B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Manipal Hospitals Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Manipal Hospitals Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material 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 report of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter - Accounting for Business Combinations and Valuation of Net Assets acquired	
See Note 2.3 (a) and Note 37 to consolidated financial statements	
The Key audit matter	**How the matter was addressed in our audit**
On 3 October 2025, the Holding Company acquired controlling stake in Sahyadri Hospitals Private Limited ("SHPL") for a	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

purchase consideration of INR 5,778.10 crores. The Group has accounted for this acquisition as a business combination as per Ind AS 103 with effect from 3 October 2025. It has recognised identifiable assets (including intangible assets) acquired and liabilities assumed at fair values by carrying out Purchase Price Allocation (PPA) as of the acquisition date along with recognising resultant Goodwill on acquisition. The Company has involved external Valuation expert for determination of fair value of identifiable assets and liabilities assumed. Fair valuation measurement involves judgement towards use of key assumptions and the valuation methodology adopted and determination of discount rate. Due to the complexity in accounting the business acquisition, the level of judgement involved in fair value measurement and significance of the acquisition made, this is considered to be a key audit matter.	• Evaluating the relevant agreements pertaining to the acquisition to understand the key terms and conditions of the acquisition. • Assessing the accounting policy of business combinations by comparing with the applicable accounting standards. • Evaluating the design, implementation and operating effectiveness of the internal controls relating to accounting for business combinations and related disclosures in the consolidated financial statements. • Assessing the competence, capabilities and objectivity of the experts engaged by the Company. • Involving valuation specialists in the audit work over appropriateness of the methodology and reasonableness of the key assumptions used by the Company in determining the fair value of identified assets and liabilities assumed. • Verifying the presentation and disclosures in the consolidated financial statements in compliance with the applicable accounting standards.

Key audit matter - Impairment testing of goodwill for west cluster	
See Note 2.3 (a), Note 2.3 (e) and Note 4.2 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group has goodwill of Rs. 4,721.54 crores allocated to west cluster as at 31 March 2026. The goodwill has been accounted for in current year following the acquisition of Sahyadri Hospitals Private Limited ("SHPL"). The Group tests goodwill for impairment annually at the level of Cash Generating Unit (CGU) to which such goodwill is allocated. We identified the annual impairment assessment of goodwill as a key audit matter because the accounting process is complex and judgmental by nature and is based on the assumptions: • projected future cash flows; • expected growth rate;	In view of the significance of the matter, following audit procedures were applied, amongst others to obtain sufficient and appropriate audit evidence: • Assessing the appropriateness of accounting policy for goodwill impairment as per the relevant accounting standards. • Assessing the design, implementation and operating effectiveness of the Company's controls over impairment testing of carrying value of goodwill. • Engaging valuation specialists for testing the reasonableness of the valuation by evaluating the assumptions and methodologies used by the Group, in particular for weighted average cost of capital, terminal growth rate, etc. • Evaluating the assumptions used for key inputs

• operating costs • discount rate; • sensitivity analysis; and • weighted average cost of capital. The recoverable amount of the CGU, which is the value in use has been derived from discounted forecast cash flow model.	such as sales growth, operating costs, weighted average cost of capital and terminal growth rate and verifying the overall mathematical accuracy of calculations; • Performing retrospective analysis of the accuracy of the Company's past projections by comparing historical forecast to actual results; • Testing the Group's analysis of the sensitivity of the outcome of impairment to possible changes in key assumptions like terminal growth rate, weighted average cost of capital, etc. • Assessing the adequacy and appropriateness of disclosures in the consolidated financial statements, relating to the outcome of impairment assessment, as required by the applicable accounting standards.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/entity 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 each company/entity 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/entity included in the Group are responsible for assessing the ability of each company/entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company/entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/entity included in the Group are responsible for overseeing the financial reporting process of each company/entity.

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 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Our responsibilities in this regard are further described in the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditor 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 Matter

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs.264.59 crores as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 71.48 crores and net cash flows (before consolidation adjustments) amounting to Rs. 4.49 crore for the year ended on that date, as considered in the consolidated financial statements. The financial statements has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, as noted in the "Other Matter" paragraph, 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matter" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 31 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies during the year ended 31 March 2026.

d (i) The respective management of the Holding Company and its subsidiary companies whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 46 (vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 46 (vii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary company whose financial statements have been audited under the Act, nothing has come to our or the other auditor notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies have neither declared nor paid any dividend during the year.

f. Based on our examination, which included test checks, except for the instances mentioned below, the Holding Company and the subsidiary companies have used accounting softwares for maintaining their books of account, which have a feature of audit trail (edit log), and the same has operated throughout the year for all relevant transactions recorded in the respective accounting softwares:

   - For the accounting softwares used by the Holding Company and the subsidiary companies, The feature of audit trail (edit log) facility was not enabled at the data base level to log any direct data changes in respective accounting softwares.

   Further, where the audit trail (edit log) feature was enabled and operated during the year for the respective accounting software, we did not come across any instance of the audit trail (edit log) being tampered with. Additionally, where the audit trail (edit log) feature was enabled in the previous year, the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention.

C. In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of a subsidiary company which was not audited by us, the Holding Company and the subsidiary companies have not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Prakash

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:26099696VCWTPN6708

Place: Bengaluru
Date: 22 May 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Manipal Hospitals Private Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by its auditor in his reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Manipal Hospitals Private Limited	U85110KA2003 PTC033055	Holding Company	vii (a)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Relationship
Sahyadri Hospitals Private Limited	U85110PN1996PTC099499	Subsidiary
Surya Hospitals Private Limited	U85110PN1984PTC034225	Step-down subsidiary
Sahyadri Karad Hospitals Private Limited	U85110PN2006PTC128551	Step-down subsidiary

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Manipal Hospitals Private Limited for the year ended 31 March 2026 *(Continued)*

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:26099696VCWTPN6708

Place: Bengaluru
Date: 22 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Manipal Hospitals Private Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Manipal Hospitals Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 we have obtained and the audit evidence obtained by the other auditor

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Manipal Hospitals Private Limited for the year ended 31 March 2026 *(Continued)*

of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include 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 controls 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to a subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Prakash

G Prakash

Partner

Membership No.: 099696

ICAI UDIN:26099696VCWTPN6708

Place: Bengaluru

Date: 22 May 2026

Manipal Hospitals Private Limited
CIN:U85110KA2003PTC033055
Consolidated Balance Sheet as at

(₹ in crores)

	Note	March 31, 2026	March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	2,567.07	1,534.42
Capital work-in-progress	3.2	188.20	18.29
Right-of-use assets	4.1	945.80	662.74
Goodwill	4.2	5,944.99	1,223.45
Other intangible assets	4.2	96.26	109.27
Financial assets			
Investments	5.1	179.46	53.89
Other financial assets	5.2	100.25	46.65
Deferred tax assets (net)	15	104.33	99.71
Income tax assets (net)	6	245.82	72.43
Other non-current assets	7	25.73	19.79
		10,397.91	**3,840.64**
Current assets			
Inventories	8	80.00	51.40
Financial assets			
Investments	9.1	861.72	399.11
Trade receivables	9.2	375.58	201.13
Cash and cash equivalents	9.3	95.50	79.22
Bank balances other than cash and cash equivalents	9.4	19.66	8.84
Loans	9.5	0.60	0.43
Other financial assets	9.6	95.31	15.93
Other current assets	10	28.99	15.12
		1,557.36	**771.18**
Assets held for sale	3.3	6.50	6.50
Total assets		**11,961.77**	**4,618.32**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	1,025.30	1,025.30
Other equity	12	548.18	279.43
Equity attributable to owners of the Company		**1,573.48**	**1,304.73**
Non-controlling interest	12.6	127.59	(81.55)
Total equity		**1,701.07**	**1,223.18**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13.1	7,444.73	2,165.31
Lease liabilities	13.2	844.29	611.30
Other financial liabilities	13.3	154.19	0.96
Provisions	14	34.41	16.25
Deferred tax liabilities (net)	15	61.26	-
		8,538.88	**2,793.82**
Current liabilities			
Financial liabilities			
Borrowings	16.1	378.17	75.07
Lease liabilities	13.2	27.12	19.03
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		20.01	9.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		615.45	414.04
Other financial liabilities	17	611.01	28.48
Other current liabilities	19	41.66	28.88
Current tax liabilities (net)	20	-	1.78
Provisions	18	28.40	24.25
		1,721.82	**601.32**
Total equity and liabilities		**11,961.77**	**4,618.32**
Material accounting policies	2.3		

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration number : 101248W/W - 100022

G Prakash
Partner
Membership number: 099696

Place : Bengaluru
Date : May 22, 2026

For and on behalf of the Board of Directors of
Manipal Hospitals Private Limited

H Sudarshan Ballal

Dr. H Sudarshan Ballal
Chairman

Deepak Venugopalan
Chief Executive Officer

Pratik Gupta
Chief Financial Officer

K G Vahora

Khadija G Vahora
Company Secretary
Membership number: A37266

Place : Bengaluru
Date : May 22, 2026

Manipal Hospitals Private Limited
CIN:U85110KA2003PTC033055
Consolidated Statement of Profit and Loss for the year ended

(₹ in crores)

	Note	March 31, 2026	March 31, 2025
Income			
Revenue from operations	21	4,418.81	3,289.30
Other income	22	68.80	27.89
Total income		**4,487.61**	**3,317.19**
Expenses			
Purchase of medical consumables and pharmacy items		888.48	657.34
Changes in inventories of medical consumables and pharmacy items	23	(11.31)	(5.37)
Employee benefits expense	24	562.86	412.01
Finance costs	25	571.91	265.96
Depreciation and amortisation expense	26	280.85	208.44
Other expenses	27	1,810.85	1,321.62
Total expenses		**4,103.64**	**2,860.00**
Profit before exceptional items and tax		**383.97**	**457.19**
Exceptional items	28	(44.17)	-
Profit before tax		**339.80**	**457.19**
Tax expense			
Current tax	15	63.57	116.11
Deferred tax	15	(2.74)	(98.30)
Total tax expense		**60.83**	**17.81**
Profit for the year		**278.97**	**439.38**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement loss of defined benefit plans		4.95	(3.25)
Income tax effect on above		(1.20)	0.81
Other comprehensive income/(loss) for the year (net of tax)		**3.75**	**(2.44)**
Total comprehensive income for the year		**282.72**	**436.94**
Profit for the year attributable to:		**278.97**	**439.38**
Owners of the Company		265.24	421.30
Non-controlling interests		13.73	18.08
Other comprehensive loss for the year attributable to:		**3.75**	**(2.44)**
Owners of the Company		3.51	(2.21)
Non-controlling interests		0.24	(0.23)
Total comprehensive income for the year attributable to:		**282.72**	**436.94**
Owners of the Company		268.75	419.09
Non-controlling interests		13.97	17.85
Earnings per equity share	29		
[nominal value of share ₹ 10 (March 31, 2025: ₹ 10)]			
Basic (₹)		2.59	4.11
Diluted (₹)		2.59	4.11
Material accounting policies	2.3		

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration number : 101248W/W - 100022

G Prakash
Partner
Membership number: 099696

Place : Bengaluru
Date : May 22, 2026

For and on behalf of the Board of Directors of
Manipal Hospitals Private Limited

H. Sudarshan Ballal

Dr. H. Sudarshan Ballal
Chairman

Deepak Venugopalan
Chief Executive Officer

Pratik Gupta
Chief Financial Officer

K. G. Vahora

Khadija G Vahora
Company Secretary
Membership number: A37266

Place : Bengaluru
Date : May 22, 2026

Manipal Hospitals Private Limited
CIN:U85110KA2003PTC033055
Consolidated Statement of changes in equity for the year ended March 31, 2026

(a) Equity share capital*

Equity shares of ₹. 10 each, issued, subscribed and fully paid-up

	Nos.	(₹ in crores)
Balance as at April 01, 2025	1,02,52,97,268	1,025.30
Change in equity share capital during the year	-	-
Balance as at March 31, 2026	**1,02,52,97,268**	**1,025.30**
Balance as at April 01, 2024	1,02,52,97,268	1,025.30
Change in equity share capital during the year	-	-
Balance as at March 31, 2025	**1,02,52,97,268**	**1,025.30**

* Also, refer note 11

(b) Other equity**

(₹ in crores)

	Attributable to the Owners of the Company							
	Reserves and Surplus				Other comprehensive Income	Total	Non-controlling Interest	Total other equity
	Securities premium	Debenture redemption reserve	Retained earnings	Amalgamation adjustment deficit account	Re-measurement gain/(loss) on defined benefit plan			
Balance as at April 01, 2025	**246.89**	-	95.69	(59.11)	(4.04)	279.43	(81.55)	197.88
Profit for the year	-	-	265.24	-	-	265.24	13.73	278.97
Other comprehensive income for the year (net of tax)	-	-	-	-	3.51	3.51	0.24	3.75
Total comprehensive income	**246.89**	-	**360.93**	**(59.11)**	**(0.53)**	**548.18**	**(67.58)**	**480.60**
On account of acquisition of subsidiary (refer note 37)	-	-	-	-	-	-	195.17	195.17
Other adjustments								
Transferred on account of surplus in retained earnings	-	-	(59.11)	59.11	-	-	-	-
Transferred to Debenture redemption reserve[(4)]	-	185.50	(185.50)	-	-	-	-	-
Balance as at March 31, 2026	**246.89**	**185.50**	**116.32**	-	**(0.53)**	**548.18**	**127.59**	**675.77**

	Attributable to the Owners of the Company							
	Reserves and Surplus				Other comprehensive Income	Total	Non-controlling Interest	Total other equity
	Securities premium	Debenture redemption reserve	Retained earnings	Amalgamation adjustment deficit account	Re-measurement gain/(loss) on defined benefit plan			
Balance as at April 01, 2024	**246.89**	-	(325.61)	(59.11)	(1.83)	(139.66)	(99.40)	(239.06)
Profit for the year	-	-	421.30	-	-	421.30	18.08	439.38
Other comprehensive loss for the year (net of tax)	-	-	-	-	(2.21)	(2.21)	(0.23)	(2.44)
Total comprehensive income	**246.89**	-	**95.69**	**(59.11)**	**(4.04)**	**279.43**	**(81.55)**	**197.88**
Balance as at March 31, 2025	**246.89**	-	**95.69**	**(59.11)**	**(4.04)**	**279.43**	**(81.55)**	**197.88**

** Also, refer note 12
Note : There are no changes in the accounting policies or prior period events during the current year or previous years.

B S R & Co. LLP

Manipal Hospitals Private Limited
Bengaluru

Manipal Hospitals Private Limited
CIN:U85110KA2003PTC033055
Consolidated Statement of changes in equity for the year ended March 31, 2026

Below is the nature and purpose of each reserve:

1. **Securities premium** - Securities premium is used to record the premium received on issue of shares.
2. **Re-measurement gain/(loss) on defined benefit plan** - Represents remeasurement gains / (losses) on defined benefit plans (net of tax).
3. **Retained earnings** - Retained earnings comprises of prior and current period's undistributed earnings after tax.
4. **Debenture redemption reserve** - The Companies Act requires that where a Company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The Company has issued Non-convertible debentures ("NCD") during the year. As per the provisions of the Companies Act, 2013, the Company has created debenture redemption reserve to the extent of its retained earnings available in the Holding Company. The amounts credited to the debenture redemption reserve may not be utilised by the Company except to redeem debentures.
5. **Amalgamation adjustment deficit account** - It represents excess of consideration over carrying value of net assets (including reserves) in case of common control business combination. When there is a surplus in the Statement of profit and loss, this debit can be adjusted against that surplus.

