

Independent Auditor's Report

To the Members of Manipal Health Enterprises Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Manipal Health Enterprises Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report (Continued)

Manipal Health Enterprises Private Limited

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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 standalone 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our

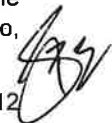


Independent Auditor's Report (Continued)

Manipal Health Enterprises Private Limited

knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors between 31 March 2024 and 08 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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) 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 Company 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:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 44 (vi) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 44 (vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(c), as provided under (i) and (ii) above, contain any material misstatement.



Independent Auditor's Report (Continued)

Manipal Health Enterprises Private Limited

- e. The Company has 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 Company has used accounting softwares for maintaining its books of account which have a feature of audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- The feature of audit trail implemented for related fields / tables was done in a phased manner at the application level of the accounting software relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger and hence was not enabled throughout the year. Additionally, audit trail for certain tables have not been enabled.
 - The feature of recording audit trail (edit log) was not enabled at the application level for direct data changes performed by users having privileged access for the accounting software used for maintaining books of accounts relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger.
 - The feature of audit trail was not enabled at the database level of the accounting softwares relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger.

Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

- C. In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act is not applicable to the Company.

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

Chartered Accountants

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



Siddhartha Sharma

Partner

Place: Bangalore

Date: 28 May 2024

Membership No.: 118756

ICAI UDIN:24118756BKGTTSS3172

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the current year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rs. in crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Leasehold Land	79.61	^Manipal Hospitals (Dwarka) Private Limited	No	Since 6 years	The property is transferred through NCLT order.

^ During the year, pursuant to the order of NCLT, Manipal Hospitals (Jaipur) Private Limited has merged with Manipal Hospitals (Dwarka) Private Limited.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024 (Continued)

excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets. The Company is not required to file any quarterly returns or statements with such banks or financial institution.

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investment and given loans to other parties, and provided guarantee or security and given loans to companies during the year, details of the loans, guarantees and securities are stated in subclause (a) as below. The Company has not provided guarantee or security to any other parties. The Company has not granted any loans, secured or unsecured, provided guarantee or security and investments made to firms and limited liability partnerships during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans, guarantees and securities as below:

Particulars	Security (Rs. in crore)	Guarantees (Rs. in crore)	Loans (Rs. in crore)
Aggregate amount during the current year			
Subsidiaries	#	#	453.90
Others	-	-	3.37
Balance outstanding as at balance sheet date			
Subsidiaries*	#	#	248.99
Others	-	-	1.35

*As per Schedule III of the Companies Act, 2013

During the year, the Company along with its subsidiaries has given guarantee and security to various lenders with respect to term loans amounting to Rs. 3,883.13 Crores taken by the Company and its subsidiaries. Also, refer note 31(E) to the financial statements.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the current year and the terms and conditions of the grant of loans during the current year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the current year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the current year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans falling due during the

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024 (Continued)

current year were renewed or extended or settled by fresh loans:

Name of the party	Aggregate amount of loans granted during the current year	Aggregate overdue amount settled by extension of loan granted to same party	Percentage of the aggregate to the total loans granted during the current year
Manipal Hospital (Dwarka) Private Limited	Rs. 453.90 crores	Rs. 311.77 crores	68.69%

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 of the Companies Act, 2013 have been complied with. Further, there are no investments, loans, guarantees and security in respect of which provisions of section 186 of the Act are applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of healthcare services and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the current year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax, Duty of Customs or Cess which have not been deposited on account of any dispute are as follows:



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024 (Continued)

Name of the statute	Nature of the dues	Amount (Rs. in crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.48	Financial Year 2013-14	Appeal filed with Income-tax Appellate Tribunal subsequent to 31 March 2024, after the order passed by Commissioner of Income Tax (Appeals) during the FY 2023-24
Income Tax Act, 1961	Income Tax	1.28	Financial Year 2010-11	Assessing Officer
Income Tax Act, 1961	Income Tax	27.61	Financial Year 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	16.68*	Financial Year 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	4.55	Financial Year 2021-22	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	4.21	Financial Year 2018-19	Commissioner of Income Tax (Appeals)
Customs Act, 1962	Duty of Customs	0.08	Financial Year 2012-13	Assistant of Commissioner Customs
Customs Act, 1962	Duty of Customs	3.50	Financial Year 2014-15	Assistant of Commissioner Customs

*Amount is net of payment made under protest amounting to Rs.4.52 crores

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the current year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024 (Continued)

balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the current year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the current year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) The Company is not part of any group (as per the provisions of the Core Investment Companies



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024 (Continued)

- (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the current year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Chartered Accountants

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



Siddhartha Sharma

Partner

Place: Bangalore

Date: 28 May 2024

Membership No.: 118756

ICAI UDIN:24118756BKGTTSS3172

Annexure B to the Independent Auditor's Report on the standalone financial statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone 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

We have audited the internal financial controls with reference to financial statements of Manipal Health Enterprises Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, 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 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

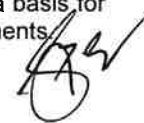
The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control 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 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 Company's 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Annexure B to the Independent Auditor's Report on the standalone financial statements of Manipal Health Enterprises Private Limited for the year ended 31 March 2024 (Continued)

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.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248WW-100022



Siddhartha Sharma

Partner

Place: Bangalore

Date: 28 May 2024

Membership No.: 118756

ICAI UDIN:24118756BKGTTSS3172

Manipal Health Enterprises Private Limited
Standalone Balance Sheet as at

(Rs. in crore)

	Note	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	1,457.58	1,415.00
Capital work-in-progress	3.2	19.73	26.91
Right-of-use assets	4	357.78	347.20
Goodwill	4	122.20	122.20
Other intangible assets	4	9.13	6.50
Financial assets			
Investments	5.1	2,545.42	2,569.96
Loans	5.2	248.99	120.94
Other non-current financial assets	5.3	49.82	34.13
Income tax assets (net)	6	80.88	66.26
Other non-current assets	7	18.57	13.08
		4,910.10	4,722.18
Current assets			
Inventories	8	30.95	16.06
Financial assets			
Investments	9.1	845.49	632.16
Trade receivables	9.2	133.38	127.64
Cash and cash equivalents	9.3	227.93	28.61
Loans	9.4	1.35	1.93
Other current financial assets	9.5	42.46	73.81
Other current assets	10	23.68	26.61
		1,305.24	906.82
Total assets		6,215.34	5,629.00
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	75.63	75.63
Other equity	12	3,822.21	3,299.61
Total equity		3,897.84	3,375.24
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13.1	1,160.65	1,144.12
Lease liabilities	13.2	305.40	294.28
Provisions	14	-	0.81
Deferred tax liabilities (net)	15	131.13	101.69
		1,597.18	1,540.90
Current liabilities			
Financial liabilities			
Borrowings	16.2	150.79	136.79
Lease liabilities	13.2	25.48	19.96
Trade payables	16.1		
- total outstanding dues of micro enterprises and small enterprises		9.75	5.81
- total outstanding dues of creditors other than micro enterprises and small enterprises		423.31	450.82
Other current financial liabilities	16.3	22.30	17.53
Other current liabilities	19	47.25	43.50
Provisions	17	21.08	18.09
Current tax liabilities (net)	18	20.36	20.36
		720.32	712.86
Total equity and liabilities		6,215.34	5,629.00
Material accounting policies	2.2		

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

As per our report of even date attached

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



Siddhartha Sharma
Partner
Membership number: 118756

For and on behalf of the Board of Directors of
Manipal Health Enterprises Private Limited



Dilip Jose
Managing Director & CEO
DIN: 03591692

Dr. H. Sudarshan Ballal
Chairman & Director
DIN: 01195055



Sateer Agarwal
Chief Financial Officer



Sathish Kolar Ramamoorthy
Company Secretary
Membership No: A15203

Place : Bengaluru
Date : May 28, 2024

Place : Bengaluru
Date : May 28, 2024

Manipal Health Enterprises Private Limited
Standalone Statement of Profit and Loss for the year ended

		(Rs. in crore)	
		March 31, 2024	March 31, 2023
Income			
Revenue from operations			
Other income	20	2,706.95	2,408.19
Finance income	21	57.62	29.34
Total income	22	2,787.77	35.77
Expenses			
Purchase of medical consumables and pharmacy items		546.75	478.51
Changes in inventories of medical consumables and pharmacy items	23	(14.89)	21.39
Employee benefits expense	24	415.59	351.14
Finance costs	25	168.41	171.65
Depreciation and amortisation expense	26	139.13	139.35
Other expenses	27	964.69	884.51
Total expenses		2,219.68	2,046.55
Profit before tax and exceptional item		568.09	426.75
Exceptional items		28	(20.00)
Profit before tax		548.09	284.87
Tax expense			
Current tax	15	138.87	99.78
Deferred tax	15	29.66	(9.25)
Tax expense		168.53	90.53
Profit for the year		379.56	194.34
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss:			
Re-measurement (loss) / gain of defined benefit plans		(0.86)	1.49
Income tax effect on above		0.22	(0.38)
OCI for the year (net of tax)		(0.64)	1.11
Total comprehensive income for the year		378.92	195.45
Earnings per equity share ('EPS')			
[nominal value of share Rs. 10 (March 31, 2023: Rs. 10)]			
Basic (Rs.)	29	50.48	26.09
Diluted (Rs.)		50.30	25.94
Material accounting policies		2.2	

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

As per our report of even date attached

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



Siddhartha Sharma
Partner
Membership number: 118756

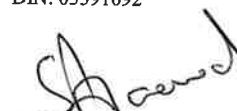
For and on behalf of the Board of Directors of
Manipal Health Enterprises Private Limited



Dilip Jose
Managing Director & CEO
DIN: 03591692



Dr. H. Sudarshan Ballal
Chairman & Director
DIN: 01195055



Sameer Agarwal
Chief Financial Officer



Sathish Kolar Ramamoorthy
Company Secretary
Membership No: A15203

Place : Bengaluru
Date : May 28, 2024

Place : Bengaluru
Date : May 28, 2024

Manipal Health Enterprises Private Limited
Statement of changes in equity for the year ended March 31, 2024

