereon are recognised as interest expense in profit or loss.

(g) Expenses recognition

Expenses are accounted for in profit or loss on the accrual basis.

(h) 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.

(i) Current and deferred income tax

Current tax

The current income tax charge is based on taxable income for the year calculated or 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Current and deferred income tax (continued)

Deferred tax (continued)
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.

(j) 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).

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; and
• currency risk.

(a) Concentration risk

The Company's investment is concentrated in the Middle East region. 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.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Liquidity risk (continued)

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

	Less than 1 year	More than one year
	USD	USD
At March 31, 2018		
Borrowings	**20,165,867**	**16,483,502**
Other payables	**13,026**	**-**
	20,178,893	**16,483,502**
At March 31, 2017		
Borrowings	7,000,000	20,165,867
Other payables	11,974	-
	7,011,974	20,165,867

(c) Currency risk

The Company has its subsidiary company incorporated in United Arab Emirates ('UAE') and the shares are denominated in UAE Dirham. 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.

Currency profile

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

	Financial assets		Financial liabilities	
	2018	2017	**2018**	2017
	USD	USD	**USD**	USD
United States Dollar ("USD")	**612,101**	130,961	**262,267,070**	261,767,516

Investment in subsidiary company amounting to USD 278,890,375 (2017: USD 278,890,375) has been excluded from financial assets.

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 shareholders.

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

The debt-to-equity ratios at March 31, 2018 and 2017 were as follows:	**2018**	2017
	USD	USD
Total borrowings (including redeemable preference shares)	**262,254,044**	261,755,542
Less: cash and cash equivalents	**(609,101)**	(67,961)
	261,644,943	261,687,581
Total equity	**17,235,406**	17,253,820
Debt-to-equity ratio	**15.18:1**	15.17:1

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 company

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.

5. INVESTMENT IN SUBSIDIARY COMPANY

	2018	2017
	USD	USD
Unquoted:		
At April 1, and March 31,	**278,890,375**	278,890,375

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

Name of company	Country of incorporation	Class of shares	% holding 2018	% holding 2017	Carrying amount 2018 USD	Carrying amount 2017 USD
Aster DM Healthcare FZC	UAE	Equity shares	**99.98%**	99.98%	**278,890,375**	278,890,375

(ii) The investment is wholly denominated in UAE Dirham.

(iii) The directors are of the opinion that the cost of the investment approximates its carrying value and that there is no indication for impairment in the above investment for the year ended March 31, 2018.

(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.

6. DIVIDEND RECEIVABLE

	2017
	USD
At April 1,	18,354,284
Offset against borrowings	(18,354,284)
At March 31,	-

7. OTHER RECEIVABLES

	2018	2017
	USD	USD
Amount receivable from related party	**3,000**	3,000
Interest receivable from related party (Note (a))	-	60,000
	3,000	63,000

(a) This represented interest on the deposits on investment made by Aster DM Healthcare FZC. The interest had been calculated at the rate of 0.14% per annum on the advances against equity amounting to USD 21,350,375 as at March 31, 2010 and 2011. No interest had been charged for the years ended March 31, 2012, 2013, 2014, 2015, 2016 and 2017.

8. CASH AND CASH EQUIVALENTS

	2018	2017
	USD	USD
Cash at bank	**609,101**	67,961

9. STATED CAPITAL

	2018 & 2017	
	Number of	USD
Issued and fully paid		
At April 1 and March 31,	**1,000**	1,000

The ordinary shares have been issued at USD 1 each.

10. REDEEMABLE PREFERENCE SHARES

	2018	2017
	USD	USD
At April 1,	234,589,675	258,928,675
Issue of shares	-	7,000,000
Redemption of shares	(8,985,000)	(31,339,000)
At March 31,	225,604,675	234,589,675

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

11. BORROWINGS

	2018	2017
	USD	USD
Loans from related parties (Note (a))	36,649,369	27,165,867
At March 31,	36,649,369	27,165,867
Analysed as follows:		
Non-current	16,483,502	20,165,867
Current	20,165,867	7,000,000
	36,649,369	27,165,867

(a) Loans from related parties amounting to USD 36,099,369 are interest free, unsecured and repayable after 24 months as from date of disbursement and a loan of USD 550,000 received from the subsidiary company bears interest at the rate of 3.5% per annum.

(b) The loans are denominated in USD.

12. OTHER PAYABLES

	2018	2017
	USD	USD
Accruals	12,762	11,974
Interest payable	264	-
	13,026	11,974

13. TAXATION

The Company is a Category 1 Global Business company and its results, as adjusted for tax purposes, is subject to tax at 15%. It is however, entitled to a tax credit equivalent to the higher of the foreign taxes paid and 80% of the Mauritius tax on its foreign source income, hence reducing it to an effective tax rate of 3%.

	2018	2017
	USD	USD
Current tax on the adjusted loss for the year	-	-

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

	2018	2017
	USD	USD
Loss before taxation	(18,414)	(169,629)
Tax calculated at 15% (2017: 15%)	(2,762)	(25,444)
Deferred tax asset not recognised	2,762	25,444
Tax charge	-	-

13. TAXATION (CONTINUED)

(ii) As at March 31, 2018, the Company had tax losses of USD 544,587 (2017: USD 526,173) in respect of which no deferred tax asset has been recognised due to unpredictability of future profit streams.

(iii) The tax losses available for set off against future profits are analysed as follows:

Financial year	Expiry year	2018	2017
		USD	USD
2016	2021	**356,544**	356,544
2017	2022	**169,629**	169,629
2018	2023	**18,414**	-
		544,587	526,173

14. RELATED PARTY TRANSACTIONS

During the years ended March 31, 2018 and 2017, 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	2018	2017
			USD	USD	USD
Aster DM Healthcare FZC	Subsidiary company	(a) Interest on deposit on investment	(60,000)	-	60,000
		(b) Loan payable	16,483,502	**36,649,369**	20,165,867
Union Investments Pvt Limited	Ultimate holding company	Expenses paid on behalf of the company	-	**3,000**	3,000
Aster DM Healthcare Limited	Holding company	Shareholder's loan	(7,000,000)	-	7,000,000

15. HOLDING COMPANY

The directors consider Aster DM Healthcare Limited, a company incorporated in India and listed on the National Stock Exchange of India as the holding company.

16. 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, 2018.