Material accounting policies (refer note 2.3)

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration number : 101248W/W - 100022

G Prakash
Partner
Membership number: 099696

Place : Bengaluru
Date : May 22, 2026

For and on behalf of the Board of Directors of
Manipal Hospitals Private Limited

Dr. H. Sudarshan Ballal
Chairman

Deepak Venugopalan
Chief Executive Officer

Pratik Gupta
Chief Financial Officer

Khadija G Vahora
Company Secretary
Membership number: A37266

Place : Bengaluru
Date : May 22, 2026

Manipal Hospitals Private Limited
CIN:U85110KA2003PTC033055
Consolidated Statement of Cash Flow for the year ended

	March 31, 2026	March 31, 2025
A. Cash flows from operating activities		
Profit before tax	339.80	457.19
Adjustments for:		
Depreciation and amortisation expense	280.85	208.44
Bad debts/ advances written off	43.34	31.81
Loss allowance on trade receivables (net)	13.11	4.87
Loss allowance on other receivables (net)	0.28	0.01
Profit on sale of investments in mutual funds (net)	(13.40)	(4.04)
Profit on sale of property, plant and equipment (net)	(0.56)	(0.42)
Gain on lease liability reversal	(0.32)	(0.23)
Fair value gain on financial instruments at FVTPL	(20.84)	(16.61)
Unrealised foreign exchange loss	1.02	-
Interest income	(30.77)	(3.94)
Liabilities no longer required written back	(1.40)	-
Finance costs	563.17	251.98
Operating profit before working capital changes	**1,174.28**	**929.06**
Movements in working capital :		
Change in trade receivables	(95.46)	(53.29)
Change in loans	0.79	(0.04)
Change in other assets	(2.08)	2.48
Change in inventories	(11.31)	(5.37)
Change in other financial assets	(4.85)	(1.54)
Change in trade payables	(87.96)	(119.19)
Change in other liabilities	(8.08)	3.91
Change in other financial liabilities	(5.81)	0.92
Change in provisions	4.29	(6.55)
Cash generated from operations	**963.81**	**750.39**
Income tax paid (net)	(204.54)	(92.58)
Net cash generated from operating activities	**759.27**	**657.81**
B. Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(300.93)	(222.82)
Proceeds from sale of property, plant and equipment	2.04	2.34
Acquisition of subsidiary (refer note 37)	(5,254.84)	-
Investment in other entities	(2.42)	(0.02)
Investment made in bank deposits (having original maturity of more than three months)	(76.02)	(14.98)
Maturity of bank deposits (having original maturity of more than three months)	190.81	2.40
Proceeds from the sale of investments in mutual funds	1,418.81	1,115.32
Purchase of investments in mutual funds	(1,837.92)	(1,429.08)
Interest received	37.05	2.79
Net cash used in investing activities	**(5,823.43)**	**(544.05)**
C. Cash flow from financing activities		
Proceeds from issue of Non-convertible debentures	5,310.00	-
Proceeds of long-term borrowings	129.29	162.69
Repayment of long-term borrowings	(77.91)	(54.86)
Interest and processing charges paid	(187.65)	(175.73)
Interest paid on loan for purchase of capital asset	(0.14)	(0.16)
Payment of lease obligations	(19.77)	(15.24)
Interest paid on lease liabilities	(80.42)	(62.24)
Repayment of Inter corporate deposit	(78.00)	(98.00)
Proceeds from Inter corporate deposit	75.00	101.00
Interest paid on Inter corporate deposit	(1.93)	(1.26)
Net cash generated from/ (used) in financing activities	**5,068.47**	**(143.80)**
Net increase/ (decrease) in cash and cash equivalents	**4.31**	**(30.04)**
Cash and cash equivalents at the beginning of the year	79.22	109.26
Cash and cash equivalents of acquired entities during the year	11.97	-
Cash and cash equivalents at the end of the year (refer note 9.3)	**95.50**	**79.22**
Components of cash and cash equivalents for the purpose of cash flow statement		
Cash on hand	3.09	2.23
Cheques, drafts on hand	0.03	-
With banks - on current accounts	92.38	46.99
- deposits with original maturity of less than three months	-	30.00
Total cash and cash equivalents	**95.50**	**79.22**

Refer Note 44 for Reconciliation of movement of liabilities to cash flows arising from financing activities.

Material accounting policies 2.3

The above Consolidated Statement of Cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration number : 101248W/W - 100022

G Prakash
Partner
Membership number: 099696

Place : Bengaluru
Date : May 22, 2026

For and on behalf of the Board of Directors of
Manipal Hospitals Private Limited

H Sudarshan Ballal

Dr. H. Sudarshan Ballal
Chairman

Deepak Venugopalan
Chief Executive Officer

Pratik Gupta
Chief Financial Officer

K G Vahora

Khadija G Vahora
Company Secretary
Membership number: A37266

Place : Bengaluru
Date : May 22, 2026

1 Corporate information

(a) The Consolidated Financial Statements comprise financial statements of Manipal Hospitals Private Limited (the Company or Parent or 'MHPL') and its subsidiary (collectively, the Group) for the year ended March 31, 2026. The Company was established in the year 2003 and commissioned its first operating hospital in the year 2005. The Company is a private limited company incorporated under the provisions of the Companies Act of India. The registered office of the Company is located at The Annexe, #98/2, Rustam Bagh Road, HAL Airport Road, Bengaluru, 560017. The Group is engaged in the business of running/managing hospitals, and providing healthcare services. The Group operates through various Hospitals/clinics providing Healthcare services in India.

(b) **Investment in subsidiary:**
The entity considered in the Consolidated Financial Statements are listed below:

Name of the Company	Country of Incorporation	Percentage of ownership interest held (directly and indirectly) and voting rights held as at	
		March 31, 2026	March 31, 2025
Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited) - Subsidiary (refer point (i)) *	India	84.07%	84.07%
Sahyadri Hospitals Private Limited ("SHPL") - Subsidiary *	India	99.86%	NA
Surya Hospitals Private Limited ("Surya Hospitals") - Subsidiary of SHPL *	India	81.03%	NA
Sahyadri Karad Hospitals Private Limited ("Karad Hospitals") - Subsidiary of SHPL *	India	94.50%	NA
Saideep Healthcare And Research Private Limited ("Saideep") - Subsidiary of SHPL *	India	54.92%	NA

* refer note 37 and 40

(i) Effective May 28, 2024, the name of the company has been changed from AMRI Hospitals Private Limited to Manipal Hospitals (East) India Private Limited

(ii) SHPL has entered into a Operation and Maintenance Agreement ("O & M Agreement") with Konkan Mitra Mandal Medical Trust ["KMMMT (Silo)"] to collaborate for operating and managing super specialty hospital constructed on the land owned by KMMMT (Silo) in Pune, Maharashtra.
As per Ind AS 110, this arrangement qualifies as a "Silo" (deemed separate entity under Ind AS 110- Consolidated Financial Statements) i.e. a ring-fenced group of assets and liabilities within an entity, which is controlled by SHPL. Accordingly, reference to Subsidiaries in this financial statement, include the Silo which has been considered for the purpose of preparation of the Consolidated Financial Statements for the year ended March 31, 2026.

2.1 Basis of preparation of the Consolidated Financial Statements

(a) Statement of compliance

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

The Consolidated Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores and decimals thereof, except when otherwise indicated.

The Consolidated Financial Statements were approved for issue by the Company's Board of Directors on May 22, 2026.

Details of the material accounting policies are included in Note 2.3

(b) Going Concern
During the year ended March 31, 2026, the Group reported a net current liability position of ₹ 164.46 crores mainly on account of interest accrued as at March 31, 2026 amounting to ₹ 264.05 crores on its 9.03% non-convertible debentures (NCDs) payable in September 2026 and consideration due in December 2026 for acquisition of 9.84% stake in Sahyadri Hospitals Private Limited ("SHPL") amounting to ₹ 574.05 crores and the Group's debt-equity ratio stood at 4.97:1. These events or conditions cast significant doubts on the Company's ability to continue as a going concern. Management has evaluated these matters, together with the Group's expected cash flows from operations, availability of existing debt investments for liquidation if required, the corporate guarantee provided by the Holding Company for the NCDs, and the unconditional support letter from the Holding Company confirming operational and financial support as necessary. Based on this assessment, management believes that the Group will be able to meet its liabilities as they fall due in the normal course of business and that preparation of the financial statements on a going concern basis remains appropriate.

(c) Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts are in Indian Rupees (₹) crores except share data and per share data, unless otherwise stated.

(d) Basis of measurement
The Consolidated Financial Statements have been prepared on accrual and going concern basis and the historical cost basis except for the following items:

Items	Measurement
Certain financial assets and liabilities (Refer note 34)	Fair value
Net defined asset / liability	Fair value of plan asset less present value of defined benefit obligation

(e) Use of estimates and judgments

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments, assumptions and estimation uncertainties
Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Judgements:-
Note 13.2 - Determining the lease term of contracts with renewal and termination options

Estimates (including assumptions):-

Note 2.3 (c), (d) and (g) - useful life of property, plant and equipment, intangible assets and right of use assets
Note 2.3(a), 2.3 (e) and 4.2.1 - Impairment assessment of goodwill
Note 6, 15, 20 and 31 - Recognition of deferred tax, provisions and other contingencies
Note 5.1, 5.2, 9.5 and 9.6 - Impairment of financials assets
Note 24, 33 - Employee benefits expense, wages and bonus; key actuarial assumptions
Note 34 - Financial instruments
Note 37 - Business combination

B S R & Co. LLP

Manipal Hospitals Private Limited
Bengaluru

(f) Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for certain financial and non-financial assets and liabilities
Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the note 34 – financial instruments.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Group as at March 31, 2026. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
(ii) Exposure, or rights, to variable returns from its involvement with the investee, and
(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee
(ii) Rights arising from other contractual arrangements
(iii) The Company's voting rights and potential voting rights
(iv) The size of the company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Financial Statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

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 31 March. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

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 recognised 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) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the parent Group. NCI are measured initially as mentioned under 2.3 (a).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:
(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary
(ii) Derecognises the carrying amount of any non-controlling interests
(iii) Derecognises the cumulative translation differences recorded in equity
(iv) Recognises the fair value of the consideration received
(v) Recognises the fair value of any investment retained
(vi) Recognises any surplus or deficit in profit or loss
(vii) Reclassifies the parent's share of components previously recognised 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.

2.3 Summary of material accounting policies

(a) Business combinations and goodwill

Other than Common control transactions

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:
Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill arising on colsolidation is not amortized however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpairned goodwill is written off fully.

B S R & Co. LLP

Manipal Hospitals Private Limited Bengaluru

Common control transactions

Common control business combinations include transactions, such as transfer of subsidiaries or business, between entities within a group. Business combinations involving entities or business under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

Financial information in the Consolidated Financial Statements in respect of prior years are restated as if the business combination had occurred from the beginning of the preceding year in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior year information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to reserves and presented separately from other reserves with disclosure of its nature and purpose in the notes.

Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

(b) Current versus non-current classification

Based on the time involved 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 for determining current and non-current classification of assets and liabilities in the Consolidated Financial Statement.

(c) Property plant and equipment

Property, plant and equipment including capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, import duties, cost of replacing part of the plant and equipment, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the asset to its location and condition necessary for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment under installation or construction as at the balance sheet date is shown as capital work-in-progress and the related advances are shown as under Non current assets.

On transition to Ind AS(i.e. April 01, 2017), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category of assets	Useful life estimated by management	Useful life as per Schedule II
Buildings	23 - 60 years	30 years
Equipment	13 years	10 - 15 years
Facility and office equipment	7 years	10 years
Electrical installation	7 years	10 years
Furniture and fixtures	7 years	10 years
Other fixtures (included in Building)	2 years	10 years
Computer equipment	3 years	3 - 6 years
Vehicles	3-7 years	6 - 10 years

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).
Second hand assets are depreciated over the estimated useful life as per technical estimates.

Leasehold land/Leasehold improvements/Leasehold Building are depreciated over the primary lease period or useful life, whichever is shorter, on a straight-line basis.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Assets having the value upto ₹10,000 is fully depreciated in the period/year of purchase.

The management has estimated, supported by technical assessment, the useful life of the category of assets, which are lower than those indicated in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

(d) Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

There are no internally generated intangible assets capitalised by the Group.

A summary of amortization policies applied to the Group's intangible assets is as below:

Category of assets	Useful life estimated by management
Computer software - application	3-5 years
Computer software - generic	1 year
Customer contract	12 years

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(e) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows till perpetuity.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses of continuing operations, including impairment of inventories, are recognised in the statement of profit and loss

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the assets in the CGU on a pro rata basis. Impairment losses relating to goodwill cannot be reversed in future years.

Intangible assets with indefinite useful lives are tested for impairment annually at each balance sheet date and as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

(f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(g) Leases

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

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.The lease payments shall include fixed payments, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group applies the short-term lease recognition exemption to short term leases of all assets that have a lock in lease term of 12 months or less, except where it anticipates renewals and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

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 Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

(h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (k) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
i) Financial assets at amortised cost (debt instruments)
ii) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
iii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
iv) Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
A 'financial asset' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables. For more information on receivables, refer to Note 9.2.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
i) The rights to receive cash flows from the asset have expired, or
ii) The Group 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 (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities
Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:
• Financial liabilities at fair value through profit or loss
• Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)
This is the category most relevant to the Group. After initial recognition, interest-bearing loans, borrowings and other financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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(i) Inventories

Inventories of pharmacy items and medical consumables are valued at lower of cost or net realizable value. The comparison of cost and net realizable value is made on an item by item basis. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for Goods and Services Tax (GST) wherever applicable, applying the first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to be incurred to make the sale. Adequate provision is made for slow moving, non-moving and expired inventory, as determined necessary.

(j) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held-for-sale are presented separately from the other assets in the balance sheet.

(k) Total income

(i) Revenue recognition

Revenue from contracts with customers is recognised as per Ind AS 115, "Revenue from contract with customers", when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, taking into consideration defined terms of payment and excluding taxes or duties collected on behalf of the government.

Disaggregation of revenue

The Group disaggregates revenue into revenue from rendering hospital services, pharmacy sales and other operating income. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Group's revenues and cash flows are affected by industry, market and other economic factors.

Operating Income

Revenue from Hospital services is recognised as and when the services are performed, unless significant future uncertainties exists, while revenue from sale of pharmacy items is recognised when the control of the goods have passed to the buyer, usually on delivery of the goods. The Group assesses the distinct performance obligations in the contract and measures at an amount that reflects the consideration it expects to receive, net of Goods and Services Tax and adjusted for discounts and concessions.

Management fee from hospital management agreement with entities is recognised as and when the services are rendered as per the terms of the agreement.

Income from occupational health centre and ambulance service are recorded as and when rendered.

Rental Income

Rental Income is recognised on an accrual basis and over the year of tenancy.

Contract balances

Trade receivables

Unbilled revenue represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (h) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

(ii) Other income

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit or loss.

Dividend income

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

(l) Foreign currencies

The Group's Consolidated Financial Statements are presented in INR, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The Group's financial statements are presented in INR, which is also the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate prevailing at the date of the transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in the statement of profit and loss.

(m) Retirement and other employee benefits

Defined contribution plan

Retirement benefit in the form of Provident Fund and Pension Fund are defined contribution schemes. The Group recognizes contribution payable to the schemes as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the fund.

Defined benefit plan- gratuity

The Group operates a defined benefit plan for its employees for gratuity. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year end using the projected unit credit method.
Remeasurements, comprising of actuarial gains and losses, 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 through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of :
- The date of the plan amendment or curtailment and
- The date that the Group recognises related restructuring costs

Interest is calculated by applying the discount rate to the defined benefit liability. The Group recognises the following changes in the defined benefit obligation as an expense in the statement of profit and loss:
(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and
(ii) Interest expense

Other long-term employee benefits - compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

The Company recognizes termination benefit as a liability and an expense when the group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

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(n) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- where deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit or loss is recognised outside the statement of profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and to the same taxation authority.

<u>Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses</u>

Expenses and assets are recognised net of the amount of GST paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(o) Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit/(loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be antidilutive

(p) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net off any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract 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 such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

(r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(s) Segment accounting policies

The Group prepares its segment information based on its reporting to Chief Operating Decision Maker (refer note 41 on segment reporting).

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(t) Corporate Social Responsibility (CSR) expenditure

CSR expenditure as per provisions of section 135 of Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, is charged to the statement of profit and loss as an expense as and when incurred.

(u) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

(v) Share capital

Equity shares
Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

(w) New and amended standards

(i) Amendments to Ind AS 21 - Lack of exchangeability
The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.
The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity cannot restate comparative information.
The amendments do not have a material impact on the Group's financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
The Ministry of Corporate Affairs notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
• What is meant by a right to defer settlement
• That a right to defer must exist at the end of the reporting period
• That classification is unaffected by the likelihood that an entity will exercise its deferral right
• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.
If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.
The amendments are effective for annual reporting periods beginning on or after April 01, 2026 retrospectively in accordance with Ind AS 8.
The amendment does not have a material impact on the Group's Financial Statements.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements
In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.
As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement.
The amendments are not expected to have a material impact on the Group's Financial Statements.

(iv) Amendments to Ind AS 12 - International Tax Reform—Pillar Two Model Rules
In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:
• A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
• Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.
The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 01, 2025, but not for any interim periods ending on or before March 31, 2026.
The amendments are not expected to have a material impact on the Group's Financial Statements.