(a) Equity share capital *

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

Balance as at April 01, 2022
Change in equity share capital during the year
Balance as at March 31, 2023
Change in equity share capital during the year
Balance as at March 31, 2024

	Nos.	Rs. in crore
	7,56,30,045	75.63
	-	-
	7,56,30,045	75.63
	-	-
	7,56,30,045	75.63

*Also, refer note 11

(b) Other equity **

	Reserves and surplus						Total other equity
	Securities premium	Treasury shares ***	Employee stock option outstanding	General reserve	Retained earnings	Re-measurement (loss) / gain of defined benefit plans	
Balance as at April 01, 2022	2,569.55	(34.36)	16.39	2.80	546.04	(0.80)	3,099.62
Profit for the year	-	-	-	-	194.34	-	194.34
OCI for the year (net of tax)	-	-	-	-	-	-	-
Total comprehensive income	2,569.55	(34.36)	16.39	2.80	-	1.11	1.11
Transactions with owners, recorded directly in equity					740.38	0.31	3,295.07
Contributions by and distributions to owners							
Share based payments (refer note 24 and 30)	-	-	8.11	-	-	-	8.11
Adjustments related to ESOP settlement	-	-	(3.57)	-	-	-	(3.57)
Balance as at March 31, 2023	2,569.55	(34.36)	20.93	2.80	740.38	0.31	3,299.61
Profit for the year	-	-	-	-	379.56	-	379.56
OCI for the year (net of tax)	-	-	-	-	-	(0.64)	(0.64)
Total comprehensive income	2,569.55	(34.36)	20.93	2.80	1,119.94	(0.33)	3,678.53
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
On cancellation of ESOP options and transfer of treasury shares (refer note 34)	96.09	-	-	-	-	-	96.09
Share based payments (refer note 24, 30 and 34)	-	-	13.23	-	-	-	13.23
Sale of shares by MHEWT (refer note 34)	-	34.36	-	-	-	-	34.36
Transferred on account of cancellation of ESOP options (refer note 34)	-	-	(34.16)	-	34.16	-	-
Balance as at March 31, 2024	2,665.64	-	-	2.80	1,154.10	(0.33)	3,822.21

** Also, refer note 12

*** Refer note 11.2.5

Note : There are no change in the accounting policies or prior period events during the current year or previous year

Nature and purpose of each reserve:


- Securities premium** - Securities premium is used to record the premium received on issue of shares. Also, includes surplus received on sale of treasury shares. However, out of this Rs. 96.09 crores is not free for distribution as it can only be used in accordance with the trust deed's terms and conditions. (Refer note 34)
- Treasury shares** - Represents equity shares of the Company held by the controlled trusts. These are recorded at acquisition cost. As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting condition the balance lying in treasury share reserve is transferred to retained earnings. (Refer note 34)
- Employee stock option outstanding** - Employee stock option outstanding reserve is used to record the fair value of equity-settled share based payment transactions with employees.
- General reserve** - General reserve represents appropriation of profits.
- Retained earnings** - Retained earnings comprises of prior and current period's undistributed earnings after tax.
- Re-measurement of defined benefit plans** - Represents remeasurement gains / (losses) on defined benefit plans (net of tax).

Material accounting policies (refer note 2.2)

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

As per our report of even date attached

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




Siddhartha Sharma
Partner
Membership number: 118756


For and on behalf of the Board of Directors of
Manipal Health Enterprises Private Limited



Dilip Jose
Managing Director & CEO
DIN: 03591692

Dr. H. Sudarshan Ballal
Chairman & Director
DIN: 01195055


Sameer Agarwal
Chief Financial Officer


Sathish Kolar Ramamoorthy
Company Secretary
Membership No: A15203

Place : Bengaluru
Date : May 28, 2024

Place : Bengaluru
Date : May 28, 2024

Manipal Health Enterprises Private Limited
Standalone Statement of Cash Flow for the year ended

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
A. Cash flows from operating activities		
Profit before tax	548.09	284.87
Adjustments:		
Depreciation and amortisation expense	139.13	139.35
Share based payments	13.23	8.11
Bad debts/ advances written off	17.96	14.68
Loss allowance on trade receivables (net of reversals)	(13.67)	12.56
Loss allowance on other receivables	0.05	(0.01)
Profit on sale of investments in mutual funds (net)	(10.06)	(28.79)
Fair value (gain) / loss on financial instruments at FVTPL	(47.27)	7.97
Profit on sale of property plant and equipment (net)	(0.29)	(0.35)
Impairment on loan to others	0.30	-
Finance income	(23.20)	(35.77)
Gain on lease liability reversal	(0.03)	-
Expenses towards cash settlement of employee stock option plans	-	43.90
Finance costs	159.10	162.32
Unrealised foreign exchange loss	0.38	0.05
Provision for impairment of investment	20.00	70.00
Operating profit before working capital changes	803.72	678.89
Movements in working capital :		
Change in trade receivables	(10.03)	3.51
Change in loans	0.70	0.39
Change in other assets	(2.56)	2.81
Change in inventories	(14.89)	21.39
Change in other financial assets	19.40	(31.95)
Change in trade payables	(23.57)	78.39
Change in provisions	1.12	(8.90)
Change in other current liabilities	3.75	(2.13)
Change in other financial liabilities	0.05	0.20
Cash generated from operations	777.69	742.60
Direct tax (paid) - (net)	(154.00)	(126.60)
Net cash generated from operating activities	623.69	616.00
B. Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(144.41)	(140.79)
Proceeds from sale of property, plant and equipment	1.48	1.26
Loans given to related parties	(376.63)	(164.86)
Repayment of loans by related parties	248.16	406.53
Maturity of bank deposits (having original maturity of more than three months)	6.79	15.58
Investment made in bank deposits (having original maturity of more than three months)	(1.37)	(8.00)
Payment of deferred consideration	-	(447.60)
Investment in equity instruments of a subsidiary company	-	(27.88)
Proceeds from sale of investments in mutual funds	1,368.58	1,634.38
Purchase of investments in mutual funds	(1,520.04)	(1,920.66)
Interest received	12.44	140.83
Net cash (used in) investing activities	(405.00)	(511.21)
C. Cash flow from financing activities		
Proceeds of long-term borrowings	157.46	407.70
Repayment of long-term borrowings	(141.40)	(316.14)
Interest and processing charges paid	(111.36)	(97.88)
Interest paid on vehicle loan	(0.77)	(0.35)
Payment of lease obligations	(20.82)	(10.95)
Interest paid on lease	(32.80)	(31.56)
Sale of shares by MHEWT net of tax (refer note 34)	408.36	-
Payment related to cancellation of ESOP options including tax deducted at source (refer note 34)	(278.04)	(47.47)
Net cash (used in) financing activities	(19.37)	(96.65)
Net increase in cash and cash equivalents	199.32	8.14
Cash and cash equivalents at the beginning of the year	28.61	20.47
Cash and cash equivalents at the end of the year	227.93	28.61



Manipal Health Enterprises Private Limited
Standalone Statement of Cash Flow for the year ended

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Components of cash and cash equivalents for the purpose of statement of cash flows		
Cash on hand	0.94	1.00
With banks - on current accounts	201.99	27.61
- on deposit accounts	25.00	-
Total cash and cash equivalents	227.93	28.61

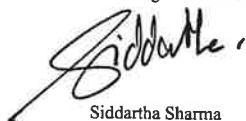
Refer note 40 for reconciliation of movement of liabilities to cash flows arising from financing activities.

The above Standalone 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 Standalone Financial Statements

As per our report of even date attached

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



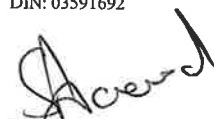
Siddhartha Sharma
Partner
Membership number: 118756

For and on behalf of the Board of Directors of
Manipal Health Enterprises Private Limited



Dilip Jose
Managing Director & CEO
DIN: 03591692

Dr. H. Sudarshan Ballal
Chairman & Director
DIN: 01195055



Sameer Agarwal
Chief Financial Officer



Sathish Kolar Ramamoorthy
Company Secretary
Membership No: A15203

Place : Bengaluru
Date : May 28, 2024

Place : Bengaluru
Date : May 28, 2024

1 Corporate information

Manipal Health Enterprises Private Limited ('MHE' or 'MHEPL' or 'The Company') is a private limited Company domiciled in India and incorporated on February 15, 2010 under the provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at The Annexe, #98/2, Rustam Bagh Road, HAL Airport Road, Bengaluru, 560017. The Company is engaged in the business of running/managing hospitals, and providing healthcare services. The Company operates through various Hospitals/Clinics providing Healthcare services, primarily in South India.

2.1 Basis of preparation of the Standalone financial statements

(a) Statement of compliance

The Standalone financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Companies Act 2013, read with relevant rules issued thereunder.

The Standalone financial statements are presented in Indian Rupees and all values are rounded to the nearest crores, except when otherwise indicated.

The Standalone financial statements were authorised for issue by the Company's Board of Directors on May 28, 2024.

Details of the material accounting policies are included in Note 2.2

(b) Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (INR), 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.

(c) Basis of measurement

The Standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement
Certain financial assets and liabilities	Fair Value
Net defined asset / liability	Fair Value of plan asset less present value of defined benefit obligation

(d) Use of estimates and judgements

In preparing these Standalone 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.

Judgements, assumptions and estimation uncertainties

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

Judgements:

- Note 13.2 - Leases and lease classification
- Note 18 and 31 - Provision for Income tax and other contingencies
- Note 15 - Income taxes including deferred tax
- Note 31 - recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources.

Estimates:

- Note 3.1 and 4 - Property, plant and equipment, intangible assets and right of use assets
- Note 4 - Impairment assessment of goodwill
- Note 5.1, 5.2, 9.2 and 9.5 - Impairment of financial assets.
- Note 14 and 17 - Provisions
- Note 2.2 (d), (e) and (h) - useful life of property, plant and equipment, intangible assets and right of use assets
- Note 24, 33 - Employee benefits expense, wages and bonus; key actuarial assumptions
- Note 35 - Financial instruments
- Note 34 - Employee Stock option plans

(e) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both 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 Company 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 Company 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 35 - financial instruments.



2.2 Summary of material accounting policies

(a) Business combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in Other Comprehensive Income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

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 businesses 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 Standalone financial statements in respect of prior years is 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 period 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 capital reserve and presented separately from other General reserves with disclosure of its nature and purpose in the notes.

(b) Investment in subsidiaries and joint ventures

A subsidiary is an entity that is controlled by another entity. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement/entity have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investments in subsidiaries, associates and Joint ventures are carried at cost as per IND AS 27. Investment accounted for at cost is accounted for in accordance with IND AS 105 when they are classified as held for sale and Investment carried at cost is tested for impairment as per IND AS 36. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when :

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) Property plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, 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 Company 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 income statement 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.



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

<u>Category of assets</u>	<u>Useful life estimated by management</u>	<u>Useful life as per Schedule II</u>
Building	23 - 60 years	30 years
Equipment's	13 years	10 - 15 years
Electrical installations	7 years	10 years
Furniture and fixtures	7 years	10 years
Other fixtures (included in Building)	2 years	10 years
Computers	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 (upto) 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.

The management had estimated, supported by technical advice, 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.

(e) **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 or 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 profit or loss as incurred.

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

<u>Category of assets</u>	<u>Useful life estimated by management</u>
Computer software - application	3-5 years
Computer software - generic	1 year

(f) **Impairment of non-financial assets**

The Company assesses, at each reporting date other than inventory and deferred tax, 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 Company 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 Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company'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. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 Company 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 periods.



(g) **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.

(h) **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.

Company as a lessee

The Company 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 Company 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 Company 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 Company 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 Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company 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 Company 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 Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a 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 Company 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 Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

Asset retirement obligation

The Company had recognised certain asset retirement costs which were classified as leasehold improvement and provision for decommissioning liability on the same.

Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard.

(i) **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 Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company 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 Company 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 Company'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 Company commits to purchase or sell the asset.



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 Company. 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 Company's financial assets at amortised cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets. 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 Company 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.

Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

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 Company's consolidated balance sheet) when:

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

When the Company 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 Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company 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 Company 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 Company could be required to repay.

Impairment of financial assets

The Company 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 Company 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 and other financial assets, the Company 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 Company 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.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. 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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



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 Company 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 Company 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 Company 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 Company. After initial recognition, interest-bearing loans and borrowings 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.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

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 consolidated 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.

(j) Inventories

Inventories of pharmacy items and medical consumables are valued at lower of cost or net realizable value. 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.

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

The specific recognition criteria described below must also be met before revenue is recognised:

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 Company assesses the distinct performance obligations in the contract and measures to 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.



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 Company 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.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "finance income" in the statement of profit and loss.

Dividend income

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

Contract balances

Trade receivables

Unbilled receivable represents the Company'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 (i) 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 Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company 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 Company performs its obligation under the contract.

(l) Foreign currencies

Items included in the Standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The Company's Standalone financial statements are presented in INR, which is also the Company'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 Company 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 or 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 Company recognizes contribution payable to the schemes as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the fund.

Defined benefit plan - gratuity

The Company 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 (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through 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 or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs

Interest is calculated by applying the discount rate to the defined benefit liability. The Company 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 Company 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 Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The Company 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.

(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 using the liability method 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.

(o) **Share-based payments***

Employees (including senior executives and directors) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share option outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

The vesting needs to be done as per defined in the Grant Letter. There will be two categories of the vesting rights:

Assured – This will be vested on a time basis as mentioned above, subject to meeting the terms and conditions mentioned in the Employment Letter.

Performance Based - The performance based vesting will be done on achievement of the performance figures (Earnings before interest, tax, depreciation and amortisation (EBIDTA) as per the budget approved by the board of the previous year of the Company. In case, the same has not been achieved there will be no grant under this for that year. However, there will be a catch up period of one year wherein if the shortfall of the previous year is made up, then the options will be vested of the previous year.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

In case, the amount of the liability recognised on the date of modification is greater than the amount previously recognised as an increase in equity, the Company is following the accounting policy to recognise such excess as an expense in the statement of profit or loss at the date of modification.

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

* Refer note 34

(p) **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.



(q) **Provisions**

Provisions are recognized when the Company 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 Company 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.

Decommissioning liability

The Company records a provision for decommissioning costs to dismantle and remove the leasehold improvements from the leased premises. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company 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 Company recognises any impairment loss on the assets associated with that contract.

(r) **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 Company 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 Company does not recognize a contingent liability but discloses its existence in the Standalone 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.

(s) **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 Company's cash management.

(t) **Segment accounting policies**

The Company prepares its segment information based on its reporting to Chief Operating Decision Maker (refer note 38 on segment reporting).

(u) **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.

(v) **Share capital**

i. 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.

ii. Treasury shares

The Company has created Manipal Health Employee Welfare Trust (MHEWT) for providing share-based payment to its employees. The Company uses MHEWT as a vehicle for distributing shares to employees under the employee stock option schemes. The Company treats MHEWT as its extension and shares held by MHEWT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium. Share options exercised during the reporting period are satisfied with treasury shares.

As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting condition the balance lying in treasury share reserve is transferred to retained earnings

(w) **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 Company 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.

(x) **Standards issued but not effective**

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

3.1 Property, plant and equipment

	Land	Buildings	Leasehold improvements	Electrical installations	Equipments	Furniture and fixtures	Computers	Vehicles	Total
	(Rs. in crore)								
Note	3(a)								
Cost									
At April 01, 2022	580.79	593.83	192.39	77.52	659.36	46.26	68.93	15.31	2,234.39
Additions	-	5.34	23.35	19.77	31.53	3.85	16.78	3.83	104.45
Disposals	-	-	-	-	(4.26)	(0.04)	(0.09)	(0.34)	(4.73)
At March 31, 2023	580.79	599.17	215.74	97.29	686.63	50.07	85.62	18.80	2,334.11
Additions	-	28.44	12.14	21.15	58.75	3.78	14.82	10.50	149.58
Adjustments	-	13.10	(16.53)	(1.16)	(1.34)	4.45	1.45	-	(0.03)
Disposals	-	-	(0.01)	(0.43)	(6.71)	(0.86)	(0.10)	(1.56)	(9.67)
At March 31, 2024	580.79	640.71	211.34	116.85	737.33	57.44	101.79	27.74	2,473.99
Depreciation									
At April 01, 2022	-	146.58	141.33	39.50	387.54	35.45	60.55	10.37	821.32
Charge for the year	-	17.83	23.41	11.58	33.50	4.07	9.56	1.66	101.61
Disposals	-	-	-	-	(3.50)	(0.04)	(0.09)	(0.19)	(3.82)
At March 31, 2023	-	164.41	164.74	51.08	417.54	39.48	70.02	11.84	919.11
Charge for the year	-	18.96	19.07	11.67	37.44	5.01	10.66	2.97	105.78
Disposals/ adjustments	-	-	(0.01)	(0.42)	(6.31)	(0.85)	(0.10)	(0.79)	(8.48)
At March 31, 2024	-	183.37	183.80	62.33	448.67	43.64	80.58	14.02	1,016.41
Net book value									
At March 31, 2023	580.79	434.76	51.00	46.21	269.09	10.59	15.60	6.96	1,415.00
At March 31, 2024	580.79	457.34	27.54	54.52	288.66	13.80	21.21	13.72	1,457.58

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

Notes:

- (a) Building includes those constructed on leasehold land
Gross Block: Rs. 164.52 crore (March 31, 2023: Rs. 145.70 crore)
Depreciation charge for the year: Rs. 7.82 crore (March 31, 2023: Rs. 6.61 crore)
Accumulated depreciation: Rs. 54.55 crore (March 31, 2023: Rs. 48.07 crore)
Net book value: Rs. 102.16 crore (March 31, 2023: Rs. 91.02 crore)

(b) All property, plant and equipment are held in the name of the Company, except following:

Particulars of the Property	Held in the Name of	Gross Carrying amount (Rs. in crore)	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 company
Leasehold land	Manipal Hospitals (Dwarka) Private Limited (MHDPPL) (refer note 5.1.2)	79.61	No. The Property is transferred from MHPL to the Company through NCLT Order in petition under sections 230 to 232 read with section 66 of The Companies Act, 2013	Since 6 years	The property is transferred through NCLT Order



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

3.2 Capital work in progress

Particulars	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Opening	26.91	20.87
Additions	142.40	110.49
Less: Transferred to Property, plant and equipment	(149.58)	(104.45)
Closing	19.73	26.91

Capital work in progress ageing schedule

At March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.70	2.03	-	-	19.73
Projects temporarily suspended	-	-	-	-	-
Total	17.70	2.03	-	-	19.73

At March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	20.36	1.91	1.58	3.06	26.91
Projects temporarily suspended	-	-	-	-	-
Total	20.36	1.91	1.58	3.06	26.91

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



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

4 Right of use assets, Goodwill and Other intangible assets *

Note	Right-of-use assets [refer note 2.2(b)]					Goodwill		Other intangible assets	
	Leasehold land	Buildings	Equipments	Computers	Computer software	Total	4 (a)	Computer software	Computer software
Cost									
At April 01, 2022	103.27	280.43	62.84	2.89	16.97	466.40	122.47	-	62.32
Additions	-	3.63	5.64	3.38	-	12.65	-	-	5.09
Disposals	-	(0.12)	-	-	-	(0.12)	-	-	-
At March 31, 2023	103.27	283.94	68.48	6.27	16.97	478.93	122.47	-	67.41
Additions	-	7.67	29.45	3.82	-	40.94	-	-	6.58
Disposals/ adjustments	(0.10)	(2.28)	-	-	-	(2.38)	-	-	0.03
At March 31, 2024	103.17	289.33	97.93	10.09	16.97	517.49	122.47	-	74.02
Amortisation									
At April 01, 2022	9.15	47.03	32.24	0.05	10.33	98.80	0.27	-	56.15
Charge for the year	6.58	15.63	6.20	1.61	2.96	32.98	-	-	4.76
Disposals	-	(0.05)	-	-	-	(0.05)	-	-	-
At March 31, 2023	15.73	62.61	38.44	1.66	13.29	131.73	0.27	-	60.91
Charge for the year	1.33	16.08	7.52	2.84	1.60	29.37	-	-	3.98
Disposals/ (Adjustments)	-	(1.39)	-	-	-	(1.39)	-	-	-
At March 31, 2024	17.06	77.30	45.96	4.50	14.89	159.71	0.27	-	64.89
Net book value									
At March 31, 2023	87.54	221.33	30.04	4.61	3.68	347.20	122.20	-	6.50
At March 31, 2024	86.11	212.03	51.97	5.59	2.08	357.78	122.20	-	9.13

* Refer note 13.1.4 for details of immovable assets pledged as security for borrowings.