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3.1 Property, plant and equipment

(₹ in crores)

	Land (Refer note 3.1.1)	Leasehold Land	Leasehold Improvements	Buildings	Equipment	Facility and office equipment	Furniture and fixtures	Computer equipment	Vehicles	Electrical installations	Total
Cost											
At April 1, 2024	202.08	75.44	147.42	921.69	795.67	120.13	83.60	82.99	3.99	292.17	2,725.18
Additions	-	-	7.10	21.50	100.45	-	14.17	30.81	2.45	14.81	191.29
Disposals/ adjustments	(42.34)	-	(0.07)	(2.40)	(12.17)	(7.67)	9.44	(1.61)	(0.21)	(15.97)	(73.00)
At March 31, 2025	159.74	75.44	154.45	940.79	883.95	112.46	107.21	112.19	6.23	291.01	2,843.47
Additions on account of acquisition of subsidiary (refer note 37)	201.67	-	74.97	313.16	555.93	-	34.12	-	1.02	6.48	1,187.35
Additions	-	-	0.32	28.86	188.46	-	5.50	13.45	1.90	24.89	263.38
Disposals/ adjustments	-	-	-	(0.17)	(7.34)	(6.78)	(1.60)	(3.81)	(0.76)	(1.79)	(22.25)
At March 31, 2026	361.41	75.44	229.74	1,282.64	1,621.00	105.68	145.23	121.83	8.39	320.59	4,271.95
Depreciation											
At April 1, 2024	26.98	27.57	12.17	247.31	462.46	112.17	73.52	61.80	1.36	168.63	1,193.97
Charge for the year	-	0.03	6.67	24.37	58.23	4.40	8.16	16.97	0.72	24.51	144.06
Disposals/ adjustments	-	-	(0.07)	(2.23)	(11.09)	(7.66)	(2.57)	(1.95)	(0.20)	(3.21)	(28.98)
At March 31, 2025	26.98	27.60	18.77	269.45	509.60	108.91	79.11	76.82	1.88	189.93	1,309.05
Additions on account of acquisition of subsidiary (refer note 37)	-	-	15.61	14.81	166.17	-	14.47	-	0.59	1.63	213.28
Charge for the year	-	0.03	8.20	27.47	90.24	1.60	13.59	24.61	1.05	36.53	203.32
Disposals/ adjustments	-	-	-	(0.09)	(6.52)	(6.72)	(1.60)	(3.66)	(0.40)	(1.78)	(20.77)
At March 31, 2026	26.98	27.63	42.58	311.64	759.49	103.79	105.57	97.77	3.12	226.31	1,704.88
Net book value											
At March 31, 2025	132.76	47.84	135.68	671.34	374.35	3.55	28.10	35.37	4.35	101.08	1,534.42
At March 31, 2026	334.43	47.81	187.16	971.00	861.51	1.89	39.66	24.06	5.27	94.28	2,567.07

Refer note 13.1 for details of Property, plant and equipment provided as security for borrowings.

Notes:

(3.1.1) MHEIPL signed a Deed of Transfer/Exchange with the West Bengal Housing Infrastructure Development Corporation Limited, a Government of West Bengal company wherein a parcel of freehold land was exchanged for a leasehold land and the impact of the same has been considered in the Consolidated Financial Statements.

(a) All property, plant and equipment of the Group are held in the name of the respective Group entities, except following :

Particulars of the Property	Held in the Name of	Net book value as on March 31, 2026 (₹ in crores)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Leasehold land	AMRI Hospitals Limited (Erstwhile name of MHEIPL)	29.19	No.	From FY 1995-96	These leases are held in the erstwhile name of MHEIPL and MHEIPL is in the process of updating to the current name.
Bhubaneshwar freehold land	AMRI Hospitals Limited (Erstwhile name of MHEIPL)	1.08	No.	From FY 2007-08	This land is held in the erstwhile name of MHEIPL.

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3.2 Capital Work-in-progress

	(₹ in crores)
Cost	Total
At April 1, 2024	**15.03**
Additions during the year	194.55
Transferred to Property, plant and equipment	(191.29)
At March 31, 2025	**18.29**
Additions during the year	433.29
Transferred to Property, plant and equipment	(263.38)
At March 31, 2026	**188.20**

Capital work in progress ageing schedule

As at March 31, 2026 (₹ in crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	88.53	32.00	19.05	48.62	188.20
Total	**88.53**	**32.00**	**19.05**	**48.62**	**188.20**

As at March 31, 2025 (₹ in crores)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	18.29	-	-	-	18.29
Total	**18.29**	-	-	-	**18.29**

There are no material capital work-in-progress for which the completion is overdue or has exceeded its cost compared to its original budget

* Refer note 13.1 for details of Capital Work-in-progress provided as security for borrowings.

3.3 Assets held for sale

	March 31, 2026	March 31, 2025
		(₹ in crores)
Land	6.50	6.50
	6.50	**6.50**

(3.3.1) Land held for sale pertains to vacant land situated at Meerut ₹ 6.50 crores (March 31, 2025: ₹ 6.50 crores)
(3.3.2) As of March 31, 2026, the Company is actively responding to evolving market conditions and ongoing infrastructure developments in and around Meerut. Efforts to market the land are ongoing, with the aim of achieving optimal realisation through a potential sale.

4.1 Right-of-use assets

(₹ in crores)

	Right-of-use assets					
	Leasehold land & building (refer note 3.1.1) *	Equipments	Vehicles	Computers	Electrical installations	Total
Cost						
At April 1, 2024	**712.63**	**12.93**	**0.68**	**15.76**	-	**742.00**
Additions	10.37	19.59	-	-	24.89	**54.85**
Disposals/ adjustments	36.23	-	-	-	-	**36.23**
At March 31, 2025	**759.23**	**32.52**	**0.68**	**15.76**	**24.89**	**833.08**
Additions on account of acquisition of subsidiary (refer note 37)	345.52	29.07	-	-	-	**374.59**
Additions	11.88	13.97	-	3.04	2.50	**31.39**
Disposals/ adjustments	(5.32)	(2.28)	-	(11.21)	(3.73)	**(22.54)**
At March 31, 2026	**1,111.31**	**73.28**	**0.68**	**7.59**	**23.66**	**1,216.52**
Depreciation						
At April 1, 2024	**118.43**	**10.76**	**0.68**	**7.58**	-	**137.45**
Charge for the year	28.46	1.00	-	5.56	2.22	**37.24**
Disposals/ adjustments	(4.35)	-	-	-	-	**(4.35)**
At March 31, 2025	**142.54**	**11.76**	**0.68**	**13.14**	**2.22**	**170.34**
Additions on account of acquisition of subsidiary (refer note 37)	62.35	4.65	-	-	-	**67.00**
Charge for the year	38.74	2.80	-	2.54	3.58	**47.66**
Disposals/ adjustments	(2.45)	(0.28)	-	(10.94)	(0.61)	**(14.28)**
At March 31, 2026	**241.18**	**18.93**	**0.68**	**4.74**	**5.19**	**270.72**
Net book value						
At March 31, 2025	**616.69**	**20.76**	-	**2.62**	**22.67**	**662.74**
At March 31, 2026	**870.13**	**54.35**	-	**2.85**	**18.47**	**945.80**

* Refer note 13.1 for details of assets provided as security for borrowings.

(a) All right-of-use assets of the Group are held in the name of the respective Group entities, except following :

Particulars of the Property	Held in the Name of	Net book value as on March 31, 2026 (₹ in crores)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Bhubaneshwar leasehold land	AMRI Hospitals Limited (Erstwhile name of MHEIPL)	24.38	No	From FY 2007-08	These leases are held in the erstwhile name of MHEIPL and MHEIPL is in the process of updating to the current name.

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4.2 Goodwill and Other intangible assets

(₹ in crores)

	Goodwill (Refer note 4.2.1)	Other intangible assets		
		Computer software	Customer contracts	Total
Cost				
At April 01, 2024	1,223.45	95.79	57.40	153.19
Additions	-	38.63	-	38.63
Disposals	-	(0.20)	-	(0.20)
At March 31, 2025	1,223.45	134.22	57.40	191.62
Additions on account of acquisition of subsidiary (refer note 37)	4,721.54	14.32	-	14.32
Additions	-	11.80	-	11.80
Disposals	-	-	-	-
At March 31, 2026	5,944.99	160.34	57.40	217.74
Amortisation				
At April 01, 2024	-	52.86	2.39	55.25
Charge for the year	-	22.36	4.78	27.14
Disposals	-	(0.04)	-	(0.04)
At March 31, 2025	-	75.18	7.17	82.35
Additions on account of acquisition of subsidiary (refer note 37)	-	9.26	-	9.26
Charge for the year	-	25.09	4.78	29.87
Disposals	-	-	-	-
At March 31, 2026	-	109.53	11.95	121.48
Net book value				
At March 31, 2025	1,223.45	59.04	50.23	109.27
At March 31, 2026	5,944.99	50.81	45.45	96.26

* Refer note 13.1 for details of Other intangible assets provided as security for borrowings.

4.2.1 Impairment testing of goodwill with indefinite lives

For impairment testing, goodwill acquired through business combinations with indefinite lives has been allocated to the below mentioned CGU.

(₹ in crores)

	West cluster	East cluster
At April 01, 2024	-	1,223.45
Additions	-	-
At March 31, 2025	-	1,223.45
Additions on account of acquisition of subsidiary (refer note 37)	4,721.54	-
At March 31, 2026	4,721.54	1,223.45

The Group performed its annual impairment test for year ended March 31, 2026. The Group estimates recoverable amount of CGU basis value-in-use method. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount. As at year ended March 31, 2026, the Group has not identified any indication for impairment of assets. Key assumptions upon which the Group has based its determinations of value-in-use for East cluster include :

a) Estimated cash flows based on internal budgets and industry outlook for a period of five years and a terminal growth rate thereafter.
- The estimated value-in-use of this investment is based on the future cash flows using a 5.00% (March 31, 2025: 5.00%) annual growth rate for periods subsequent to the forecast period of 5 years (March 31, 2025: 5 years). This long term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector
- Pre-tax Discount rate of 11.00% (March 31, 2025: 11.00%), which reflect current market assessment of the risks.
The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

b) Estimated cash flows based on internal budgets and industry outlook for a period of thirteen years and a terminal growth rate thereafter for West cluster consitituting mainly SHPL and its subsidiaries.
- The estimated value-in-use of this investment is based on the future cash flows using a 5.00% annual growth rate for periods subsequent to the forecast period of 13 years . This long term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector
- Pre-tax Discount rate of 14.20% which reflect current market assessment of the risks.
The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

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5 Non-current financial assets

5.1 Investments

(₹ in crores)

	No of units		Amounts	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Investments at fair value through Profit and Loss				
Investments in other companies (unquoted)				
Manipal Hospitals Synergie Private Limited ('MHSPL') (formerly known as 'Medica Synergie Private Limited') ('MHSPL') [shares of ₹ 10 each fully paid-up]	1	-	0.00*	-
O2 Renewable Energy X Private Limited				
-Equity shares of ₹ 10 each fully paid up	1,15,900	1,15,900	0.12	0.12
-Compulsory convertible debentures of ₹ 1000 each [Refer note 5.1.1]	10,424	10,424	1.04	1.04
Atria Wind Power (Basavana Bagewadi) Private Limited				
-Equity shares of ₹ 100 each fully paid up [Refer note 5.1.2]	1,26,000	1,000	2.44	0.02
The Cosmos Co-operative Bank Limited [Equity shares of ₹ 10 each fully paid-up]	10,000	-	0.10	-
Radiance MH Solar Power Private Limited [Equity shares of ₹ 10 each fully paid-up]	13,86,000	-	1.39	-
The Ahmednagar Shahar Sahakari Bank Maryadit [Equity shares of ₹ 1,000 each fully paid-up]	500	-	0.05	-
Aggregate value of unquoted investments (A)			**5.14**	**1.18**
* Represents value less than ₹ 0.01 crore				
Investments in mutual funds (quoted)#^			174.32	52.71
Aggregate book value/ market value of quoted investments (B)			**174.32**	**52.71**
Aggregate value of investments (A+B)			**179.46**	**53.89**

Refer note 13.1 for details of Investments provided as security for borrowings.
^ The Company has created a lien in favour of the debenture trustee towards mutual fund amounting to ₹ 118.06 crores as at March 31, 2026.

5.1.1 On October 23, 2023, the Company acquired 1,15,900 equity shares and 10,424 Series B compulsory convertible debentures of O2 Renewable Energy X Private Limited as captive power consumer.

5.1.2 On January 16, 2025 the Company has invested an amount of ₹ 0.02 crores in Atria Wind Power (Basavana Bagewadi) Private Limited by purchasing 1,000 equity shares as captive power consumer. Further, during the year ended March 31, 2026, the Company had invested an additional amount of ₹ 2.42 crores for 1,25,000 equity shares

Information about the group's exposure to credit and market risks, and fair value measurement, is included in Note 34 & 35

5.2 Other financial assets (Secured considered good unless otherwise stated)

(₹ in crores)

	March 31, 2026	March 31, 2025
Margin money deposit with banks (refer note 5.2.1)	4.97	13.08
Deposits with banks due to mature after twelve months from the reporting date (refer note 5.2.2)	21.05	13.89
Security deposits	74.23	19.68
	100.25	46.65

(5.2.1) Margin money deposits with a carrying amount of ₹ 4.97 crores (March 31, 2025: ₹ 13.08 crores) are provided as collateral for bank guarantee.

(5.2.2) It includes Debt Service Reserve Account maintained by the group with Banks amounting to ₹ 14.91 crores (March 31, 2025 : ₹ 13.89 crores)

6 Income tax assets (net)

(₹ in crores)

	March 31, 2026	March 31, 2025
Income tax assets (net of provision for income tax)	245.82	72.43
	245.82	72.43

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7 Other non-current assets (Unsecured considered good unless otherwise stated)

(₹ in crores)

	March 31, 2026	March 31, 2025
Capital advances		
Considered good	3.13	1.11
Considered doubtful	17.88	17.88
	21.01	18.99
Less: Provision for doubtful capital advances	(17.88)	(17.88)
Net capital advances	3.13	1.11
Prepaid expenses	3.39	0.45
Defined benefit plan assets (refer note 33)	0.31	-
Balances with government authorities	18.90	18.23
	25.73	19.79

8 Inventories (valued at lower of cost and net realizable value)

(₹ in crores)

	March 31, 2026	March 31, 2025
Pharmacy items	42.22	24.04
Medical consumables	37.78	27.36
	80.00	51.40

Refer note 13.1 for details of Inventories provided as security for borrowings.

9 Current financial assets

9.1 Investments

(₹ in crores)

	March 31, 2026	March 31, 2025
Investments at fair value through Profit and Loss		
Investments in mutual funds (quoted)*	861.72	399.11
Aggregate market value of quoted investments	**861.72**	**399.11**

*Information about the Group's exposure to credit and market risks, and fair value measurement, is included in Note 34 & 35

* Refer note 13.1 for details of Investments provided as security for borrowings.

9.2 Trade receivables (Unsecured considered good unless otherwise stated)

(₹ in crores)

	March 31, 2026	March 31, 2025
Considered good	423.35	231.52
Less: Loss allowance on trade receivables	(47.77)	(30.39)
	375.58	201.13

Refer note 13.1 for details of Trade receivables provided as security for borrowings.

(9.2.1) There are no trade receivables which have significant increase in credit risk.

(9.2.2) Ageing for trade receivables and unbilled revenue due from the due date for each of the category is as follows

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						
	Not due*	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	200.80	171.53	44.29	5.10	1.57	0.06	423.35
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**200.80**	**171.53**	**44.29**	**5.10**	**1.57**	**0.06**	**423.35**
Expected credit allowance %	**0.00%**	**12.57%**	**43.98%**	**100.00%**	**100.00%**	**100.00%**	**11.28%**

* includes unbilled revenue of ₹ 38.13 crores as considered good.

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not due*	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	129.74	78.45	20.43	2.84	0.06	-	231.52
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**129.74**	**78.45**	**20.43**	**2.84**	**0.06**	**-**	**231.52**
Expected credit allowance %	**0.11%**	**13.05%**	**83.75%**	**100.00%**	**100.00%**	**-**	**13.13%**

* includes unbilled revenue of ₹ 23.83 crores as considered good.