Notes:

(a) 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 CGUs. Carrying amount of goodwill allocated to each of the CGUs:

	South cluster	North cluster	Total
At April 01, 2022	81.35	40.85	122.20
Additions	-	-	-
At March 31, 2023	81.35	40.85	122.20
Additions	-	-	-
At March 31, 2024	81.35	40.85	122.20

The Company performed its annual impairment test for years ended March 31, 2024 and March 31, 2023. The estimated value-in-use of this CGU is based on the future cash flows using a 5.00% (March 31, 2023: 5.00%) annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 11.00% (March 31, 2023: 11.00%). 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. Key assumptions upon which the Company has based its determinations of value-in-use include:

- 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, 2023: 5.00%) annual growth rate for periods subsequent to the forecast period of 5 years (March 31, 2023: 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
 - Discount rate of 11.00% (March 31, 2023: 11.00%), which reflect current market assessment of the risks.
- The Company 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.



5 Non-current financial assets

5.1 Investments

	(Rs. in crore)			
	No of units		Amounts	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Investments carried at cost (unquoted)				
A) Investment in equity shares of subsidiary companies				
Manipal Health Enterprises International Pte. Ltd. ("MHEIPL") (net of impairment charge amounting to Rs. 7.73 crores (March 31, 2023: Rs. 7.73 crores)) [shares of USD 1 each fully paid-up]	15,00,041	15,00,041	2.74	2.74
Manipal Hospitals (Jaipur) Private Limited ("MHJPL") [shares of Rs. 10 each fully paid-up, refer note (5.1.1) below]	-	4,85,68,944	-	148.57
Manipal Hospitals (Dwarka) Private Limited ("MHDPL") # [shares of Rs. 10 each fully paid-up, refer note (5.1.2) below]	28,19,483	20,10,000	248.58	100.01
Healthmap Diagnostics Private Limited ("HDPL") [shares of Rs. 10 each fully paid-up, refer note (5.1.3) below]	5,01,50,806	5,01,50,806	96.36	96.36
Manipal Hospitals Private Limited (formerly known as Columbia Asia Hospitals Private Limited ("CAHPL")) ("MHPL") [shares of Rs. 10 each fully paid-up]	1,02,52,87,268	1,02,52,87,268	1,734.92	1,734.92
Manipal Hospital (Bengaluru) Private Limited (formerly known as "Vikram Hospital (Bengaluru) Private Limited") ("MHBPL") [shares of Rs. 100 each fully paid-up]	1,69,37,134	1,69,37,134	359.77	359.77
(A)			<u>2,442.37</u>	<u>2,442.37</u>
B) Investment in preference shares of subsidiary Company				
Manipal Hospital (Bengaluru) Private Limited (formerly known as "Vikram Hospital (Bengaluru) Private Limited") ("MHBPL") [10% Redeemable Preference shares ("RPS") of Rs. 100 each fully paid-up]	13,95,356	13,95,356	13.96	13.96
(B)			<u>13.96</u>	<u>13.96</u>
C) Investment in equity instruments of associate Company				
Igenetic Diagnostics Private Limited (net of impairment charge amounting to Rs. 20.00 crores (March 31, 2023: Rs. Nil)) # [shares of Rs. 100 each fully paid-up in refer note (5.1.7) below]	73,496	73,496	27.80	47.80
(C)			<u>27.80</u>	<u>47.80</u>
D) Investment in equity instruments of a joint venture Company				
Terrals Technologies Private Limited (net of impairment charge amounting to Rs. Nil (March 31, 2023: Rs. 0.50 crores)) [shares of Rs. 10 each fully paid-up, refer note (5.1.4) below]	100	100	-	-
(D)			<u>-</u>	<u>-</u>
E) Investment in preference shares of joint venture Company				
Terrals Technologies Private Limited (net of impairment charge amounting to Rs. Nil (March 31, 2023: Rs. 69.49 crores))				
[0.01% Series A Compulsorily Convertible Preference shares ("Series A CCPS") of 100 Rs each fully paid-up in refer note (5.1.4) below]	7,845	7,845	-	-
[0.01% Series B Compulsorily Convertible Preference shares ("Series B CCPS") of 100 Rs each fully paid-up in refer note (5.1.4) below]	2,197	2,197	-	-
(E)			<u>-</u>	<u>-</u>
F) Investment in equity instruments of the other Companies / Foundation				
Renew Wind Energy (Karnataka) Private Limited ("Renew") [shares of Rs. 100 each fully paid-up in refer note (5.1.5) below]	18,600	18,600	0.57	0.57
Svasth Digital Health Foundation [shares of Rs. 100 each fully paid-up in refer note (5.1.6) below]	5,000	5,000	0.05	0.05
Arctern Healthcare Private Limited ("Arctern") (net of impairment charge amounting to Rs. 5.00 crores (March 31, 2023: Rs. Nil)) [shares of Rs. 10 each fully paid-up in refer note (5.1.8) below]	4,968	-	-	-
(F)			<u>0.62</u>	<u>0.62</u>
Aggregate value of unquoted investments carried at cost (A+B+C+D+E+F)			<u>2,484.75</u>	<u>2,504.75</u>
Investments at fair value through Profit or Loss				
Investments in mutual funds (quoted) *				
Bandhan Crisil Gilt 2028 Index Fund - Direct Plan - Growth	3,54,16,598	3,55,80,790	41.69	38.96
Bandhan Gilt 2027 Index Fund - Direct Plan - Growth	-	78,65,844	-	8.59
ABSL Crisil IBX 50:50 Gilt/SDL - Direct Plan - Growth	93,24,580	93,24,580	10.47	9.73
Bandhan Crisil IBX Gilt April 2026 Index Fund - Direct Plan - Growth	76,50,000	76,50,000	8.51	7.93
Aggregate book value/ market value of quoted investments			<u>60.67</u>	<u>65.21</u>
Aggregate value of investments			<u>2,545.42</u>	<u>2,569.96</u>
Aggregate value of provision for impairment			102.72	77.72

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

Also, Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 35 and 36

Notes:

- 5.1.1 During the year ended March 31, 2024, National Company Law Tribunal (NCLT), Bengaluru Bench, has approved the Scheme of Amalgamation ("the Scheme") of Manipal Hospitals (Jaipur) Private Limited, ("MHJPL") with Manipal Hospitals (Dwarka) Private Limited ("MHDPL"), pursuant to which equity shares of MHDPL was issued to the shareholders of MHJPL. As part of the scheme, the equity shares held by the Company in MHJPL stands cancelled.
- 5.1.2 During the year ended March 31, 2024, National Company Law Tribunal (NCLT), Bengaluru Bench, has approved the Scheme of Amalgamation ("the Scheme") of Manipal Hospitals (Jaipur) Private Limited, ("MHJPL") with Manipal Hospitals (Dwarka) Private Limited ("MHDPL"), as part of the Scheme MHDPL has issued 8,09,483 shares to the Company as consideration towards the scheme.
- 5.1.3 The equity share holding of the Company in HDPL is 55.63% (March 31, 2023: 55.63%) and of NH Fund 44.15% (March 31, 2023: 44.15%).



5.1.4 MHEPL has signed a Share Subscription Agreement on December 22, 2020 to invest an amount of upto Rs. 80 crore in Terrals Technologies Private Limited (Phable) in upto three tranches. The first tranche of Rs. 40 Crores was invested on February 26, 2021 by subscribing to 100 equity shares of Rs. 10 each and 7,845 compulsorily convertibles preference shares of Rs. 100 each. In the year ended March 31, 2022 a further Rs. 29.99 crore was invested for 2,197 compulsorily convertibles preference shares of Rs. 100 each.

During the year ended March 31, 2023, the Company had made provision for impairment of its investment in Terrals Technologies Private Limited (Phable) of Rs. 69.99 crores.

5.1.5 The Company entered into an agreement on October 20, 2015 with Renew, to invest in its equity share capital. Accordingly, on November 27, 2015, the Company invested Rs. 0.03 crore in 3,000 equity shares of Rs. 100 each at face value towards acquisition of 0.90% stake in equity share capital. During the year 2016-17, 2017-18 and 2019-20 the Company invested Rs 0.05 crore in 5,000 equity shares, Rs 0.06 crore in 5,600 equity shares and Rs. 0.15 crore in 5000 equity shares of Rs 100 each at face value, includes fair valuation through profit and loss of Rs. 0.28 crore.

5.1.6 MHEPL had on September 30, 2020 invested an amount of Rs. 0.05 crore in Swasth Digital Health Foundation by subscribing to 5,000 equity shares of Rs. 100 each.

5.1.7 During the year ended March 31, 2022, the Company acquired 73,496 shares of Igenetic Diagnostics Private Limited for a total consideration of Rs. 47.8 crore. During the year ended March 31, 2023, Igenetic had filed an application with NCLT to demerge the business of conducting routine and specialized pathological tests, varied diagnostic tests, and operations and management of diagnostic centres into Healthmap Diagnostics Private Limited. The Company will continue to have a controlling stake in Healthmap Diagnostics Private Limited post this acquisition.