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9.3 Cash and cash equivalents

(₹ in crores)

	March 31, 2026	March 31, 2025
Balances with banks:		
- On current accounts	92.38	46.99
- Deposits with original maturity of less than three months	-	30.00
Cheques, drafts on hand	0.03	-
Cash on hand	3.09	2.23
Total cash and cash equivalents	**95.50**	**79.22**

9.4 Bank balances other than cash and cash equivalents

(₹ in crores)

	March 31, 2026	March 31, 2025
Deposits with banks original maturity with more than three months but less than twelve months	19.66	8.84
	19.66	**8.84**

9.5 Loans (Unsecured considered good unless otherwise stated)

(₹ in crores)

	March 31, 2026	March 31, 2025
Loans to employees	0.60	0.43
	0.60	**0.43**

9.6 Other financial assets (Unsecured considered good unless otherwise stated)

(₹ in crores)

	March 31, 2026	March 31, 2025
Margin money deposit with banks	17.10	12.22
Interest accrued on fixed deposits	3.69	1.19
Bank deposits with remaining maturity less than twelve months	68.32	-
Other receivables #		
Considered good	5.49	1.88
Considered doubtful	0.90	0.63
Less: Loss allowance on Other receivable	(0.90)	(0.63)
Net other receivables	5.49	1.88
Security deposits	0.71	0.64
	95.31	**15.93**

includes receivables from related parties (refer note 30)
* Refer note 13.1 for details of Other financial assets provided as security for borrowings

10 Other current assets (Unsecured considered good unless otherwise stated)

(₹ in crores)

	March 31, 2026	March 31, 2025
Prepaid expenses	12.59	8.02
Advances to suppliers	7.01	4.59
Balance with government authorities	3.46	2.51
Other assets	5.93	-
	28.99	**15.12**

* Refer note 13.1 for details of Other current assets provided as security for borrowings

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11 Equity Share capital

	March 31, 2026	March 31, 2025
	(₹ in crores)	
11.1 Authorised shares (Nos.)		
1,104,950,000 (March 31, 2025: 1,104,950,000) Equity shares of ₹ 10/- each	1,104.95	1,104.95
11.2 Issued, subscribed and fully paid-up shares (Nos.)		
1,025,297,268 (March 31, 2025: 1,025,297,268) Equity Shares of ₹ 10/- each	1,025.30	1,025.30
Total issued, subscribed and fully paid-up share capital	**1,025.30**	**1,025.30**

11.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	March 31, 2026		March 31, 2025	
	Nos.	(₹ in crores)	Nos.	(₹ in crores)
At the beginning of the year	1,02,52,97,268	1,025.30	1,02,52,97,268	1,025.30
Add : Issued during the year	-	-	-	-
At the end of the year	**1,02,52,97,268**	**1,025.30**	**1,02,52,97,268**	**1,025.30**

11.4 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year, the Company has not declared any dividend.

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

11.5 Shares held by holding company

	March 31, 2026		March 31, 2025	
	Nos.	(₹ in crores)	Nos.	(₹ in crores)
Manipal Health Enterprises Limited *	1,02,52,97,268	1,025.30	1,02,52,97,268	1,025.30

*Includes 10,000 (March 31, 2025: 10,000) equity shares of ₹ 10 each held by nominee on behalf of the holding company.

11.6 Details of shareholders holding more than 5% shares in the company:

	March 31, 2026		March 31, 2025	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Manipal Health Enterprises Limited	1,02,52,97,268	100.00%	1,02,52,97,268	100.00%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

11.7 Details of shareholding by the promoter of the company

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Manipal Health Enterprises Limited	1,02,52,97,268	-	1,02,52,97,268	100.00%	0.00%
	1,02,52,97,268	**-**	**1,02,52,97,268**	**100.00%**	**0.00%**

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Manipal Health Enterprises Limited	1,02,52,97,268	-	1,02,52,97,268	100.00%	0.00%
	1,02,52,97,268	**-**	**1,02,52,97,268**	**100.00%**	**0.00%**

11.8 There have been no issue of bonus shares, buy back of shares, issue of shares for consideration other than cash for the period of five years immediately preceding the balance sheet date.

11.9 As at March 31, 2026 and March 31, 2025, the Company does not have any shares reserved for issue under options and contracts or commitments for the sale of shares.

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Bengaluru

12 Other equity

(₹ in crores)

	March 31, 2026	March 31, 2025
12.1 Securities premium		
Balance at the beginning of the year	246.89	246.89
Add: Addition during the year	-	-
Balance at the end of the year	**246.89**	**246.89**
12.2 Re-measurement gain/(loss) on defined benefit plan		
Balance at the beginning of the year	(4.04)	(1.83)
OCI for the year (net of tax)	3.51	(2.21)
Balance at the end of the year	**(0.53)**	**(4.04)**
12.3 Retained earnings		
Balance at the beginning of the year	95.69	(325.61)
Add: Profit for the year	265.24	421.30
Less: Transfer from amalgamation adjustment deficit account on account of surplus in retained earnings	(59.11)	-
Less: Transferred to Debenture redemption reserve	(185.50)	-
Balance at the end of the year	**116.32**	**95.69**
12.4 Debenture redemption reserve		
Balance at the beginning of the year	-	-
Add: Addition during the year	185.50	-
Balance at the end of the year	**185.50**	-
12.5 Amalgamation adjustment deficit account		
Balance at the beginning of the year	(59.11)	(59.11)
Add: Addition during the year	-	-
Add: Transferred to retained earnings on account of surplus in retained earnings	59.11	
Balance at the end of the year	-	**(59.11)**
Total of other equity	**548.18**	**279.43**
12.6 Non-controlling interest		
Balance at the beginning of the year	(81.55)	(99.40)
On account of acquisition of subsidiary (refer note 37)	195.17	-
Add: Addition during the year	13.97	17.85
Balance at the end of the year	**127.59**	**(81.55)**

13 Non-current financial liabilities

13.1 Borrowings (secured unless other-wise stated)

(₹ in crores)

		March 31, 2026	March 31, 2025
Borrowings			
Term loan from banks (refer note 13.1.1 & 13.1.2)		2,148.83	2,088.15
Term loan from financial institutions (refer note 13.1.1 & 13.1.2)		145.94	147.24
Non-convertible debentures (refer note 13.1.3 & 13.1.4)		5,261.84	-
Inter-corporate deposits ('ICD') (unsecured) (refer note 13.1.7 and 13.1.8)		-	3.00
Loan for purchase of capital asset (refer note 13.1.5 & 13.1.6)		2.05	1.99
	(A)	**7,558.66**	**2,240.38**
Less: Current maturities - disclosed under the head 'short term borrowings'			
Term loan from banks		110.45	73.37
Term loan from financial institutions		2.95	1.30
Loan for purchase of capital asset		0.53	0.40
	(B)	**113.93**	**75.07**
Non- Current Borrowings	**(A-B)**	**7,444.73**	**2,165.31**

13.1.1 Details of Principal outstanding, rate of interest and repayment terms for term loans from banks and financial institutions

As at March 31, 2026

Particulars	Interest Rate as on March 31, 2026	Frequency	Number of structured installments	Year of Maturity	Principal Outstanding (net of transaction cost)
Secured Term loan (Bank 1)	6.87%-7.08%	Quarterly	Upto 40 Installments	September 30, 2035	467.94
Secured Term loan (Bank 2)	7.15%	Quarterly	Upto 48 Installments	August 31, 2038	583.86
Secured Term loan (Bank 3)	6.77%-7.22%	Quarterly	Upto 58 Installments	December 31, 2040	425.41
Secured Term loan (Bank 4)	6.87%-7.12%	Quarterly	Upto 40 Installments	September 30, 2035	334.06
Secured Term loan (Bank 5)	7.00%-7.25%	Quarterly	Upto 40 Installments	March 31, 2036	332.25
Secured Term loan (Bank 6)	7.82%	Monthly	Upto 118 installment	May 20, 2027	5.31
Secured Term loan (Financial instituion 1)	7.85%	Quarterly	Upto 80 Installments	December 31, 2044	145.94
Total					2,294.77

As at March 31, 2025

Particulars	Interest Rate as on March 31, 2025	Frequency	Number of structured installments	Year of Maturity	Principal Outstanding (net of transaction cost)
Secured Term loan (Bank 1)	7.94% - 8.19%	Quarterly	Upto 40 Installments	September 30, 2035	494.58
Secured Term loan (Bank 2)	7.94% - 8.25%	Quarterly	Upto 40 Installments	September 30, 2035	354.48
Secured Term loan (Bank 3)	8.15%	Quarterly	Upto 48 Installments	August 31, 2038	604.09
Secured Term loan (Bank 4)	8.00% - 8.25%	Quarterly	Upto 40 Installments	March 31, 2036	335.00
Secured Term loan (Bank 5)	7.84%	Quarterly	Upto 40 Installments	September 30, 2035	300.00
Secured Term loan (Financial instituion 1)	8.25%	Quarterly	Upto 80 Installments	December 31, 2044	147.24
Total					2,235.39

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13.1.2 The terms and conditions of all the term loans from banks and financial institutions are similar and are as follows:

During the year ended March 31, 2026, the companies in the Group entered into facility agreement with its lenders and offered consolidated security as below:-

a) first ranking pari passu Security Interest over all movable fixed assets and current assets of the Company along with Manipal Health Enterprises Limited ("MHEL"), Manipal Hospitals (East) India Private Limited ("MHEIPL"), Manipal Hospitals (Dwarka) Private Limited ("MHDPL") and Manipal Hospitals (Bengaluru) Private Limited ("MHBPL") including but not limited to movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, intangible assets (including goodwill, trademarks and patents) and all other movable properties of whatsoever nature (both present and future) (other than any debt service reserve amounts (including in the form of fixed deposits or lien marked mutual funds) or debt service reserve accounts required to be maintained or maintained with respect to the Facilities) as per the facility agreement;

b) first ranking pari passu Security Interest over specific Immovable Properties of the Company, MHEL, MHEIPL & MHDPL.

c) first ranking pari passu Security Interest, by way of hypothecation, over all leasehold improvements of all Immovable Properties and Excluded Properties.

d) exclusive Security Interest over the debt service reserve amounts (including in the form of fixed deposits or lien marked mutual funds) or debt service reserve accounts required to be maintained or maintained with respect to such Facility

e) Term loan taken by KMMMT Silo is secured by:-

(i) Exclusive charge by way of mortgage of land and buildings situated at Plot 30C, Karve Road, Erandwane, Pune - 411004.

During the year ended March 31, 2025, the companies in the Group entered into facility agreement with its lenders and offered consolidated security as below:-

a) A first ranking pari passu security interest over all movable fixed assets and current assets of the Company along with Manipal Health Enterprises Limited ("MHEL"), Manipal Hospitals (East) India Private Limited ("MHEIPL"), Manipal Hospitals (Dwarka) Private Limited ("MHDPL") and Manipal Hospitals (Bengaluru) Private Limited ("MHBPL") including but not limited to movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, intangible assets (including goodwill, trademarks and patents) and all other movable properties of whatsoever nature (both present and future) (other than any debt service reserve amounts (including in the form of fixed deposits or lien marked mutual funds) or debt service reserve accounts required to be maintained or maintained with respect to the facilities) as per the facility agreement;

b) A first ranking pari passu security interest over specific immovable properties of the Company, MHEL, MHEIPL and MHDPL

c) A first ranking pari passu security interest, by way of hypothecation, over all leasehold improvements of all immovable properties and excluded properties.

d) Exclusive security interest over the debt service reserve amounts (including in the form of fixed deposits or lien marked mutual funds) or debt service reserve accounts required to be maintained or maintained with respect to such facility)

13.1.3 Details of Principal outstanding, rate of interest and repayment terms for Non-convertible debentures

	March 31, 2026	March 31, 2025
Principal outstanding (₹ in crores)	5,261.84	-
Rate of interest	9.03%	-
Year of repayment	2027	-

13.1.4 Terms of Non-convertible debentures

MHPL has issued 531,000 denominated, senior, unsecured, rated and listed non-convertible debentures, having a face value of ₹ 100,000 each. The coupon rate for the NCDs was determined at 9.03% The NCDs are backed by corporate guarantee from MHEL. Pursuant to the Debenture Trust Deed dated September 8, 2025, MHPL has created pledge over its investment in Sahyadri Hospitals Private Limited within 120 days from date of acquisition. This condition was satisfied by the Company on January 23, 2026 vide execution of Pledge Agreement in favour of the Debenture Trustee.

13.1.5 Details of Principal outstanding, rate of interest and repayment terms for loan for purchase of capital asset

	March 31, 2026	March 31, 2025
Principal outstanding (₹ in crores)	2.05	1.99
Rate of interest	(7.35% to 8%)	(8.35% to 9.15%)
Year of repayment	2027 to 2031	2027 to 2031

13.1.6 The Company obtained vehicle under financing arrangements from Bank and secured against such vehicle.

13.1.7 Details of Principal outstanding, rate of interest and repayment terms for Inter-corporate deposits

	March 31, 2026	March 31, 2025
Principal outstanding (₹ in crores)	-	3.00
Rate of interest	-	9.00%
Year of repayment	-	2027

13.1.8 Inter-corporate deposits received from Manipal Hospitals Synergie Private Limited ('MHSPL') and the interest accrued on the same, also refer note 13.1.7 and 30

(₹ in crores)

Entities	March 31, 2026	March 31, 2025
Manipal Hospitals Synergie Private Limited - 'MHSPL'		
Principal	-	3.00
Interest accrued	-	0.81

13.2 Lease liabilities

(₹ in crores)

	March 31, 2026	March 31, 2025
Opening balance	630.33	585.48
Additions on account of acquisition of subsidiary (refer note 37)	230.34	-
Add: New leases during the year	30.98	52.32
Add: Interest accrued	88.52	72.06
Less: Interest paid	(80.42)	(62.24)
Less: Lease paid	(19.76)	(15.24)
Less: Lease termination/adjustments	(8.58)	(2.05)
	871.41	**630.33**
Non-current	844.29	611.30
Current	27.12	19.03

The Group had total cash outflows for short term leases and low value leases of March 31, 2026: ₹. 35.66 crores (March 31, 2025: ₹. 26.16 crores)

13.2.1 Notes

The Group has taken on lease certain land and building for hospital operations, hostels for staff, equipment's, office spaces and vehicles for use in the course of its business

Refer notes 2.3(g) in relation to accounting policy for leases.

Refer note 4.1 for depreciation charge for right-of-use assets by class of underlying asset and additions to right-of-use assets and the carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset.

Refer note 27.1 in relation to short term leases and leases of low-value assets accounted for applying paragraph 6 of Ind AS 116.

Refer note 35C disclosure on maturity analysis of lease payments

Refer note 44 disclosure on cash outflows for leases liabilities

13.3 Other financial liabilities

(₹ in crores)

	March 31, 2026	March 31, 2025
Interest accrued on Inter-corporate deposit	-	0.81
Security deposits received	-	0.15
Put option liability	148.58	-
Other financial liability	5.61	-
	154.19	**0.96**

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14 Provisions

	March 31, 2026	March 31, 2025
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	34.41	16.25
	34.41	16.25

15 Income Tax

The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:

(₹ in crores)

	March 31, 2026	March 31, 2025
Statement of Profit and loss:		
Current income tax:		
Current year income tax charge	66.49	119.59
Adjustment of tax relating to earlier years	(2.92)	(3.48)
	63.57	**116.11**
Deferred tax :		
Origination and reversal of temporary differences (refer note 15.1.1)	(2.74)	(98.30)
Tax expense reported in the statement of profit or loss	60.83	17.81
OCI section		
Tax on net loss on remeasurement of defined benefit plan	1.20	(0.81)
Tax credit reported in OCI	**1.20**	**(0.81)**

(15.1.1) During the year ended March 31, 2025, MHEIPL recognised Deferred Tax Assets of ₹ 95.79 crores primarily on unrecognised unabsorbed depreciation based on the probability of sufficient taxable profit in future periods against which such business loss will be set off. Further, MHEIPL has also utilised the deferred tax asset created during the year on the unabsorbed depreciation.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(₹ in crores)

	March 31, 2026	March 31, 2025
Profit before tax	339.80	457.19
Statutory income tax rate of 25.17% (March 31, 2025: 25.17%)	85.52	115.07
Tax effect of non-deductible expenses	(25.58)	2.57
Impact of statutory tax rate changes on capital gains	-	4.22
Deferred tax recognised basis resonable certainity	-	(101.39)
Tax adjustment pertaining to earlier years	(0.62)	(3.48)
Others	1.51	0.82
	60.83	**17.81**

Deferred tax

(₹ in crores)

	Recognised in balance sheet		Recognised in profit and loss and other comprehensive income	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Property plant equipment and Intangible assets: Impact of difference between tax depreciation as per Income Tax Act, 1961 over depreciation/ amortization as per Companies Act, 2013.	(311.43)	(228.97)	(2.59)	9.80
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis * #	206.79	176.69	(7.24)	(12.95)
Allowance for bad and doubtful debts	12.23	7.80	(3.34)	(1.27)
Fair valuation of investments in mutual funds	(9.66)	(4.86)	4.47	4.15
Deferred tax on short term capital loss	-	-	0.61	-
Deferred tax assets recognised on unabsorbed depreciation	140.34	139.02	(1.32)	4.31
Deferred tax assets not recognised in earlier years, recognised in current year basis reasonable certainity	-	-	-	(103.24)
Others	4.80	10.03	7.87	0.09
Deferred tax (credit)			**(1.54)**	**(99.11)**
Net deferred tax Assets	**43.07**	**99.71**		

* Includes items under 43B such as Leave encashment, gratuity, bonus.

Gratuity amount routed through Other Comprehensive Income pertaining to remeasurement of defined benefit plan.

Reflected in the balance sheet as follows:

(₹ in crores)

	March 31, 2026	March 31, 2025
Deferred tax assets	104.33	99.71
Deferred tax liabilities	(61.26)	-
Deferred tax Assets (net)	**43.07**	**99.71**

Note: Deferred tax assets/(liabilities) has been disclosed basis entity wise net deferred tax assets/(liabilities) as at year-end.

The Companies in the Group have elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

16 Current financial liabilities

16.1 Borrowings (Short term)

(₹ in crores)

	March 31, 2026	March 31, 2025
Current maturities of long-term borrowings		
Term loan from banks (refer note 13.1.1 & 13.1.2)	110.45	73.37
Term loan from financial institutions (refer note 13.1.1 & 13.1.2)	2.95	1.30
Loan for purchase of capital asset (refer note 13.1.5 & 13.1.6)	0.53	0.40
Interest accrued but not due on borrowings	0.19	-
Interest accrued but not due on non convertible debentures	264.05	-
	378.17	75.07

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16.2 Trade payables

(₹ in crores)

	March 31, 2026	March 31, 2025
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	20.01	9.79
- total outstanding dues of creditors other than micro enterprises and small enterprises	615.45	414.04
	635.46	423.83

(16.2.1) For details relating to payable to related parties refer note 30
(16.2.2) There were no disputed dues from Micro enterprises and small enterprises and other creditors.

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	15.51	4.48	0.02	-	-	20.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	473.84	123.45	4.53	6.24	7.39	615.45
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	489.35	127.93	4.55	6.24	7.39	635.46

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	9.44	0.35	-	-	-	9.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	354.56	47.78	5.16	4.24	2.30	414.04
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	364.00	48.13	5.16	4.24	2.30	423.83

17 Other financial liabilities

(₹ in crores)

	March 31, 2026	March 31, 2025
Interest accrued but not due on borrowings (refer note 17.1)	-	0.21
Interest accrued on Inter-corporate deposit	0.00*	-
Capital creditors (refer note 17.2)	59.65	23.58
Sundry deposits	0.79	0.39
Retention money	7.24	2.99
Provision for Phantom Stock Option Compensation	1.25	-
Other payables (includes payable to related party refer note 30)	3.66	1.31
Other financial liability (refer note 17.3)	538.42	-
	611.01	28.48

(17.1) The details of interest rates, repayment and other terms are disclosed under note 13.1
(17.2) As at March 31, 2026, outstanding amount of ₹ 4.16 crores (March 31, 2025: ₹. 1.62 crores) is due to micro and small enterprises. There are no interest due or outstanding on the same. There were no amounts paid to micro and small enterprises beyond the appointed date during the current and the previous years.
(17.3) Includes amount attributable towards Tranche 3 for acquisition of SHPL.
* Represents value less than ₹ 0.01 crore

18 Provisions

(₹ in crores)

	March 31, 2026	March 31, 2025
Current		
Provision for employee benefits		
Provision for gratuity (refer note 33)	0.78	-
Provision for compensated absences	27.62	24.25
	28.40	24.25

19 Other current liabilities

(₹ in crores)

	March 31, 2026	March 31, 2025
Statutory dues	27.57	17.21
Donations and other funds	1.03	-
Advance received from customer [refer note 21(b)]	12.50	10.05
Other payables	0.56	1.62
	41.66	28.88

20 Current tax liabilities (net)

(₹ in crores)

	March 31, 2026	March 31, 2025
Current tax liabilities (net of advance tax)	-	1.78
	-	1.78

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(₹ in crores)

21 Revenue from operations *	March 31, 2026	March 31, 2025
Revenue from goods and services		
Hospital services	4,336.39	3,286.64
Pharmacy sales	169.17	102.10
Less: Discounts #	(119.09)	(124.08)
Total revenue from contract with customers (a)	**4,386.47**	**3,264.66**
Other operating revenues		
Management fees from hospitals	2.94	-
Rental income	3.83	3.88
Parking charges	0.83	0.91
Occupational health centre and ambulance service	11.08	10.52
Others	13.66	9.33
Total (b)	**32.34**	**24.64**
Total (a+b)	**4,418.81**	**3,289.30**

* includes transactions with related parties (refer note 30)
\# primarily from hospital services

a) The revenue from contracts with customer at disaggregation is provided above.

b) Changes in contract liabilities- Advance received from customers

(₹ in crores)

	March 31, 2026	March 31, 2025
Balance at the beginning of the year	**10.05**	**8.33**
Less: Revenue recognised that was included in the balance at the beginning of the year (refer note 19)	(10.05)	(8.33)
Add: Increase due to advance from patients received (refer note 19)	12.50	10.05
Balance at the end of the year	**12.50**	**10.05**
Expected revenue recognition from remaining performance obligations:		
- Within one year	12.50	10.05

c) Contract balances

(₹ in crores)

	March 31, 2026	March 31, 2025
Receivables		
- Trade receivables (refer note 9.2)	375.58	201.13
Contract liabilities		
- Advance received from customer (refer note 19)	12.50	10.05

Trade receivable are non-interest bearing and are generally on a terms of 30 to 120 days.
Contract liabilities relates to the advances received from the customers to deliver the hospital service. There is no significant changes in the contract liabilities during the year.

d) Timing of revenue recognition

(₹ in crores)

	March 31, 2026	March 31, 2025
Revenue recognised over the time	3,426.00	2,670.30
Revenue recognised at a point in time	1,079.56	718.44
Less: Discounts	(119.09)	(124.08)
Total revenue from contract with customers	**4,386.47**	**3,264.66**

(₹ in crores)

22 Other income	March 31, 2026	March 31, 2025
Profit on sale of investments in mutual funds (net)	13.40	4.04
Fair value gain on financial instruments at FVTPL *	20.84	16.61
Profit on sale of property, plant and equipment (net)	0.56	0.42
Interest income on income tax refund	1.56	2.88
Liability written back	1.40	-
Others	0.27	-
Interest income:		
Interest income on financial assets at amortised cost	1.10	0.90
Interest income on bank deposits	29.67	3.04
	68.80	**27.89**

* Includes fair value loss for change in the value of put option liability for purchase of remaining shares of Saideep (refer note 13.3)

(₹ in crores)

23 Changes in inventories of medical consumables and pharmacy items	March 31, 2026	March 31, 2025
Pharmacy items		
Inventory at the beginning of the year	24.04	26.47
Inventory on account of acquisition of subsidiary (refer note 37)	12.49	-
Less: Inventory at the end of the year	(42.22)	(24.04)
	(5.69)	2.43
Other medical consumables		
Inventory at the beginning of the year	27.36	19.56
Inventory on account of acquisition of subsidiary (refer note 37)	4.80	-
Less: Inventory at the end of the year	(37.78)	(27.36)
	(5.62)	(7.80)
	(11.31)	**(5.37)**

24 Employee benefits expense *

	March 31, 2026	March 31, 2025
		(₹ in crores)
Salaries, wages and bonus	500.19	372.28
Contribution to provident and other funds (refer note 33)	32.06	25.01
Gratuity expenses (refer note 33)	8.41	5.41
Staff welfare expenses	22.20	9.31
	562.86	412.01

* includes transactions with related parties (refer note 30)

25 Finance costs

	March 31, 2026	March 31, 2025
		(₹ in crores)
Bank charges	8.74	13.98
Interest		
- on bank loan	165.01	175.50
- on defined benefit obligation (refer note 33)	1.42	1.52
- on Inter-corporate deposit	1.12	2.07
- on vehicle loan	0.14	0.16
- on leases	88.51	72.06
- on non convertible debentures	264.05	-
- on others	24.18	0.03
Loan processing fees		
- on financial liabilities measured at amortised cost	18.74	0.64
Total interest expense	563.17	251.98
Total finance costs	571.91	265.96

26 Depreciation and amortisation expense

	March 31, 2026	March 31, 2025
		(₹ in crores)
Depreciation of property, plant and equipment (refer note 3.1)	203.32	144.06
Depreciation of right of use assets (refer note 4.1)	47.66	37.24
Amortisation of intangible assets (refer note 4.2)	29.87	27.14
	280.85	208.44

27 Other expenses

	March 31, 2026	March 31, 2025
		(₹ in crores)
Doctors professional fees	1,071.87	757.70
House keeping, including consumables	70.48	62.46
Power and fuel and other utilities	70.32	54.45
Security charges	25.54	23.77
Rent (refer note 27.1)	35.66	26.16
Contractual manpower	107.49	67.97
Rates and taxes	6.02	6.50
Insurance	5.67	6.51
Repairs and maintenance		
- Buildings	3.03	2.49
- Plant and machinery	51.94	35.99
- Others **	77.42	55.52
Corporate social responsibility**	7.78	4.59
Advertising and sales promotion**	120.10	109.74
Travelling and conveyance	12.48	12.97
Directors sitting fees	0.01	-
Communication costs	6.35	4.81
Printing and stationery	13.98	11.10
Legal and professional fees**	50.25	36.54
Loss on sale of property, plant and equipment (net)	0.00*	-
Bad debts/advances written off	43.34	31.81
Loss allowance on trade receivables (net of reversals)	13.11	4.87
Loss allowance on other receivables (net of reversals)	0.28	0.01
Foreign exchange loss (net)	1.02	0.99
Miscellaneous expenses	16.71	4.67
	1,810.85	1,321.62

** includes transactions with related parties (refer note 30)

* Represents value less than ₹ 0.01 crore

27.1 Represents amounts incurred by the Group towards expenses relating to short-term leases, leases of low-value assets and ineligible GST on lease payments written off. Also refer note 2.3(g).

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28 Exceptional items

(i) The Group has incurred certain legal and professional fees towards its business expansion amounting to ₹ 27.30 crore for the year ended March 31, 2026. The Group has disclosed the same as exceptional item in the Consolidated Financial Statements.

(ii) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws.

The Group has assessed the financial implications of these changes, based on the best available information and in line with guidance provided by the Institute of Chartered Accountants of India, which has resulted in increase of provision for employee benefits by ₹ 16.68 crores. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Group has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Consolidated Statement of Profit and Loss for the year ended March 31, 2026.

The Group continues to monitor the finalisation of relevant rules and clarifications from the Government on all aspects of the labour codes and would accordingly take necessary steps for compliance thereof and also provide appropriate accounting effect on the basis of such developments, as needed.

(iii) The Group has agreed for a discretionary one-time incentive to certain employees in recognition of their contribution to the Company's growth. The incentive is subject to a clawback condition linked to continued employment, as per the terms of the agreement. The Group has recognised expense of ₹ 0.19 crores for the amortised portion of incentive cost for the year ended March 31, 2026.

29 Earnings per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in crores)

	March 31, 2026	March 31, 2025
Profit attributable to the Owners of the Company	265.24	421.30
Weighted average number of equity shares	1,02,52,97,268	1,02,52,97,268
Earnings per share - Basic and diluted - ₹	2.59	4.11

30 Related party transactions

(a) Names of related parties where control exists irrespective of whether transactions have occurred or not:

Holding Company	- Manipal Health Enterprises Limited ('MHEL') (formerly known as Manipal Health Enterprises Private Limited)

(b) Names of other related parties as per Ind AS 24:

Fellow subsidiaries	- Manipal Hospitals (Dwarka) Private Limited ('MHDPL') - Manipal Hospitals (Bengaluru) Private Limited ('MHBPL') - Healthmap Diagnostics Private Limited - Manipal Hospitals Synergie Private Limited ('MHSPL') (formerly known as Medica Synergie Private Limited) (w.e.f July 01, 2024) - Manipal Hospitals Bengal Private Limited (formerly known North Bengal Clinic Private Limited) (w.e.f July 01, 2024) - Manipal Hospitals Eastern India Private Limited (formerly known as Medica Hospitals Private Limited) (w.e.f July 01, 2024)
Other related parties (Enterprises under significant influence of ultimate holding company/holding company upto July 13, 2023) (Enterprise over which Key management personnel ("KMP") of holding company has significant influence from July 13, 2023)	- ManipalCigna Health Insurance Company Limited - Manipal Foundation - MEMG International India Private Ltd - UNext Learning Private Limited - Manipal Academy of Higher Education
Key management personnel:	- Dr. H. Sudarshan Ballal, Director - Mr. Karthik Rajagopal, Director - Mr. Sameer Agarwal, Director - Mr. Vinesh Kumar Jairath, Director (w.e.f February 12, 2026) - Mr. Mohan Kumar, Director (w.e.f February 12, 2026) - Ms. Mangala Rohith, Director (w.e.f February 12, 2026)

(c) Names of additional related parties as per Companies Act, 2013:

Chief Executive Officer	- Mr. Deepak Venugopalan (w.e.f February 12, 2026)
Chief Financial Officer	- Mr. Pratik Gupta (w.e.f February 12, 2026)
KMP: Company Secretary	- Ms. Khadija G Vahora

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Transactions with the above related parties during the year ended:

(₹ in crores)

Name of related party	Nature of transaction	March 31, 2026	March 31, 2025
Remuneration to key management personnel (KMP)	Employee Benefits	0.22	0.20
Manipal Health Enterprises Limited (formerly known as Manipal Health Enterprises Private Limited)	Hospital Services received	8.35	9.85
	Hospital Services rendered	3.75	2.28
	Purchase of medical pharmacies/consumables (net of returns)	7.62	1.80
	Sale of medical pharmacies/consumables (net of returns)	0.22	0.26
	Reimbursement of Expenses incurred on behalf of the group	438.45	368.23
	Recovery of expenses incurred on behalf of other group	11.95	3.31
	Corporate guarantee received	26.55	-
	Amount received from related party #	12.92	21.14
	Amount paid to related party #	469.57	405.63
	Purchase of asset	0.02	-
Manipal Academy of Higher Education	Hospital Services rendered	0.76	1.11
	Amount received from related party #	0.66	1.19
ManipalCigna Health Insurance Company Limited	Insurance expenses	0.00*	2.94
	Amount paid to related party #	0.11	-

Transactions with the above related parties during the year ended:

Name of related party	Nature of transaction	March 31, 2026	March 31, 2025
Manipal Hospitals (Dwarka) Private Limited	Amount paid to related party #	0.03	-
	Amount received from related party #	0.56	0.11
	Recovery of expenses incurred on behalf of the related party	0.60	0.13
	Hospital Services rendered	0.00*	-
	Sale of medical pharmacies/consumables (net of returns)	0.00*	-
	Purchase of medical pharmacies/consumables (net of returns)	0.00*	-
	Reimbursement of expenses incurred on behalf of the Group	-	0.07
MEMG International India Private Ltd	Royalty charges / back-office charges (included under legal and professional expense)	17.96	15.53
Manipal Foundation	Corporate Social Responsibility Expenditure	6.37	4.59
	Amount paid to related party #	6.37	4.59
Manipal Hospitals (Bengaluru) Private Limited	Purchase of Asset	0.03	0.15
	Purchase of medical pharmacies/consumables (net of returns)	0.00*	0.08
	Sale of medical pharmacies/consumables (net of returns)	0.07	-
	Amount paid to related party #	2.07	3.47
	Hospital Services rendered	1.10	1.37
	Hospital Services received	-	0.00*
	Reimbursement of expenses incurred on behalf of the Related party	3.51	3.64
	Recovery of expenses incurred on behalf of the related party	0.12	0.07
	Interest expense on ICD	1.12	1.17
	Inter corporate deposits (ICD) received	75.00	56.00
	Inter corporate deposits (ICD) repaid	75.00	56.00
	Repayment of interest on ICD	1.00	1.05
UNext Learning Private Limited	Hospital Services rendered	-	0.02
	Amount received from related party #	0.02	0.01
Healthmap Diagnostics Private Limited	Diagnostic services received	0.88	0.80
Manipal Hospitals Synergie Private Limited (formerly known as Medica Synergie Private Limited)	Interest expense on ICD	0.00*	0.90
	Inter corporate deposits (ICD) repaid	3.00	42.00
	Interest on ICD repayment	0.81	-
	Inter corporate deposits (ICD) received	-	45.00
Manipal Hospitals Eastern India Private Limited (formerly known as Medica Hospitals Private Limited)	Hospital services rendered	2.80	0.03
	Hospital services received	7.34	0.58
	Amount paid to related party #	0.35	0.05
	Amount received from related party #	31.67	-
	Recovery of expense incurred on behalf of related party	1.80	0.02
	Reimbursement of expenses incurred on behalf of the Related party	0.03	-
	Purchase of medical pharmacies/consumables (net of returns)	0.68	-
	Sale of medical pharmacies/consumables (net of returns)	37.46	1.37
Manipal Hospital Bengal Private Limited (formerly known North Bengal Clinic Private Limited)	Recovery of expense incurred on behalf of the related party	0.06	0.03
	Amount received from related party #	0.83	0.58
	Sale of medical pharmacies/consumables (net of returns)	1.08	0.05
	Purchase of medical pharmacies/consumables (net of returns)	0.05	-
	Hospital service rendered	0.00*	-
	Reimbursement of expenses incurred on behalf of the Company	0.00*	0.02

* Represents value less than Rs 0.01 crore

\# Amount paid to related party/amount received from related party represents amounts remitted or received towards settlement of related party transactions (as detailed in the table above).