During the year ended March 31, 2024, the Company has made provision for impairment of its investment in Igenetic Diagnostics Private Limited of Rs. 20.00 crores.

5.1.8 During the year ended March 31, 2024, loan given to Arctem has been converted into equity shares for a consideration of Rs. 5.00 crores and made provision for impairment of its investment amounting to Rs. 5.00 crores.

Investments are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each investment. When the recoverable amount of the investment is less than its carrying amount, an impairment loss is recognized. The recoverable amounts of the above investments have been assessed using a value-in-use model. Key assumptions upon which the Company has based its determinations of value-in-use include:

- 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, 2023: 5.00%) annual growth rate for periods subsequent to the forecast period of 6 years (March 31, 2023: 6 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
- Discount rate of 11.00% (March 31, 2023: 11.00%), which reflect current market assessment of the risks specific to the investment. The Company 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 of the investment.

5.2 Loans (Unsecured considered good unless otherwise stated)

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Loan to others		
Considered good	-	0.42
Credit impaired	0.30	5.00
Less: Allowance for doubtful loans #	(0.30)	(5.00)
	-	0.42
Inter Corporate Deposit given to related parties (refer note 30) (refer note 5.2.1)	262.17	122.95
Less: Interest accrued on inter corporate deposits to related parties - disclosed under Other non-current financial assets (refer note 5.3)	(13.18)	(2.43)
	<u>248.99</u>	<u>120.94</u>

refer note 5.1.8

5.2.1 Terms of loan given as below:

Name of the loanee	Rate of Interest *	Repayment	Secured/ unsecured	March 31, 2024	Movement during the year	March 31, 2023
Manipal Hospitals (Dwarka) Private Limited Inter Corporate Deposit (ICD)	9.00%	Thirty six months	Unsecured	262.17	139.22	122.95

* upto August 31, 2023 rate of interest was 10.00%

The intercorporate deposit has been made available for the purpose of meeting its working capital requirements.

Provisions of section 186 of the Companies Act, 2013, except sub section (1), are not applicable, as the Company is engaged in the business of providing infrastructural facilities as specified in Schedule VI of the Companies Act, 2013.

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

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Margin money deposit with banks (refer note 5.3.1)	0.98	1.02
Deposits with banks due to mature after twelve months from the reporting date (refer note 5.3.2)	4.95	6.80
Interest accrued on inter corporate deposits to related parties (refer note 5.3.3)	13.18	2.43
Security deposits (refer note 30)	30.71	23.88
	<u>49.82</u>	<u>34.13</u>

(5.3.1) Margin money deposits with a carrying amount of Rs. 0.98 crore (March 31, 2023: Rs. 1.02 crore) are subject to charge to secure the Company's letter of credit facility for capital purchases and as performance guarantee

(5.3.2) It includes to Debt Service Reserve Account maintained by the Company with Banks amounting to Rs. 4.95 crore (March 31, 2023: Rs. 6.8 crore)

(5.3.3) Receivables from related parties (refer note 30)

6 Income tax assets (net)

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Income tax assets (net of provision for income tax)	80.88	66.26
	<u>80.88</u>	<u>66.26</u>

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

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Capital advances	3.13	2.42
Prepaid expenses	10.26	4.71
Unamortised lease registration charges	-	0.88
Balances with statutory/ government authorities	4.97	5.07
Defined benefit plan assets (Refer note 33)	0.21	-
	<u>18.57</u>	<u>13.08</u>

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

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Pharmacy items	18.25	15.05
Medical consumables	12.70	1.01
	<u>30.95</u>	<u>16.06</u>

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



9 Current financial assets
9.1 Investments

(Rs. in crore)

	No of units		Amounts	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Investments at fair value through Profit or Loss				
Investments in mutual funds (quoted) *				
SBI Magnum Low Duration Fund - Direct Plan - Growth	56,568	-	18.65	-
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	4,55,28,857	2,54,25,097	128.14	66.19
ABSL Money Manager Fund - Direct Plan - Growth	-	2,57,377	-	8.15
ICICI Money Market Fund - Direct Plan - Growth	13,21,319	3,40,415	46.14	11.05
SBI Saving Fund - Direct Plan - Growth	-	94,11,871	-	35.36
SBI Corporate Bond Fund - Direct Plan - Growth	2,18,90,164	-	31.41	-
Edelweiss Bharat Bond (Apr 2023) - Direct Plan - Growth	-	65,38,405	-	7.99
HDFC Money Manager Fund - Direct Plan - Growth	1,42,845	-	75.71	-
Bandhan Corporate Bond Fund - Direct Plan - Growth	6,34,23,674	5,22,97,112	112.97	86.82
Bandhan Banking and PSU Fund - Direct Plan - Growth	1,25,58,291	1,87,90,113	28.75	40.12
ICICI Saving Fund - Direct Plan - Growth	5,66,618	-	28.31	-
Bandhan Money Market Fund - Direct Plan - Growth	27,73,716	-	11.00	-
Bandhan Gilt 2027 Index Fund - Direct Plan - Growth	91,69,827	13,03,983	10.76	1.42
Edelweiss Bharat Bond (Apr 2025) - Direct Plan - Growth	49,99,750	49,99,750	5.96	5.55
HDFC Corporate Bond - Direct Plan - Growth	-	44,03,029	-	12.16
SBI Floating Rate - Direct Plan - Growth	80,73,373	80,73,373	9.80	9.04
Nippon India Floating Rate - Direct Plan - Growth	1,05,64,050	1,05,64,050	45.13	41.74
DSP Nifty FDL Plus G sector - Direct Plan - Growth	2,48,78,879	2,48,78,879	27.94	25.97
Bandhan Crisil Gilt 2028 Index Fund - Direct Plan - Growth	1,19,61,823	1,17,97,631	14.08	12.92
Bandhan Crisil IBX 90:10 SDL Plus Gilt fund	49,99,750	49,99,750	5.50	5.13
Bandhan Crisil IBX Gilt April 2032 Index Fund	49,99,750	49,99,750	5.49	5.06
Bandhan Bond Fund Short Term Plan - Direct Plan - Growth	29,71,849	29,71,849	16.31	15.17
ICICI Prudential Liquid Plan - Direct Plan - Growth	-	4,07,357	-	13.57
ICICI Prudential Banking & PSU Debt Plan - Direct Plan - Growth	1,12,32,999	70,84,082	34.57	20.19
ICICI Prudential Floating Interest Fund - Direct Plan - Growth	5,39,296	1,90,552	22.48	7.30
ICICI Nifty SDL Dec 2028 Index Fund	99,41,936	99,41,936	11.18	10.36
ICICI Short Term Fund - Direct Plan - Growth	27,61,727	18,56,766	16.28	10.09
Bandhan Crisil IBX Gilt April 2026 Index Fund - Direct Plan - Growth	1,40,38,932	1,40,38,932	15.62	14.56
ABSL Crisil IBX AAA SDL June 2032 Index Fund - Direct Plan - Growth	49,93,458	49,93,458	5.51	5.05
ABSL Crisil IBX AAA June 2023 Index Fund - Direct Plan - Growth	-	6,93,19,608	-	73.00
ABSL Crisil IBX 50:50 Gilt/SDL - Direct Plan - Growth	6,26,855	6,26,855	0.70	0.65
DSP Savings Fund - Direct Plan - Growth	28,85,906	49,29,599	14.28	22.67
DSP Low Duration Fund - Direct Plan - Growth	1,60,78,567	1,99,37,971	29.92	34.52
DSP Short Term Fund - Direct Plan - Growth	35,81,278	35,81,278	16.31	15.14
DSP Corporate Bond Fund - Direct Plan - Growth	73,91,651	73,91,651	10.85	10.10
TATA Money Manager Fund - Direct Plan - Growth	-	12,644	-	5.12
DSP Liquid Fund - Direct Plan - Growth	17,534	-	6.05	-
DSP Ultrashort Fund - Direct Plan - Growth	42,200	-	14.21	-
HSBC Money Market Fund - Direct Plan - Growth	7,94,276	-	2.00	-
SBI Arbitrage Opportunities - Direct Plan - Growth	22,40,254	-	7.33	-
Nippon Arbitrage Fund - Direct Plan - Growth	19,47,459	-	5.09	-
TATA FMP Series 61 scheme - Direct Plan - Growth	49,99,750	-	5.02	-
TATA Liquid Fund - Direct Plan - Growth	2,636	-	1.00	-
LIC MF liquid Fund - Direct Plan - Growth	11,486	-	5.04	-
Aggregate book value/ market value of quoted investments			845.49	632.16
Aggregate value of provision for impairment			-	-

* Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 35 and 36

9.2 Trade receivables (Unsecured considered good unless otherwise stated) *

(Rs. in crore)

	March 31, 2024	March 31, 2023
	Considered good	133.38
Credit impaired	26.39	41.78
Less: Allowance for doubtful trade receivables	(26.39)	(41.78)
	133.38	127.64

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

* Refer note 30 for receivables from related parties

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

(9.2.2) Ageing for trade receivables from the due date of payment for each of the category is as follows:

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due (includes unbilled revenue) *	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	80.19	51.84	1.35	-	-	-	133.38
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	11.47	11.86	3.06	-	-	26.39
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	80.19	63.31	13.21	3.06	-	-	159.77

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due (includes unbilled revenue) *	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	70.34	56.17	1.13	-	-	-	127.64
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	1.98	20.69	17.26	1.85	-	-	41.78
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	72.32	76.86	18.39	1.85	-	-	169.42

* includes unbilled revenue of Rs 17.30 crore (March 31, 2023: Rs. 14.63 crore) as considered good and Rs. Nil crore (March 31, 2023: Rs. 1.72 crore) as credit impaired



9.3 Cash and cash equivalents

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Balances with banks:		
- On current accounts	201.99	27.61
- Deposits with original maturity of less than three months	25.00	-
Cash on hand	0.94	1.00
	<u>227.93</u>	<u>28.61</u>

9.4 Loans (Unsecured considered good unless otherwise stated)

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Loans to employees	1.35	1.93
	<u>1.35</u>	<u>1.93</u>

There are no loans which have significant increase in credit risk nor which are credit impaired.