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Balances receivable from/payable to related parties are as follows:

Name of related party	Nature of balances	March 31, 2026	March 31, 2025
Manipal Health Enterprises Limited (formerly known as Manipal Health Enterprises Private Limited)	Trade Payables	4.03	7.03
	Other payables	3.66	0.74
ManipalCigna Health Insurance Company Limited	Other receivables	-	0.00*
	Advance to Suppliers	-	0.11
Manipal Foundation	Trade Payables	-	0.07
Manipal Hospitals (Dwarka) Private Limited	Other receivables	0.05	0.01
	Other payables	-	0.03
MEMG International India Private Limited	Trade Payables	2.36	5.98
Manipal Academy of Higher Education	Other Receivables	0.15	0.18
Manipal Hospitals (Bengaluru) Private Limited	Other payables	0.01	0.00*
	Trade Payables	0.83	0.56
UNext Learning Private Limited	Other receivables	0.00*	0.02
Healthmap Diagnostics Private Limited	Trade payables	0.29	0.01
Manipal Hospitals Synergie Private Limited (formerly known as Medica Synergie Private Limited)	Inter corporate deposit - availed	-	3.00
	Interest accured on ICD	0.00*	0.81
Manipal Hospitals Eastern India Private Limited (formerly known as Medica Hospitals Private Limited)	Other receivable	3.74	0.89
Manipal Hospitals Bengal Private Limited (formerly known North Bengal Clinic Private Limited)	Trade Payables	0.00*	-
	Other receivable	0.18	-

* Represents value less than Rs 0.01 crore

Terms and conditions of transactions with related parties

The sales/purchases, income/expenses, loans from/to related parties are made on terms equivalent to those that prevail in arm's length transactions. During the current and previous years, the Group 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 the related party and the market in which the related party operates.

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31 Contingent liabilities

(₹ in crores)

	March 31, 2026	March 31, 2025
(A) Claims against the Group not acknowledged as debts		
i) Patient Compensation	7.32	17.04
ii) Income Tax Demand	3.41	-
iii) Indirect Tax Demand		
Goods and Service Tax	0.12	44.39
Finance Act, 1994	11.40	13.39
Others	18.99	-
iv) Professional tax	1.13	-
v) Others	0.98	-
(B) Guarantees#	6.15	4.70
	49.50	**79.52**

includes performance guarantees

(i) Patient Compensation
There are certain claims made against the Group in respect of patient compensation. The cases are pending with various Consumer Disputes Redressal Commissions. Based, on the legal counsel's views, the management does not expect these claims to succeed. Accordingly, no provision for liability has been recognized in the Consolidated Financial Statements.

The Group is confident that its position will be upheld for above litigations.

(ii) Income tax demand
During the year ended March 31, 2026, SHPL has received income tax notice towards disallowance of deduction of ₹ 9.73 crores claimed in ITR towards bad debts written off of ₹ 5.66 crores and excess provision written back of ₹ 4.06 crores for AY 2024-25. The said write-off and write-back were adjusted against the opening provision for doubtful debts, which had already been disallowed in earlier Assessment years. Accordingly, the management of SHPL believes that the present disallowance results in double taxation / double disallowance of the same amount.SHPL has filed appeal against the demand order.

SHPL is contesting the demands and the management of SHPL believes that its position will likely be upheld in the appellate process. No provision has been made in its financial statements for the tax demand raised. The management of SHPL believes that the ultimate outcome of this proceeding will not have a material adverse effect on the SHPL's financial position and results of operations.

(iii) Indirect Tax Demand

Goods and Service Tax

(a) The Company during the year 2016-17, while filing TRAN-1- Transitional ITC for CENVAT Credit and Value Added Tax (VAT) credit, the Company has inadvertently claimed SGST credit in TRANS-1 amounting to ₹.0.47 crores while there was no VAT credit available to be transitioned to Goods and Service Tax (GST). Upon realizing its mistake, the Company has voluntarily remitted back the same amount. Subsequently, the department issued notice for difference in credit claimed as per Tran 1 and VAT returns and has demanded interest of ₹. 0.07 crores and penalty of ₹. 0.05 crores as applicable under KGST Act. The Company has thereafter made payment of the interest in 2021. Considering the above fact, that the Company has already remitted the impugned amount even before the authorities identified along with the interest, the company believes it has a good case and the penalty imposed would be set aside.

(b) MHEIPL is contesting certain demand of Service Tax of ₹ 1.99 Cr for the period Apr'16 to Jun'17 and GST demand of ₹ 13.56 Cr for the period Jul'17 to Mar'22 plus interest and penalty in the matter pertaining to non-payment of Service Tax and GST on renting of immovable property. In terms of the share purchase agreement, any liability that may arise in respect of this matter has been indemnified by the erstwhile shareholder.

Finance Act, 1994

(a) Commissioner, Central Tax (Audit-1, Commissionerate) has issued show cause notice no.54/2020-21 CTA-1/Commr. dtd. December 30, 2020 towards non-reversal of Cenvat credit/non-payment of Service Tax payable under provisions of Rule 6 of the Cenvat Credit Rules, 2004 in respect of exempted services for the period from October 1, 2014 to June 30, 2017 for an amount of ₹. 10.10 crores including interest and penalty. The Company has remitted the tax amount of ₹ 3.55 crores under protest and filed response to the notice before the Principal Commissioner/ Commissioner of Central Tax, East Commissionerate on February 26, 2021.The authorities vide OIO No. 57/2021 dt. November 30, 2021 confirmed the aforesaid demand including interest and penalty. Aggrieved by the impugned order, the Company has filed the appeal with CESTAT on April 18, 2022.

(b) Deputy Commissioner, Circle IV, Central Tax (Audit-1, Commissionerate) has issued show cause notice no.47/2020-21 CTA-1/Dy Commr. dtd. December 18, 2020 towards non-payment of Service Tax under reverse charge on services received from Director of the Company payable under Section 68(2) of the Finance Act, 1994 for an amount of ₹. 1.30 crores (March 31, 2024: ₹. 1.30 crores) including interest and penalty. The Company has filed its response to the show cause notice before the Deputy/Assistant Commissioner of Central Tax East division -5, Bangalore East Commissionerate on January 18, 2021. The authorities vide OIO No. 199/2022 dt. March 31, 2022 confirmed the aforesaid demand including interest and penalty. Aggrieved by the impugned order, the Company has filed the appeal with Commissioner of Service Tax(Appeals) on June 16, 2022 and remitted the tax amount of ₹ 0.31 crores under protest.

Others
(a) Service tax dues of SHPL comprises two separate demands raised by service tax authority for the period October 31, 2011 to March 31, 2015 and for period April 30, 2014 to June 30, 2017. The demand for the period October 30, 2011 to March 31, 2015 amounting ₹ 0.80 crores and penalty of equal amount along with interest is on account of business support services (in the form of infrastructural support such as administrative staff, nurses, etc.) provided to visiting doctors and for the period April 30, 2014 to June 30, 2017 amounting to ₹ 0.14 crores along with interest and penalty is on account of short payment of service tax under different services.

SHPL has filed appeal against all the demand orders and the same is pending before differrent authority for hearing .For period October 30, 2011 to March 31, 2015 matter is pending before CESTAT, Mumbai and for period April 30 ,2014 to June 30, 2017 matter is pending before Asstt. Commissioner of Central Tax, GST-II.

(b) MVAT dues of SHPL amounting to ₹ 2.53 crores along with interest and penalty comprises of demand on account of disallowance of Input Tax Credit (ITC) and on account of levy of tax on medicines administered to in-house patients for the year ended March 31, 2011, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 (April to June 2017). SHPL has filed appeal against the order received for financial year March 31,2011, March 31, 2014 to March 31, 2018 (April to June 2017) for the demand towards disallowance of ITC claim.

The demand pertaining to levy of tax on medicines administered to in-house patients has been disputed and kept in abeyance as per the provisions of Section 23(8) of the MVAT Act, 2002. The hearing of appeal for the year ended March 31,2011 and March 31,2014 is pending with Maharashtra State Tax Tribunal (M.S.T.T) and for the year ended March 31, 2015 to March 31, 2018 (April to June 2017) is pending with Commissioner of Sales Tax Department.

(c) Local Body tax ('LBT') / Cess dues of SHPL comprises two separate demands raised by LBT authority for the year ended March 31, 2014 under Pune Municipal Corporation (PMC) amounting to ₹ 1.90 crores along with interest and penalty and for the year ended March 31, 2011 to March 31, 2013 under Navi Mumbai Municipal Corporation (NMMC) amounting to ₹ 0.09 crores and penalty of ₹ 0.45 crores along with interest. LBT / CESS is applicable on purchases done from suppliers located outside municipal corporation limits. The said LBT / CESS demand is wrongly worked out by LBT office on total purchase amount without deducting purchases done within corporation limit. Thus the basis considered for calculation of LBT / CESS liability by LBT office is incorrect. During the above mentioned period SHPL has already deposited LBT / CESS liability with PMC and NMMC respectively through monthly returns. Necessary explanations and documents have been provided to the LBT authorities, however there is no further progress in this matter from LBT authority. SHPL expects no any additional liability over and above the amount paid.

Based on the discussions, the Group had with the tax experts, they are of the view that the Group has good case on merits and has higher probability of winning the above cases, both under GST and Finance Act. Accordingly, it has been disclosed as a contingent liability.

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(iv) Professional tax

(i) Profession tax dues of SHPL comprise of two separate demands raised by Maharashtra State Tax authority for the period FY 2015 to FY 2018-19 in case of Nashik unit and for the period FY 2020-2021 & FY 2021-22 in case of Pune units. Demand raised for Nashik unit amounting to ₹ 0.02 crores along with interest and penalty is towards non payment of profession tax of retainer doctors while demand raised for Pune units amounting to ₹ 0.39 crores and penalty of ₹ 0.04 crores along with interest is towards non payment of profession tax of visiting /retainer doctors and short payment of employees profession tax. SHPL has filled the application of revision for Nashik unit before Joint Commissioner of Sales Tax (Administration) and for Pune units, appeal has been filed before Deputy Commissioner of Sales Tax (Appeal).

SHPL is contesting the demands and the management believes that its position will likely be upheld in the appellate process. No provision has been made in its financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(ii) Profession tax dues of Surya Hositals comprise amounting to ₹ 0.07 crores and penalty of ₹ 0.01 crores along with interest of demands raised by Maharashtra State Tax authority for the years ended March 31, 2021 and March 31, 2022 towards non payment of profession tax of visiting /retainer doctors. Surya Hospitals has filled appeal before Deputy Commissioner of Sales Tax (Appeal) against the demand for the years ended March 31, 2021 and March 31, 2022.

Surya Hospitals is contesting the demands and the management believes that its position will likely be upheld in the appellate process. No provision has been made in its financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(iii) Saideep has received orders from the Profession Tax department demanding an amount of ₹ 0.01 crores and penalty of ₹ 0.00* crores along with interest for the period from December 01, 2018 to March 31, 2019, and ₹ 0.02 crores and penalty of ₹ 0.00* crores along with interest for the period from April 01, 2019 to March 31, 2020. Saideep has filed appeals against these orders before the Deputy commissioner of Profession Tax, contesting the demands on legal and factual grounds.

Based on the advice of legal counsel and internal assessment, the management believes that the likelihood of outflow of resources embodying economic benefits is not probable at this stage, and accordingly, no provision has been recognized in its financial statements However, the total amount under dispute has been disclosed as a contingent liability in accordance with Ind AS 37.

* Represents value less than ₹ 0.01 crore

(v) Others

Surya Hospitals was a partner in M/s Surya Hospital Medical Stores, Pune ("Firm"). The other partners of the Firm had not supplied its accounts to Surya Hospitals since the financial year ended March 31, 2006. The annual accounts supplied by the Firm during an earlier financial year, relating to the financial years ended March 31, 2006 to March 31, 2009 have been rejected due to variety of reasons, including gross mismanagement of affairs of the Firm by the partners, for which separate legal action has have been instituted against the other partners of the Firm Surya Hospitals has notified termination and dissolution of the Firm to the other partners and to the Registrar of Firms.

One of the partners of the Firm has claimed its arrears of share of profits, other charges along with interest. These matters are sub-judice and under dispute. Surya Hospitals has contested the demands and the management, including its legal advisors, believe that its position will likely be upheld in the judicial process. No expense has, therefore, been accrued in its financial statements for the claim amount.

(vi) The Company along with MHEL, MHBPL, MHDPL and MHEIPL have provided security to various lenders in the form of first ranking pari passu charge over Immovable properties including lease hold improvements, Movable Fixed Assets, Intangibles assets and Current Assets (as defined in the Facility Agreements) for the term loans amounting to ₹ 4930.63 crore (March 31 2025: ₹, 4,663.53 crores) availed by the Company, MHEL, MHBPL, MHDPL, HCMCT (Silo), MHEIPL and MH Eastern.

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

32 Capital Commitments and other commitments

As at March 31, 2026, the group has a commitment towards purchase of capital asset of ₹ 212.91 crores (March 31, 2025: ₹ 139.63 crores)

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33 Employee benefit plan

(i) Defined contribution plan:
Amount recognised and included in note 24, Contribution to provident and other funds in statement of profit and loss of ₹ 32.06 crores (March 31, 2025: ₹ 25.01 crores).

(ii) Defined benefit plan:
The Group has a defined benefit gratuity plan. Under this plan, every employees who are entitled as per the Gratuity Act, gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The gratuity plan is a funded and unfunded. The Group makes contributions to funds maintained with an insurance company.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet.

(₹ in crores)

	March 31, 2026	March 31, 2025
a) Statement of profit and loss and other comprehensive income		
i) Net employee benefit expense recognized in the statement of profit or loss		
Current service cost	8.41	5.41
Past service cost disclosed under exceptional items (refer note 28)	7.12	-
Interest cost on benefit obligation	3.20	1.88
Expected return on plan assets	(1.78)	(0.36)
Net benefit expense charged to statement of profit or loss	**16.95**	**6.93**
ii) Remeasurement		
Actuarial changes arising from changes in:		
-Financial assumptions	(8.87)	1.85
-Demographic assumptions	3.38	0.14
-Experience adjustments	(0.07)	1.50
Return on plan assets excluding interest income	0.61	(0.24)
Total amount recognised in other comprehensive income	**(4.95)**	**3.25**
b) Balance Sheet		
Net liability arising from defined benefit obligation		
Non current	34.41	16.25
Current	0.78	-
Plan liability	**35.19**	**16.25**
Net asset arising from defined benefit obligation		
Non current	0.31	-
Current	-	-
Plan asset	**0.31**	**-**
c) Change in projected benefit obligations		
Defined benefit obligation at the beginning of the year	16.25	22.47
Additions on account of acquisition of subsidiary (refer note 37)	22.47	-
Fair value of plan assets at the beginning of the year	21.85	9.11
Current service cost	8.41	5.41
Past service cost	7.12	-
Interest cost	3.20	2.16
Benefits paid	(3.63)	(3.84)
Remeasurement of gain in other comprehensive income:		
Actuarial changes arising from changes in:		
-Financial assumptions	(8.87)	1.85
-Demographic assumptions	3.38	0.14
-Experience adjustments	(0.07)	1.50
Liabilities settled on account of intergroup transfer	0.21	(0.70)
Fair value of plan assets at the end of the year	(35.43)	(21.85)
Obligations at end of the year	**34.89**	**16.25**
d) Movements in the fair value of plan assets are as follows		
Fair value of plan assets at the beginning of the year	21.85	9.11
Additions on account of acquisition of subsidiary (refer note 37)	10.41	-
Interest income	1.78	0.64
Actuarial gain/(loss) on plan assets	(0.61)	0.24
Contribution paid into the plan	6.19	15.70
Benefits paid	(4.19)	(3.84)
Fair value of plan assets at the end of the year	**35.43**	**21.85**

Defined plan asset

Plan assets consist of assets held in a "long-term benefit fund" for the sole purpose of making future benefit payments when they fall due. Plan assets include qualifying insurance policies and are not quoted in the market

The Group expects to pay ₹ 7.29 crores in contributions to its defined benefit plans in 2026-27.

e) Investment details of plan assets:		
Insurer managed funds	35.33	21.75
Others	0.10	0.10
	35.43	**21.85**

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f) The principal assumptions used in determining gratuity liability for the Group's plan are shown below:

Discount rate	7.15%	6.55% to 6.70%
Increase in compensation cost	6.00%	6.00%
Retirement Age	60 years	60 years
Employee turnover		

Age (Years) March 31, 2026	Rate (p.a.) March 31, 2026	Age (Years) March 31, 2025	Rate (p.a.) March 31, 2025
21 - 30	24.63%	21 - 30	24.63%
31 - 34	10.17%	31 - 34	10.17%
35 - 44	8.34%	35 - 44	8.34%
45 - 50	2.87%	45 - 50	2.87%
51 - 54	1.63%	51 - 54	1.63%
55 - 59	3.92%	55 - 59	3.92%

Mortality rates are as per Indian Assured lives Mortality (2012-14) Ult [March 31, 2025: Indian Assured lives Mortality (2012-14) Ult].

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below:

	March 31, 2026		March 31, 2025	
	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Discount rate	(3.93%)	1.83%	(4.36%)	4.71%
Future salary growth	4.21%	(3.99%)	4.71%	(4.41%)

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

Maturity profile of defined benefit obligation:

(₹ in crores)

	March 31, 2026	March 31, 2025
Within 1 year	6.79	2.81
Between 2 and 5 years	26.00	13.86
Between 6 and 10 years	24.06	13.10
Beyond 10 years	95.76	50.23

The average duration of the defined benefit planned obligations at the end of the reporting period is 7.18 years (March 31, 2025 : 9.16 years)

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34 Fair values and hierarchy

Accounting classification and fair value of financial instruments is as follows. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:
- The fair value of the quoted mutual funds are at Level 1 of Fair value hierarchy and are measured based on Net Asset Value (NAV) in active markets at the reporting date.

- The fair value of the financial assets (other than mutual funds) and financial liabilities were based on amortised cost at the reporting date.

The following table provides the fair value measurement hierarchy of financial assets and liabilities of the Group:

Quantitative disclosures fair value measurement hierarchy valued as at March 31, 2026:

(₹ in crores)

March 31, 2026	Level 1	Level 2	Level 3	Total
Financial assets (at FVTPL)				
Investment in mutual funds (quoted) (non-current)	174.32	-	-	174.32
Investment in mutual funds (quoted) (current)	861.72	-	-	861.72
Investments in other companies (unquoted)*	-	-	5.14	5.14
	1,036.04	**-**	**5.14**	**1,041.18**
Financial liabilities (at FVTPL)				
Put option liability (non-current)	-	-	148.58	148.58
Other financial liabilities (non-current)	-	154.19	-	154.19
Other financial liabilities (current)	-	538.42	-	538.42
	-	**692.61**	**148.58**	**841.19**
Financial assets not measured at fair value				
Other financial assets (non-current)	-	100.25	-	100.25
	-	**100.25**	**-**	**100.25**
Financial liabilities not measured at fair value				
Borrowings	-	7,822.90	-	7,822.90
	-	**7,822.90**	**-**	**7,822.90**

Quantitative disclosures fair value measurement hierarchy valued as at March 31, 2025:

(₹ in crores)

March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets (at FVTPL)				
Investment in mutual funds (quoted) (non-current)	52.71	-	-	52.71
Investment in mutual funds (quoted) (current)	399.11	-	-	399.11
Investments in other companies (unquoted)*	-	-	1.18	1.18
	451.82	**-**	**1.18**	**453.00**
Financial assets not measured at fair value				
Other financial assets (non-current)	-	46.65	-	46.65
	-	**46.65**	**-**	**46.65**
Financial liabilities not measured at fair value				
Borrowings	-	2,240.38	-	2,240.38
	-	**2,240.38**	**-**	**2,240.38**

* The impact of the sensitivity analysis is not material for the company's operations.

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring level 3 fair values as well as the significant unobservable inputs used.

Particulars	Fair value as at March 31, 2026	Significant unobservable inputs	Fair value as at March 31, 2026	
			Increase by 0.50%	Decrease by 0.50%
Put option liability	-	Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA")	149.28	145.42

Sensitivity:
An increase of 0.50% in EBITDA increases Put option liability by ₹ 0.70 crore, whereas a decrease of 0.50% in EBITDA results in a reduction of the Put option liability by ₹ 3.17 crore.

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Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

As at March 31, 2026

(₹ in crores)

	Note	Carrying value		
		FVTPL	**Amortised Cost**	**Total**
Financial assets:				
Investments in other companies (unquoted)	5.1	5.14	-	5.14
Investment in mutual funds (quoted) (non-current)	5.1	174.32	-	174.32
Other Financial assets (non-current)	5.2	-	100.25	100.25
Investment in mutual funds (quoted) (current)	9.1	861.72	-	861.72
Trade receivables	9.2	-	375.58	375.58
Cash and cash equivalents	9.3	-	95.50	95.50
Bank balances other than cash and cash equivalents	9.4	-	19.66	19.66
Loans (current)	9.5	-	0.60	0.60
Other financial assets (current)	9.6	-	95.31	95.31
		1,041.18	**686.90**	**1,728.08**

	Note	Carrying value		
		FVTPL	**Amortised Cost**	**Total**
Financial liabilities:				
Borrowings (non-current and current)	13.1, 16.1	-	7,822.90	7,822.90
Lease liabilities (non-current and current)	13.2	-	871.41	871.41
Other financial liabilities (non-current)	13.3	154.19	-	154.19
Trade payables	16.2	-	635.46	635.46
Other financial liabilities (current)	13.3, 17	538.42	72.59	611.01
		692.61	**9,402.36**	**10,094.97**

As at March 31, 2025

(₹ in crores)

	Note	Carrying value		
		FVTPL	**Amortised Cost**	**Total**
Financial assets:				
Investments in other companies (unquoted)	5.1	1.18	-	1.18
Investment in mutual funds (quoted) (non-current)	5.1	52.71	-	52.71
Other Financial assets (non-current)	5.2	-	46.65	46.65
Investment in mutual funds (quoted) (current)	9.1	399.11	-	399.11
Trade receivables	9.2	-	201.13	201.13
Cash and cash equivalents	9.3	-	79.22	79.22
Bank balances other than cash and cash equivalents	9.4	-	8.84	8.84
Loans (current)	9.5	-	0.43	0.43
Other financial assets (current)	9.6	-	15.93	15.93
		453.00	**352.20**	**805.20**
Financial liabilities:				
Borrowings (includes current maturities of long-term borrowings)	13.1, 16.1	-	2,240.38	2,240.38
Lease liabilities (non-current and current)	13.2	-	630.33	630.33
Trade payables	16.2	-	423.83	423.83
Other financial liabilities (Non-current and current)	13.3, 17	-	29.44	29.44
		-	**3,323.98**	**3,323.98**

The Group does not have any financial instruments which are measured at FVTOCI

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2026 and March 31, 2025.

The Group considers that the carrying amounts of current financial assets and current financial liabilities recognised in the Consolidated Financial Information at amortized cost will reasonably approximate their fair values. The fair value of non-current financial assets and liabilities (Loans, other financial assets, borrowings and lease liabilities) has been measured based on the present value of expected payments, discounted using a risk-adjusted discount rate.

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35 Financial risk management

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, investments, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risk and works towards minimizing the potential adverse effects, if any, on its financial performance.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, payables, investments and bank deposits. The sensitivity analyses in the following sections relate to the position as at March 31, 2026 and March 31, 2025. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2026 and March 31, 2025.

(i) 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 in form of Term loans. The Company monitors the movement in interest rates on an ongoing basis.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments are as follows:

(₹ in crores)

Fixed rate instruments	March 31, 2026	March 31, 2025
Financial asset		
Margin money deposits with banks	22.07	25.30
Deposits with banks original maturity with more than three months but less than twelve months	19.66	8.84
Deposits with banks due to mature after twelve months from the reporting date	21.05	13.89
Deposits with original maturity of less than three months	-	30.00
Deposits with remaining maturity less than twelve months	68.32	-
Financial liability		
Borrowings (non-current)	5,261.84	-

(₹ in crores)

Variable rate instruments	March 31, 2026	March 31, 2025
Financial asset		
Investments in mutual funds (quoted)	1,036.04	451.82
Financial liability		
Borrowings (non-current)	2,296.82	2,240.38

Sensitivity analysis for variable rate instruments

Based on the closing balance of variable instruments, an increase/ decrease in interest rate by 1%, with all other variables remaining constant would result in increase/ decrease in profit or loss and equity by ₹ 12.61 crores (year ended March 31, 2025: ₹ 17.89 crores).

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Company monitors foreign exchange rates on an ongoing basis.

Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars	March 31, 2026			
	USD (million)	(₹ in crores)	EUR (million)	(₹ in crores)
Capital creditors	1.32	12.08	0.00*	0.00*
Import trade payable	1.08	9.82	-	-

Particulars	March 31, 2025			
	USD (million)	(₹ in crores)	EUR (million)	(₹ in crores)
Capital creditors	0.03	0.30	0.70	5.70

Foreign currency risk sensitivity

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments. The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant:

Depreciation of INR against USD and EURO by 1% results in decrease in profit before tax by ₹ 0.22 crores (March 31, 2025: 0.01 crores) and appreciation of INR against USD and EURO by 1% results in increase by such amount.

* Represents value less than ₹ 0.01 crore or EUR 0.01 million

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B. Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its trade receivables, cash and cash equivalents and financial assets.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the management of the Group.

(i) Trade receivables:

The Group's exposure to credit risk is influenced mainly by the characteristics of each customer. Credit risk is controlled by analyzing credit limits and creditworthiness of payors/customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Loss rates are based on actual credit loss experience over the past few years.

Refer note 9.2.2 for information about the exposure to credit risk and ECLs for trade receivables.

The movement in the allowance for impairment in respect of trade receivables during the year is as follows:

(₹ in crores)

	March 31, 2026	March 31, 2025
Opening balance	30.39	25.52
Additions on account of acquisition of subsidiary (refer note 37)	4.30	-
Loss allowance on trade receivables (net of reversals)	13.08	4.87
Closing balance	**47.77**	**30.39**

There is no significant concentration of credit risk and no single customer accounted for more than 10% of the revenue as of March 31, 2026 and March 31,2025.

(ii) Other receivables:

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from other receivables amounting to ₹ 5.49 crores (March 31, 2025: ₹ 1.88 crores). The movement in allowance for impairment in respect of other receivables during the year was as follows:

	March 31, 2026	March 31, 2025
Opening balance	0.63	0.62
Loss allowance on other receivables (net)	0.27	0.01
Closing balance	**0.90**	**0.63**

(iii) Financial instruments and deposits:

Credit risk on cash and cash equivalents is limited as the Group generally transacts with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments of surplus funds, temporarily, are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process.

C. 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. Also, the Group has unutilized credit limits with banks.

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

(₹ in crores)

	March 31, 2026		
	Less than 1 year	More than 1 year	Total
Borrowings (includes current maturities of long-term borrowings)	752.55	8,848.43	9,600.98
Lease liabilities (non-current and current)	113.48	2,508.04	2,621.52
Trade payables	635.46	-	635.46
Other financial liabilities (non-current and current)	611.01	154.19	765.20

	March 31, 2025		
	Less than 1 year	More than 1 year	Total
Borrowings (includes current maturities of long-term borrowings)	253.17	3,297.61	3,550.78
Lease liabilities (non-current and current)	82.77	2,054.76	2,137.53
Trade payables	423.83	-	423.83
Other financial liabilities (non-current and current)	28.48	0.96	29.44

36A Capital management

The primary objective of Group's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments, in light of the changes in economic conditions or business requirements.

The Group monitors capital using a gearing ratio which is net debt divided by total equity plus net debt as shown below.
- Net debt includes borrowings, lease liabilities (non-current and current) less cash and cash equivalents and
- Total equity comprises of issued share capital and all other equity components attributable to equity share holder.

(₹ in crores)

	March 31, 2026	March 31, 2025
Borrowings (note 13.1 & 16.1)	7,822.90	2,240.38
Lease liabilities (note 13.2)	871.41	630.33
Less: Cash and cash equivalents (note 9.3)	(95.50)	(79.22)
Less: Investment in mutual funds (quoted) (refer note 5.1 & 9.1)	(1,036.04)	(451.82)
Net debt (A) (including lease liabilities) #	**7,562.77**	**2,339.67**
Total equity attributable to the equity shareholders of the Group (note 11 and note 12)	1,573.48	1,304.73
Total capital (B)	**1,573.48**	**1,304.73**
Capital and net debt (C = A+B)	**9,136.25**	**3,644.40**
Gearing ratio (D = A / C)	**83%**	**64%**

Investments in mutual funds are adjusted as the Group may use these investments for strategic purposes including payment of debt

36B During the year ended March 31, 2023, the Income Tax department conducted a search under section 132 of the Income Tax Act, 1961 at the registered office of the Company and one hospital location. During the course of the search proceedings, certain information and documents were sought by the department. On March 29, 2024, Company has received the assessment order comprising demand u/s 156 of the Income Tax Act, 1961 for the Assessment Year (AY) 2019-20 amounting to Rs. 1.68 crore (including interest) & for AY 2022-23 amounting to Rs. NIL towards disallowance of certain expenses. On March 3, 2025, the Company has received assessment order with respect of above mentioned matter, comprising demand u/s 156 of the Income Tax Act, 1961 for AY 2020-21 amounting to Rs. 0.39 crore(including interest), for AY 2021-22 amounting to Rs. NIL and for AY 2023-24 amounting to Rs. 0.67 crore (including interest) towards disallowance of certain expenses.

In October, 2025, the Company has received assessment order comprising demand u/s 156 of the Income Tax Act, 1961 for AY 2024-25 amounting to Rs.0.84 crore (including interest). The Company has filed appeal with CIT (A).

In May, 2026 the Company had received favourable CIT(A) order u/s 250 for AY 2019-20, AY 2020-21, AY 2021-22, AY 2022-23, AY 2023-24 and AY 2024-25.

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37 Business combination

Sahyadri Hospitals Private Limited ('SHPL')

On October 03, 2025, The Company acquired 78.71% shareholding and voting shares of SHPL engaged in the business of running/managing hospitals, and providing healthcare services for an equity value consideration of ₹ 4,596.55 crore.

Further, in the month of October 2025 and December 2025, the Company acquired an additional 1.43% shareholding from minority shareholder of SHPL, at a total consideration of ₹ 83.86 crores and 9.84% under Tranche 2 on December 01, 2025 for consideration of ₹ 574.44 crores and has commitment to acquire 3,271,960 shares (9.84%) under Tranche 3 by December 01, 2026, subject to fulfilment of necessary conditions as defined under the Share Purchase Agreement.

Further, The Company has a commitment to purchase 12,094 equity shares of SHPL aggregating to 0.04% of the total issued and paid up share capital of SHPL, at a total consideration of ₹ 2.12 crores.

Accordingly, effective such date SHPL is a subsidiary of the Company having 89.98% voting interest and economic interest (including commitment to purchase subsequent tranche) of 99.86% has been included in the Consolidated Financial Statements for the year ended March 31, 2026.

The purchase price has been allocated based on management's estimates and independent appraisal of fair values as at October 03, 2025:

(₹ in crores)

Component	Purchase price
Consideration paid on date of acquisition along with stamp duty charges	4,596.55
Add: Fair value of commitment to purchase subsequent tranche as on October 3, 2025	1,181.55
Total purchase consideration at fair value (A)	**5,778.10**

Assets	Valuation methodology	Description	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	Fair value*		860.54	113.53	974.07
Right of use asset	Fair value*		177.11	130.48	307.59
Capital work in progress	Book value *		125.14	-	125.14
Other Intangible assets	Book value *		5.06	-	5.06
Investments	Book value *		126.09	-	126.09
Inventories	Book value *		17.29	-	17.29
Trade receivables @	Book value *		135.44	-	135.44
Cash and cash equivalents	Book value *		11.97	-	11.97
Other bank balance	Book value *		62.37	-	62.37
Other financial assets	Book value *		199.30	-	199.30
Income tax assets (net)	Book value *		34.20	-	34.20
Other assets	Book value *		20.06	-	20.06
Total assets	**(B)**		**1,774.57**	**244.01**	**2,018.58**
Liabilities					
Borrowings	Book value *		7.60	-	7.60
Trade payables	Book value *		257.87		257.87
Lease liability	Book value *		230.34	-	230.34
Other financial liabilities	Book value *		170.40	-	170.40
Provisions	Book value *		21.55	-	21.55
Deferred tax liabilities (net)	Book value *		18.35	39.82	58.17
Other liabilities	Book value *		20.92	-	20.92
Total liabilities	**(C)**		**727.03**	**39.82**	**766.85**
Net assets	**(D)=(B)-(C)**		**1,047.54**	**204.19**	**1,251.73**
Non-controlling interest	Measured based on their proportionate interest in the recognised amounts of the assets and liabilities (E)				195.17
Goodwill #	Residual method **(F)=(A)-(D)-(E)**				**4,721.54**

* Book values represent fair values as the assets will be realised and the liabilities will be settled at the book value post the acquisition.
# Goodwill is attributable to the expected increase in market share and the synergies expected to be achieved from control of SHPL. Goodwill is not income tax deductible.