9.5 Other current financial assets (Unsecured considered good unless otherwise stated)

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Margin money deposit with banks	1.27	4.80
Interest accrued on fixed deposits	0.52	0.96
Other receivables *		
Considered good	40.67	68.05
Considered doubtful	0.67	0.62
Less: Provision against other receivables	(0.67)	(0.62)
Net other receivables	<u>40.67</u>	<u>68.05</u>
	<u>42.46</u>	<u>73.81</u>

* includes receivables from related parties (refer note 30)

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

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Prepaid expenses (refer note 30)	17.44	15.58
Advances to suppliers (refer note 30)	4.48	10.05
Balance with government authorities	1.76	0.94
Utamortised lease registration charges	-	0.04
	<u>23.68</u>	<u>26.61</u>

(This space has been intentionally left blank)



11 Equity Share capital

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
11.1 Authorised shares (Nos.) 135,000,000 (March 31, 2023: 135,000,000) Equity Shares of Rs. 10/- each	135.00	135.00
11.2 Issued, subscribed and fully paid-up shares (Nos.) 75,630,045 (March 31, 2023: 75,630,045) Equity Shares of Rs. 10/- each	75.63	75.63
Total issued, subscribed and fully paid-up share capital	75.63	75.63

Notes:

(11.2.1) On July 13, 2023, Kabru Investments Pte Ltd (Kabru) acquired 2,535,477 equity shares (3.35%) and 7,940,048 equity shares (10.50%) from Cypress Holdings and Manipal Global Health Services (MGHS) respectively. On January 10, 2024, Phoenix Bear Investments LLC acquired 787,278 equity shares (1.04%) and Novo Holdings Invest Asia A/S acquired 944,734 equity shares (1.25%) from Kabru. On January 31, 2024, Seventy Second Investment Company LLC acquired 2,830,015 equity shares (3.74%) from Kabru. Therefore, as of March 31, 2024 Kabru held (7.82%) in the Company.

(11.2.2) On July 13, 2023, Kangto Investments Pte Ltd. (Kangto) acquired 2,04,20,112 equity shares (27.00%) of the Company from MGHS. As a result, Kabru, Kangto and Imperius Healthcare Investments Pte Ltd (collectively referred to be as Temasek Group) collectively held 52.95% shareholding of the Company as of March 31, 2024.

(11.2.3) On July 14, 2023 TPG Asia VI SF Pte Ltd (TPG) transferred 7,952,578 equity shares of the Company to MGHS. Further, on July 19, 2023 TPG transferred 8,319,305 equity shares of the Company to Manipal Research and Management Services International (MRMSI). On July 19, 2023 MRMSI transferred 8,319,305 equity shares amounting to 11% shareholding of the Company to TPG SG Magazine Pte Ltd.

(11.2.4) On July 14, 2023 National Investment Infrastructure Fund - II transferred its entire shareholding of 6,390,739 equity shares to MGHS.

(11.2.5) Manipal Hospitals Employee Welfare Trust (MHEWT) was holding 1,133,200 equity shares of the Company which it transferred to MGHS on August 23, 2023. The proceeds of the sale of shares were utilized to liquidate the outstanding employee stock options.

(11.2.6) Pursuant to the share transfers between MGHS and Kabru, Kangto, TPG, NIIF and MHEWT, the shareholding of MGHS stood at 20.46% as of March 31, 2024. Cypress holdings held 3.87% as of March 31, 2024.

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

	March 31, 2024		March 31, 2023	
	Nos.	Rs. in crore	Nos.	Rs. in crore
At the beginning of the year	7,56,30,045	75.63	7,56,30,045	75.63
Add : Issued during the year	-	-	-	-
At the end of the year	7,56,30,045	75.63	7,56,30,045	75.63

11.4 Terms/ rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The 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 / ultimate holding company and / or their subsidiaries / associates *

	March 31, 2024		March 31, 2023	
	Nos.	Rs. in crore	Nos.	Rs. in crore
Manipal Global Health Services, Mauritius	-	-	2,83,60,160	28.36
Cypress Holdings	-	-	54,65,045	5.47
Manipal Education and Medical Group India Private Limited	-	-	41,47,117	4.15

*As of March 31, 2024 there is no holding / ultimate holding company and / or their subsidiaries / associates for the Company.

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

	March 31, 2024		March 31, 2023	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10 each fully paid				
Kabru Investments Pte. Ltd.	59,13,498	7.82%	-	-
Kangto Investments Pte. Ltd.	2,04,20,112	27.00%	-	-
TPG SG Magazine Pte. Ltd.	83,19,305	11.00%	-	-
Manipal Global Health Services, Mauritius	1,54,76,517	20.46%	2,83,60,160	37.50%
TPG Asia VI SF Pte Ltd.	-	-	1,62,71,883	21.52%
Imperius Healthcare Investments Pte Ltd.	1,37,14,217	18.13%	1,37,14,217	18.13%
Cypress Holdings	-	-	54,65,045	7.23%
Manipal Education and Medical Group India Private Limited	41,47,117	5.48%	41,47,117	5.48%
National Investment and Infrastructure Fund - II	-	-	63,90,739	8.45%

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 promoters of the company

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the % of Total Shares year
Equity shares of ₹10 each fully paid up held by:				
Manipal Global Health Services, Mauritius	2,83,60,160	-	2,83,60,160	37.50%
Cypress Holdings	54,65,045	-	54,65,045	7.23%
Manipal Education and Medical Group India Private Limited	41,47,117	-	41,47,117	5.48%
	3,79,72,322	-	3,79,72,322	50.21%

Dr. Ranjan Ramdas Pai holds 1,42,684 shares as promoter of the Company.



11.8 As at March 31, 2024 and March 31, 2023, the Company does not have any shares reserved for issue under options and contracts or commitments for the sale of shares except Employee Stock Option Plans (refer note 34).

12 Other equity

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
12.1 Securities premium		
Balance at the beginning of the year	2,569.55	2,569.55
Add: Addition during the year (refer note 34)	96.09	-
Balance at the end of the year	2,665.64	2,569.55
12.2 Treasury Shares		
Balance at the beginning of the year	(34.36)	(34.36)
Add: Acquired/ issued during the year	-	-
Less: sale of shares by MHEWT (refer note 34)	34.36	-
Balance at the end of the year	-	(34.36)
12.3 Share options outstanding account		
Balance at the beginning of the year	20.93	16.39
Add: Share based payments for the year	13.23	8.11
Less: Adjustments related to ESOP settlement	-	(3.57)
Less: Transferred to retained earnings on cancellation of ESOP options (refer note 34)	(34.16)	-
Balance at the end of the year	-	20.93
12.4 General reserve		
Balance at the beginning of the year	2.80	2.80
Add: Addition during the year	-	-
Balance at the end of the year	2.80	2.80
12.5 Retained earnings		
Balance at the beginning of the year	740.38	546.04
Add: Profit for the year	379.56	194.34
Add: Transfer from Share options outstanding account (refer note 34)	34.16	-
Balance at the end of the year	1,154.10	740.38
12.6 Re-measurement of defined benefit plans		
Balance at the beginning of the year	0.31	(0.80)
Add: OCI for the year (net of tax)	(0.64)	1.11
Balance at the end of the year	(0.33)	0.31
Total of other equity	3,822.21	3,299.61

13 Non-current financial liabilities

13.1 Borrowings (secured unless other-wise stated)

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Non-current Borrowings		
Term loan from banks (refer note 13.1.1 to 13.1.4)	966.47	930.76
Term loan from financial institutions (refer note 13.1.1 to 13.1.4)	333.25	343.20
Loan for purchase of capital asset (refer note 13.1.1 to 13.1.3 and 13.1.5)	11.73	6.94
(A)	1,311.45	1,280.90
Less: Current maturities - disclosed under the head short term borrowings		
Term loan from banks	126.60	134.99
Term loan from financial institutions	21.00	-
Loan for purchase of capital asset	3.20	1.79
(B)	150.80	136.78
(A-B)	1,160.65	1,144.12

13.1.1 Principal Outstanding (net of transaction cost)

Term loans from banks	966.47	930.76
Term loans from financial institutions	333.25	343.20
Loan for purchase of capital asset	11.73	6.94
	1,311.45	1,280.90

13.1.2 Effective Interest Rate

Term loan from banks	(8.40% to 8.72%)	(9.06% to 9.34%)
Term loan from financial institution	8.75%	8.75%
Loan for purchase of vehicles	(7.35% to 10.00%)	(7.35% to 10.00%)

13.1.3 Repayment Terms

Term loan from bank	2026 to 2036
Term loan from financial institution	2032
Loan for purchase of vehicles	2025 to 2032



- 13.1.4 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, 2024, the Company entered into facility agreement with its lenders and offered consolidated security as below:-
a) A first pari-passu charge over all movable, immovable fixed assets and current assets of the Company along with MHDPL, MHPL, MHBPL & AMRI other than fixed Deposits and mutual funds kept as DSRA & immovable properties mentioned as excluded properties in facility agreements.
b) Exclusive security interest over the amount in the Debt Service Reserve Accounts required to be maintained by MHEPL.
c) Irrevocable and unconditional corporate guarantee by MHBPL, MHDPL and MHPL. AMRI assets are also offered to lenders as security subsequent to acquisition of AMRI. Refer note 31(E)

- During the year ended March 31, 2023, the Company entered into facility agreement with its lenders and offered consolidated security as below:-
a) A first pari-passu charge over all movable, immovable fixed assets and current assets of the Company along with MHDPL, MHJPL, MHPL and MHBPL other than fixed Deposits and mutual funds kept as DSRA & immovable properties mentioned as excluded properties in facility agreements.
b) Exclusive security interest over the amount in the Debt Service Reserve Accounts required to be maintained by MHEPL.
c) Irrevocable and unconditional corporate guarantee by MHBPL, MHJPL, MHDPL and MHPL. Refer note 31(E)

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

13.2 Lease liabilities

Opening balance

		(Rs. in crore)	
		March 31, 2024	March 31, 2023
		314.24	312.66

Add: New leases during the year

Add: Interest accrued

Less: Interest paid

Less: Lease rent paid *

Less: Lease reversals/ adjustments

	38.47	12.62
	32.80	31.56
	(32.80)	(31.56)
	(20.82)	(10.95)
	(1.01)	(0.09)
	<u>330.88</u>	<u>314.24</u>

Non-current

Current

* includes lease rent paid to related parties (refer note 30)

	305.40	294.28
	25.48	19.96

13.2.1 Notes

Refer notes 2.2(h) in relation to accounting policy for leases.

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.

The Company has taken on lease certain building for hospital operations, hostels for staff, equipments and office spaces and certain software for use in the course of its business.

Refer note 36(c) disclosure on maturity analysis of lease payments

Refer note 40 disclosure on cash outflows for lease liabilities

14 Provisions

Non-current

Provision for gratuity (refer note 33)

		(Rs. in crore)	
		March 31, 2024	March 31, 2023
	-	-	0.81
	-	-	0.81

15 Taxes

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are:

Statement of Profit and loss:

Current income tax:

Current income tax charge

Deferred tax charge / (credit):

Origination and reversal of temporary differences

Income tax expense reported in the statement of profit or loss

OCI section

Deferred tax related to items recognised in other comprehensive income during the year

Net (loss) / gain on remeasurement of defined benefit plan

Income tax expense reported in other comprehensive income

Income taxes

		(Rs. in crore)	
		March 31, 2024	March 31, 2023
	138.87	99.78	
	138.87	99.78	
	29.66	(9.25)	
	29.66	(9.25)	
	<u>168.53</u>	<u>90.53</u>	
	(0.22)	0.38	
	<u>(0.22)</u>	<u>0.38</u>	

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and year ended March 31, 2023:

Accounting profit/ (loss) before income tax

At India's statutory income tax rate of 25.17% (March 31, 2023: 25.17%)

Changes in tax rates

DTA not created in the absence of reasonable certainty on long term capital losses

Deferred tax asset not recognised on impairment of investment

Tax effect of non-deductible expenses

Others

		(Rs. in crore)	
		March 31, 2024	March 31, 2023
	548.09	284.87	
	137.95	71.70	
	(0.23)	(2.69)	
	-	5.00	
	5.03	17.62	
	9.86	1.38	
	15.92	(2.48)	
	<u>168.53</u>	<u>90.53</u>	



Deferred tax

	Recognised in balance sheet		Recognised in profit and loss and other comprehensive income	
	March 31, 2024	2023	March 31, 2024	2023
	(Rs. in crore)			
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.	(237.74)	(217.57)	20.17	(2.58)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis *	97.95	90.50	(7.45)	(5.21)
Provision for doubtful debts and advances	6.81	10.67	3.86	(3.31)
Provision for stamp duty deductible under section 35DD of Income Tax Act, 1961.	2.54	2.54	-	1.36
Fair valuation of investments in mutual funds	(13.88)	(4.50)	9.38	(2.13)
Deferred tax on short term capital loss	6.43	9.75	3.32	(3.97)
Deferred tax on long term capital loss	5.62	5.66	0.04	6.96
Provision for impairment of investment	1.14	1.26	0.12	-
Deferred tax expense	-	-	29.44	(8.88)
Net deferred tax (liabilities)	(131.13)	(101.69)	-	-

* Includes items under 43B such as Leave encashment, gratuity, bonus and amounts routed through Other Comprehensive Income pertaining to remeasurement of defined benefit plan.

Reflected in the balance sheet as follows:

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Deferred tax assets	120.49	120.38
Deferred tax liabilities	(251.62)	(222.07)
Deferred tax liabilities (net)	(131.13)	(101.69)

Reconciliation of deferred tax liability:

DTA has not been recognised on temporary differences in relation to indexation benefit on investment in subsidiaries, joint ventures and associates gross investment value amounting to Rs. 2,581.85 crore (March 31, 2023: Rs. 2,581.85 crore), as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Opening balance	(101.69)	(110.57)
Tax charge during the year recognised in profit or loss	(29.66)	9.25
Subtotal	(29.66)	9.25
Tax charge during the year recognised in OCI	0.22	(0.38)
Closing balance	(131.13)	(101.69)

Unrecognised deferred tax asset:

Deferred tax assets of Rs. 5.00 crore have not been recognised in respect of the long term capital losses, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. Long term capital losses of Rs. 21.85 crore will be expired in the financial year 2029-30 relevant to the assessment year 2030-31.

16 Current financial liabilities

16.1 Trade payables

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Trade payables	9.75	5.81
- total outstanding dues of micro enterprises and small enterprises (refer note 41)	423.31	450.82
- total outstanding dues of creditors other than micro enterprises and small enterprises	433.06	456.63

(16.1.1) For details relating to payable to related parties refer note 30.

(16.1.2) Ageing for trade payables from the due date of payment for each of the category mentioned above:

Particulars	As at March 31, 2024					
	Not due (Including provision for expense)	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro enterprises and small enterprises	8.57	1.18	-	-	-	9.75
Outstanding dues of creditors other than micro enterprises and small enterprises	365.49	17.11	21.10	10.46	9.15	423.31
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	374.06	18.29	21.10	10.46	9.15	433.06



As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due (including provision for expense)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro enterprises and small enterprises	5.40	0.41	-	-	-	5.81
Outstanding dues of creditors other than micro enterprises and small enterprises	390.53	37.72	10.05	-	12.52	450.82
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	395.93	38.13	10.05	-	12.52	456.63

16.2 Borrowings	Current maturities of long-term borrowings (refer note 13.1)	(Rs. in crore)	
		March 31, 2024	March 31, 2023
		150.79	136.79
		<u>150.79</u>	<u>136.79</u>

16.3 Other current financial liabilities	Interest accrued but not due on borrowings * Capital creditors ** Sundry deposits Retention money Other payables	(Rs. in crore)	
		March 31, 2024	March 31, 2023
		0.15	0.95
		16.38	11.88
		0.93	0.88
		4.75	3.73
		0.09	0.09
		<u>22.30</u>	<u>17.53</u>

* The details of interest rates, repayment and other terms are disclosed under note 13.1

** As at March 31, 2024, outstanding amount of Rs. 1.85 crores (March 31, 2023: Rs. 1.11 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 due date during the current and the previous years.

17 Provisions	Current Provision for compensated absences	(Rs. in crore)	
		March 31, 2024	March 31, 2023
		21.08	18.09
		<u>21.08</u>	<u>18.09</u>

18 Current tax liabilities (net)	Current tax liabilities (net of advance tax/ tax deducted at source)	(Rs. in crore)	
		March 31, 2024	March 31, 2023
		20.36	20.36
		<u>20.36</u>	<u>20.36</u>

19 Other current liabilities	Statutory dues Advance received from customer, net of unbilled revenue [refer note 20(b)] Stamp duty payable Donation and other funds	(Rs. in crore)	
		March 31, 2024	March 31, 2023
		14.27	12.39
		8.80	11.61
		10.08	10.08
		14.10	9.42
		<u>47.25</u>	<u>43.50</u>

(This space has been intentionally left blank)



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

20 Revenue from operations

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Hospital services	2,595.73	2,319.08
Pharmacy sales	121.04	101.05
Less: Discounts	(46.65)	(39.39)
Total (a)	2,670.12	2,380.74
Other operating income		
Management fees from hospitals	0.10	0.07
Occupational health centre and ambulance service	19.92	19.99
Rental income	3.48	2.65
Others	13.33	4.74
Total (b)	36.83	27.45
Total (a+b)	2,706.95	2,408.19

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

b) Changes in contract liabilities- Advance received from customers

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	11.61	11.58
Less: Revenue recognised that was included in the balance at the beginning of the year (refer note 19)	(11.61)	(11.58)
Add: Increase due to advance from patients received, net of unbilled revenue (refer note 19)	8.80	11.61
Balance at the end of the year	8.80	11.61
Expected revenue recognition from remaining performance obligations:		
- Within one year	8.80	11.61

c) Contract balances

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Receivables		
- Trade receivables	133.38	127.64
Contract liabilities		
- Advance received from customer	8.80	11.61

Unbilled revenue is relating to the service rendered where the invoicing is not done and 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) The company performance obligation is to provide the hospital service to patients, this is part of a contract that has an original expected duration of less than one year, hence the company has taken the practical expedient related to performance obligation disclosure as provided by Ind AS 115.