@ The Company has acquired trade receivables with gross contractual amounts aggregating to ₹ 139.74 crores. The fair value of these receivables amounting to ₹ 135.44 crores is expected to be collected as the contractual amount

Cashflow on acquisition	
Net cash acquired with the subsidiary	11.97
Consideration paid	(5,254.84)
Net cashflow on acquisition	**(5,242.87)**

The Consolidated Statement of Profit and Loss for the year ended March 31, 2026 includes revenue from operations of ₹ 597.71 crores and loss after tax of ₹ 40.74 crores resulting from acquisition of SHPL. Had the business combination occured at the beginning of the accounting year the revenue from operations would have been higher by ₹ 600.07 crores and profit after tax higher by ₹ 39.71 crore, for the year ended March 31, 2026.

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38 Material partly-owned subsidiaries - Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)

Financial information of subsidiary that have material non-controlling interests is provided below:

Proportion of equity interest held by the parent and non-controlling interest:

Name	Country of incorporation and operation	March 31, 2026	March 31, 2025
Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	India	84.07%	84.07%
Non-controlling interest	India	15.93%	15.93%

Information regarding non-controlling interest

(₹ in crores)

	March 31, 2026	March 31, 2025
Accumulated balances of material non-controlling interest:		
Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	(70.58)	(81.55)
Profit including OCI allocated to material non-controlling interest:		
Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	10.97	17.85

The summarised financial information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss for the year ended March 31, 2026 and March 31, 2025:

(₹ in crores)

	March 31, 2026	March 31, 2025
Revenue from operations	1,350.40	1,137.18
Other income	4.83	6.82
Purchase of medical consumables	(319.82)	(290.11)
Changes in inventories of medical consumables	(6.65)	1.27
Employee benefits expense	(196.29)	(171.04)
Finance cost	(137.02)	(152.88)
Depreciation and amortization expense	(87.30)	(76.76)
Other expenses	(511.16)	(436.31)
Profit before tax and exceptional items	**96.99**	**18.16**
Exceptional items	4.86	-
Profit before tax	**92.13**	**18.16**
Income tax	-	-
Deferred tax	23.73	(95.31)
Profit for the year	**68.40**	**113.47**
Other comprehensive loss for the year	0.44	(1.42)
Total comprehensive income for the year	**68.84**	**112.05**
Attributable to non-controlling interests	10.97	17.85
Dividends paid to non-controlling interests	-	-

Summarised balance sheet as at:

	March 31, 2026	March 31, 2025
Current assets	230.19	143.57
Non-current assets	1,394.99	1,311.03
Current liabilities	(296.98)	(196.42)
Non-current liabilities	(1,827.41)	(1,826.11)
Equity	**(499.21)**	**(567.93)**
Attributable to:		
Equity holders of parent	(428.63)	(486.38)
Non-controlling interest	(70.58)	(81.55)

Summarised cash flow information for the year ended:

(₹ in crores)

	March 31, 2026	March 31, 2025
Operating activities	270.59	191.94
Investing activities	(156.08)	(124.51)
Financing activities	(110.29)	(101.74)
Net increase in cash and cash equivalents	**4.22**	**(34.31)**

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Manipal Hospitals Private Limited Bengaluru

39 Material partly-owned subsidiaries -

i) Sahyadri Hospitals Private Limited ("SHPL")- Step down Subsidiary
ii) Surya Hospitals Private Limited ("Surya Hospitals") - Subsidiary of SHPL
iii) Sahyadri Karad Hospitals Private Limited ("Karad Hospitals") - Subsidiary of SHPL
iv) Saideep Healthcare And Research Private Limited ("Saideep") - Subsidiary of SHPL

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of effective equity interest held by the Company :

Name	Country of incorporation and operation	March 31, 2026
SHPL	India	99.86%
Surya Hospitals	India	81.03%
Karad Hospitals	India	94.50%
Saideep	India	54.92%

Information regarding non-controlling interest

	(₹ in crores)
	March 31, 2026
Accumulated balances of material non-controlling interest:	
SHPL	1.18
Surya Hospitals	11.80
Karad Hospitals	1.35
Saideep	131.90
Profit/(loss) including OCI allocated to material non-controlling interest:	
SHPL	0.03
Surya Hospitals	0.61
Karad Hospitals	(0.14)
Saideep	2.50

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss for the period starting from October 03, 2026 to March 31, 2026

(₹ in crore)

	SHPL	Surya Hospitals	Karad Hospitals	Saideep	Total
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
Revenue from operations	468.89	19.08	19.38	71.48	578.83
Other income	4.28	0.44	0.46	3.31	8.49
Purchase of medical consumables and pharmacy items	(101.66)	(3.90)	(4.16)	(16.15)	(125.87)
Changes in inventories of medical consumables and pharmacy items	0.40	0.04	0.03	(0.04)	0.43
Employee benefits expense	(89.29)	(1.42)	(3.72)	(12.38)	(106.81)
Finance cost	(14.38)	(0.05)	(0.52)	(0.13)	(15.08)
Depreciation and amortization expense	(44.61)	(1.16)	(0.93)	(8.44)	(55.14)
Other expenses	(253.79)	(7.81)	(11.23)	(30.13)	(302.96)
Profit/ (Loss) before tax and exceptional items	**(30.16)**	**5.22**	**(0.69)**	**7.52**	**(18.11)**
Exceptional loss	49.59	0.24	0.25	0.55	50.63
Profit / (loss) before tax	**(79.75)**	**4.98**	**(0.94)**	**6.97**	**(68.74)**
Income tax	10.21	(1.41)	0.05	(2.92)	5.93
Deferred tax	21.02	0.16	0.10	1.15	22.43
Profit / (loss) for the period	**(48.52)**	**3.73**	**(0.79)**	**5.20**	**(40.38)**
Other comprehensive income for the period	1.96	0.11	0.11	0.30	2.48
Total comprehensive income / (loss) for the period	**(46.56)**	**3.84**	**(0.68)**	**5.50**	**(37.90)**
Attributable to non-controlling interests	0.03	0.61	(0.14)	2.50	3.00
Dividends paid to non-controlling interests	-	-	-	-	-

(₹ in crore)

Summarised balance sheet as at:	SHPL	Surya Hospitals	Karad Hospitals	Saideep	Total
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
Current assets	225.46	27.03	7.96	147.49	407.94
Non-current assets	1,223.18	16.41	27.75	117.10	1,384.44
Current liabilities	(155.03)	(3.48)	(16.41)	(15.24)	(190.16)
Non-current liabilities	(242.18)	(1.52)	(12.23)	(11.04)	(266.97)
Equity	**1,051.43**	**38.44**	**7.07**	**238.31**	**1,335.25**
Attributable to:					
Equity holders of parent	1,050.25	26.64	5.72	106.41	1,189.02
Non-controlling interest	1.18	11.80	1.35	131.90	146.23

Summarised cash flow information for the period starting from October 03, 2025 till March 31, 2026 :

(₹ in crore)

	SHPL	Surya Hospitals	Karad Hospitals	Saideep	Total
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
Operating activities	(27.26)	7.26	1.34	22.93	4.27
Investing activities	84.36	(7.10)	(0.39)	(18.44)	58.43
Financing activities	(51.67)	0.00*	(0.47)	-	(52.14)
Net increase/ (decrease) in cash and cash equivalents	**5.43**	**0.16**	**0.48**	**4.49**	**10.56**

* Represents value less than Rs.0.01 crore

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Manipal Hospitals Private Limited
Bengaluru

Manipal Hospitals Private Limited
CIN:U85110KA2003PTC033055
Notes to the Consolidated Financial Statements for the year ended March 31, 2026

40 Statutory Group information

(₹ in crores)

Name of the Entity	Country of Incorporation	Relationship as at March 31, 2026	% of effective ownership interest held (directly and indirectly)	% of voting rights held	Net asset (total Assets minus total liabilities)		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
					March 31, 2026		March 31, 2026		March 31, 2026		March 31, 2026	
			March 31, 2026	March 31, 2026	% of consolidated net assets	Amount	% of consolidated profit and loss	Amount	% of consolidated other comprehensive income	Amount	% of total comprehensive income	Amount
Parent												
- Manipal Hospitals Private Limited	India	Parent			59.45%	1,457.09	82.62%	205.90	15.04%	0.59	81.58%	206.49
Indian Subsidiary												
- Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	India	Subsidiary	84.07%	84.07%	-20.37%	(499.21)	27.45%	68.40	9.43%	0.37	27.17%	68.77
Sahyadri Hospitals Private Limited ("SHPL")	India	Subsidiary	99.86%	89.98%	42.90%	1,051.43	-19.47%	(48.52)	49.96%	1.96	-18.39%	(46.56)
Surya Hospitals Private Limited ("Surya Hospitals")	India	Subsidiary	81.03%	81.03%	1.57%	38.44	1.50%	3.73	2.80%	0.11	1.52%	3.84
Sahyadri Karad Hospitals Private Limited ("Karad Hospitals")	India	Subsidiary	94.50%	94.50%	0.29%	7.07	-0.32%	(0.79)	2.80%	0.11	-0.27%	(0.68)
Saideep Healthcare and Research Private Limited ("Saideep")	India	Subsidiary	54.92%	54.92%	9.72%	238.31	2.09%	5.20	7.65%	0.30	2.17%	5.50
KMMMT Silo	India				1.23%	30.06	0.62%	1.55	6.12%	0.24	0.71%	1.79
Non-controlling interest												
- Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	India	Subsidiary			-2.88%	(70.58)	4.37%	10.90	1.78%	0.07	4.33%	10.97
Sahyadri Hospitals Private Limited ("SHPL")	India	Subsidiary			0.05%	1.18	0.01%	0.03	0.07%	0.00	0.01%	0.03
Surya Hospitals Private Limited ("Surya Hospitals")	India	Subsidiary			0.48%	11.80	0.24%	0.59	0.51%	0.02	0.24%	0.61
Sahyadri Karad Hospitals Private Limited ("Karad Hospitals")	India	Subsidiary			0.06%	1.35	-0.06%	(0.15)	0.25%	0.01	-0.06%	(0.14)
Saideep Healthcare and Research Private Limited ("Saideep")	India	Subsidiary			5.38%	131.90	0.95%	2.36	3.58%	0.14	0.99%	2.50
KMMMT Silo					2.12%	51.94	0.00%	0.00	0.01%	0.00	0.00%	-
Gross total					**100.00%**	**2,450.78**	**100.00%**	**249.20**	**100.00%**	**3.92**	**100.00%**	**253.12**
Adjustment arising on consolidation						(749.71)		29.77		(0.17)		29.60
Total						**1,701.07**		**278.97**		**3.75**		**282.72**

(₹ in crores)

Name of the Entity	Country of Incorporation	Relationship as at March 31, 2025	% of effective ownership interest held (directly and indirectly)	% of voting rights held	Net asset (total Assets minus total liabilities)		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
					March 31, 2025		March 31, 2025		March 31, 2025		March 31, 2025	
			March 31, 2025	March 31, 2025	% of consolidated net assets	Amount	% of consolidated profit and loss	Amount	% of consolidated other comprehensive income	Amount	% of total comprehensive income	Amount
Parent - Manipal Hospitals Private Limited	India	Parent			183.19%	1,250.63	74.48%	331.22	41.80%	(1.02)	74.66%	330.20
Indian Subsidiary - Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	India	Subsidiary	84.07%	83.03%	-71.24%	(486.38)	21.45%	95.39	48.77%	(1.19)	21.30%	94.20
Non-controlling interest - Manipal Hospitals (East) India Private Limited ("MHEIPL") (formerly known as AMRI Hospitals Private Limited)	India	Subsidiary			-11.95%	(81.55)	4.07%	18.08	9.43%	(0.23)	4.04%	17.85
Gross total					100.00%	682.70	100.00%	444.69	100.00%	(2.44)	100.00%	442.25
Adjustment arising on consolidation						540.48		(5.31)		-		(5.31)
Total						1,223.18		439.38		(2.44)		436.94

41 Segment information:

The Board of Directors of the Companies in the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Group operates in a single business and geographical segment (Healthcare services in India) and the CODM reviews the financial information at an Group level. Hence, the Group has determined that disclosures given at the Group level suffices the disclosure requirements of Ind AS 108.

Refer note 1 (a).

42 Due to the fire incident, the hospital building of MHEIPL located at 15, Panchanantala Road, Kolkata- 700 029, the equipments, inventories and other assets installed therein had suffered massive damages. Inventories damaged by fire have been provided for in the books in earlier year. Other assets, having a written down value of ₹ 5.76 crores, are insured and MHEIPL has lodged claims with the insurers. The Insurance company has issued a voucher for full and final settlement of ₹ 5.41 crores against the claim made by MHEIPL of ₹ 23.05 crores which was challenged by MHEIPL and Arbitration clause invoked. However MHEIPL has adjusted the claim of ₹ 5.41 crores against the respective heads in FY 2015-16. On 17.02.2019 the arbitration tribunal has given the award of ₹ 11.53 crores plus 9% interest p.a from the date of commencement of arbitration proceeding, against MHEIPL claim of ₹ 23.05 crores. MHEIPL have filed a petition in Kolkata High Court challenging the award given by the arbitration tribunal.

43 MHEIPL had, pursuant to the agreement dated January 01, 2007 with Murari Mohan Dass and Satrajit Ghosh Dass, agreed to purchase 33 Cottahs of land situated at 10/1, Panchanantala Road, 3F, Panchanantala Road, and 30 F, Gariahat Road, Kolkata -700029, P.S. Rabindrasarobar (Lake) from the landowner at a fixed price. However, the landowner refused to execute the sale deed on the agreed price and sought for enhancement of the purchase consideration. Subsequently, the landowner has filed a title suit against MHEIPL. MHEIPL also filed a specific performance of contract suit against the landowner before the Kolkata Alipore Court, and the matter is currently sub-judice.

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

(₹ in crores)

	Term loans	Non-convertible debentures	Lease liability	Inter-corporate deposits	Loan for purchase of capital asset	Total
Balance as on April 01, 2025	2,235.39	-	630.33	3.00	1.99	2,870.71
Additions on account of acquisition of subsidiary (refer note 37)	7.60	-	230.34	-	-	237.94
Interest accrued but not due as at April 01, 2025	0.21	-	-	0.81	-	1.02
Addition during the year	-	-	30.98	-	-	30.98
Cash flows including interest paid						
- Proceeds from borrowings	128.41	5,310.00	-	75.00	0.88	5,514.29
- Repayment of borrowings / lease obligations	(77.09)	-	(19.76)	(78.00)	(0.82)	(175.67)
- Interest paid / processing fee paid	(165.04)	(23.30)	(80.42)	(1.93)	(0.14)	(270.83)
Non-cash changes						
- Ind AS adjustment with respect to unamortised loan processing charges	0.47	(24.86)	-	-	-	(24.39)
- Lease termination/adjustments	-	-	(8.58)	-	-	(8.58)
- Interest expense	165.01	264.05	88.52	1.12	0.14	518.84
Balance as on March 31, 2026	2,294.96	5,525.89	871.41	-	2.05	8,694.31

(₹ in crores)

	Term loans	Lease liability	Inter-corporate deposits	Loan for purchase of capital asset	Total
Balance as on April 01, 2024	2,127.24	585.48	-	1.86	2,714.58
Interest accrued but not due as at April 01, 2024	0.25	-	-	-	0.25
Addition during the year	-	52.32	-	-	52.32
Cash flows including interest paid					
- Proceeds from borrowings	162.24	-	101.00	0.45	263.69
- Repayment of borrowings / lease obligations	(54.54)	(15.24)	(98.00)	(0.32)	(168.10)
- Interest paid	(175.73)	(62.24)	(1.26)	(0.16)	(239.39)
Non-cash changes					
- Lease termination/adjustments	-	(2.05)	-	-	(2.05)
- Interest expense	176.14	72.06	2.07	0.16	250.43
Interest accrued but not due as at March 31, 2025	(0.21)	-	(0.81)	-	(1.02)
Balance as on March 31, 2025	2,235.39	630.33	3.00	1.99	2,870.71

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Manipal Hospitals Private Limited Bengaluru

45 **Other Statutory Information**

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) During the year ended March 31, 2026, has no funds have been 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

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group has complied with relevant provisions of the applicable law for this transaction. The Group 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 transaction and this transaction is not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(vii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Group does not have any such 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

(ix) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration number : 101248W/W - 100022

G Prakash
Partner
Membership number: 099696

Place : Bengaluru
Date : May 22, 2026

For and on behalf of the Board of Directors of
Manipal Hospitals Private Limited

H. Sudarshan Ballal

Dr. H. Sudarshan Ballal
Chairman

Deepak Venugopalan
Chief Executive Officer

Pratik Gupta
Chief Financial Officer

K.G. Vahora

Khadija G Vahora
Company Secretary
Membership number: A37266

Place : Bengaluru
Date : May 22, 2026