21 Other income

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Profit on sale of investments in mutual funds (net)	10.06	28.79
Fair value gain on financial instruments at FVTPL	47.27	-
Profit on sale of property, plant and equipment (net)	0.29	0.35
Others	-	0.20
	57.62	29.34



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

		(Rs. in crore)	
		March 31, 2024	March 31, 2023
22	Finance income		
	Interest on inter corporate deposit (refer note 30)	21.78	28.66
	Interest income on financial assets at amortised cost	0.45	5.98
	Interest income on bank deposits	0.96	1.13
	Interest income on defined benefit obligation (net) (refer note 33)	0.01	-
		23.20	35.77
23	Changes in inventories of medical consumables and pharmacy items		
			(Rs. in crore)
		March 31, 2024	March 31, 2023
	<i>Pharmacy items</i>		
	Inventory at the beginning of the year	15.05	20.92
	Less: Inventory at the end of the year	(18.25)	(15.05)
		(3.20)	5.87
	<i>Other medical consumables</i>		
	Inventory at the beginning of the year	1.01	16.53
	Less: Inventory at the end of the year	(12.70)	(1.01)
		(11.69)	15.52
		(14.89)	21.39
24	Employee benefits expense		
			(Rs. in crore)
		March 31, 2024	March 31, 2023
	Salaries, wages and bonus	349.21	294.46
	Contribution to provident and other funds (refer note 33)	20.03	17.73
	Gratuity expenses (refer note 33)	4.67	4.40
	Share based payments (refer note 30 and 34)	13.23	8.11
	Staff welfare expenses	28.45	26.44
		415.59	351.14
25	Finance costs		
			(Rs. in crore)
		March 31, 2024	March 31, 2023
	Bank charges	9.31	9.33
	Interest		
	- on bank and financial institution loan	110.55	98.67
	- on leases	32.80	31.56
	- on vehicle loan	0.77	0.35
	- on self-assessment tax	0.51	2.28
	- on defined benefit obligation (net) (refer note 33)	-	0.76
	- on deferred consideration measured at amortised cost	-	21.51
	Loan processing fees		
	- on financial liabilities measured at amortised cost	14.47	7.19
	Total interest expense	159.10	162.32
		168.41	171.65
26	Depreciation and amortisation expense		
			(Rs. in crore)
		March 31, 2024	March 31, 2023
	Depreciation of property, plant and equipment (refer note 3.1)	105.78	101.61
	Amortisation of right of use assets (refer note 4)	29.37	32.98
	Amortisation of other intangible assets (refer note 4)	3.98	4.76
		139.13	139.35



Manipal Health Enterprises Private Limited**Notes to Standalone Financial Statements for the year ended March 31, 2024**

27 Other expenses	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Doctors professional fees	527.77	478.77
House keeping, including consumables	69.85	66.56
Power and fuel and other utilities	31.53	30.21
Security charges	17.94	15.69
Rent (refer note 27.1)	17.01	15.99
Contractual manpower	25.02	26.57
Rates and taxes	3.12	2.68
Insurance	6.00	4.31
Repairs and maintenance		
- Buildings	4.45	6.12
- Plant and machinery	24.30	21.91
- Others	40.61	37.04
Corporate social responsibility (refer note 39)	4.48	3.19
Advertising and sales promotion	118.41	83.62
Travelling and conveyance	11.36	10.45
Communication costs	2.76	2.49
Printing and stationery	9.11	8.83
Legal and professional fees	37.15	28.14
Payment to auditors (refer note 27.2)	2.78	1.91
Bad debts/advances written off	17.96	14.67
Loss allowance on trade receivables (net of reversals)	(13.67)	12.56
Loss allowance on other receivables	0.05	(0.01)
Impairment on loan to others	0.30	-
Fair value loss on financial instruments at FVTPL	-	7.97
Foreign exchange loss (net)	0.38	0.05
Miscellaneous expenses	6.02	4.79
	964.69	884.51

27.1 Represents amounts incurred by the Company towards expenses relating to short-term leases, leases of low-value assets and ineligible GST on lease payments written off. Also refer note 2.2(h).

27.2 **Payment to auditors***

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Audit fees	1.77	1.37
Limited review	0.55	0.30
Other services	0.16	-
Reimbursement of expenses	0.30	0.25
	2.78	1.91

*Amount inclusive of Goods and Service Tax (GST).



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

28 Exceptional items

- (i) The Company has made provision for impairment of its investment in Igenetic Diagnostics Private Limited of Rs. 20.00 crores (March 31, 2023: Rs. Nil).
- (ii) During the year ended March 31, 2023, the Company has provided an arrangement to eligible employees to surrender vested ESOP's for ex-gratia payment as a one-time 'cash settlement' arrangement. As a result, the company has recognized expenses towards Employee stock option plans ('ESOP') of Rs. 43.90 crores. Since the ESOP expense meets both the test of incidence and test of materiality, the management has classified this expense as exceptional item in the Standalone Financial Statements.
- (iii) The Company has incurred certain legal and professional fees towards its executed/ planned business expansion amounting to Rs. Nil (March 31, 2023: Rs. 26.00 crore). The Company has disclosed the same as exceptional item in the Standalone Financial Statements.
- (iv) The Company received the stamp duty adjudication order from the Government of Karnataka for the merger of Manipal Hospitals (Whitefield) Private Limited (MHWPL) and the Company. Hence, the company has recognised an additional expense of Rs. Nil (March 31, 2023: Rs. 1.99 crores)
- (v) The Company has made provision for impairment of its investment in Terrals Technologies Private Limited of Rs. Nil (March 31, 2023: Rs. 69.99 crores).

29 Earnings per share (EPS)

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

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Profit attributable to the equity shareholders for basic EPS	379.56	194.34
Weighted average number of equity shares for calculating basic EPS	7,51,84,196	7,44,96,845
Effect of dilution:		
Stock option granted under ESOP Schemes	2,67,991	4,18,720
Basic earnings per share (Rs.)	7,54,52,187	7,49,15,565
Diluted earnings per share (Rs.)	50.48	26.09
	50.30	25.94

30 Related party transactions

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

Ultimate Holding Company	- MEMG International Limited, Mauritius (upto July 13, 2023)
Subsidiaries	- Manipal Health Enterprises International Pte. Ltd., Singapore - Manipal Hospitals (Dwarka) Private Limited, India - Manipal Hospitals (Jaipur) Private Limited, India (upto July 17, 2023) - Healthmap Diagnostics Private Limited - Manipal Hospitals Private Limited - Manipal Hospitals (Bengaluru) Private Limited
Stepdown Subsidiary	- Medcis Pathlabs India Private Limited, India - AMRI Hospitals Private Limited, India (from September 20, 2023) (formerly known as "AMRI Hospitals Limited)

(b) Names of other related parties as per Ind AS 24 with whom transactions have taken place during the year:

Associate	- Igenetic Diagnostics Private Limited [also, refer note 5.1(C)]
Joint venture	- Terrals technologies Private Limited [also, refer note 5.1(D)]
Enterprises/Individuals having joint control over the Company	- Kabru Investments Pte. Ltd. - Kangto Investments Pte. Ltd. - Imperius Healthcare Investments Pte Ltd. - Manipal Global Health Services, Mauritius - Manipal Education and Medical Group India Private Limited - Cypress Holdings - Dr. Ranjan Pai - TPG SG Magazine Pte. Ltd.
Other related parties (Enterprise under significant influence of ultimate holding company /holding company upto July 13, 2023) (Enterprise over which KMP has significant influence from July 13, 2023)	- Manipal Health Systems Private Limited, India - MEMG International Limited, Mauritius - MEMG International India Private Limited, India - Manipal Global Education Services Private Limited, India - Manipal Global Health Services, Mauritius - Manipal Cigna Health Insurance Company Limited, India - Stempeutics Research Private Limited, India - Manipal Academy of Higher Education - Meritrac Services Private Limited - UNext Learning Private Limited - Manipal Foundation



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

(c) Names of key management personnel as per Ind AS 24 irrespective of whether transactions have occurred or not:

Key Management Personnel	- Dr. H. Sudarshan Ballal, Director - Mr. Dilip Jose, Managing Director and Chief Executive Officer - Dr. Ranjan R Pai, Director - Mr. T V Mohandas Pai, Director (upto July 14, 2023) - Mr. Rajen Padukone, Director (upto July 14, 2023) - Mr. Puneet Bhatia, Director - Mr. Mitesh Daga, Director (upto July 14, 2023) - Mr. Vaitheeswaran Seetharaman, Director - Mr. Narayanan Kumar, Nominee Director - Mr. Syed Fidah Bin Ismail Alsagoff, Director (w.e.f September 16, 2023) - Mr. Ved Prakash Kalanoria, Director (w.e.f September 16, 2023) - Mr. Ravi Lambah, Director (w.e.f September 26, 2023) - Mr. Kaikhushru Shiavax Nargolwala, Director (w.e.f October 10, 2023) - Ms Varini Sharma, Director (w.e.f January 31, 2024)
--------------------------	---

(d) Names of additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year:

Chief Financial Officer	- Mr. Sameer Agarwal
Company Secretary	- Sathish Kolar Ramamoorthy

Transactions with the above related parties during the year ended:

Name of related party	Nature of transaction	(Rs. in crore)	
		March 31, 2024	March 31, 2023
Manipal Hospitals (Dwarka) Private Limited	Reimbursement of expenses incurred on behalf of the related party	55.40	30.13
	Reimbursement of expenses incurred on behalf of the Company	0.99	1.58
	Amount received from related party	56.88	178.17
	Inter corporate deposit given during the year	376.63	164.86
	Inter corporate deposit repaid during the year	248.16	406.53
	Interest on ICD received	8.85	-
	Interest received / receivable	21.78	28.66
Manipal Health Systems Private Limited	Sale of medical consumables (net of reversal)	0.41	-
	Rent expense	0.26	0.26
	Amount paid to related party	0.30	0.30
Healthmap Diagnostics Private Limited	Refund of Security Deposit	-	5.96
	Reimbursement of expenses incurred on behalf of the Company	-	0.09
	Amount paid to related party	2.42	1.58
	Investment in Equity Instruments	-	27.87
	Health Care Services given	0.08	-
MEMG International India Private Limited	Health Care Services received	2.94	1.95
	Income from health care services	0.00*	0.02
	Royalty charges/back office charges (included under legal and professional expense)	13.85	14.30
Manipal Global Education Services Private Limited	Income from health care services	0.82	0.67
	Service charge expenses	-	0.01
	Amount received from related party	0.47	0.23
Manipal Hospitals (Jaipur) Private Limited	Reimbursement of expenses incurred on behalf of the related party	-	35.37
	Reimbursement of expenses incurred on behalf of the Company	-	1.48
	Amount received from related party	-	32.90
	Security Deposit paid on behalf of related parties	-	14.85
	Security Deposit received by the Company	-	14.85
	Sale of medical consumables (net of reversal)	-	0.37
	Purchase of Asset	-	0.09
Manipal Global Health Services	Sale of equity instruments by MHEWT	434.52	-
Manipal Cigna Health Insurance Company Limited	Insurance expense	6.83	8.68
Stempeutics Research Private Limited	Rent income	0.20	0.21
	Amount received from related party	0.22	0.20
	Income from health care services	0.01	0.02
Remuneration to key management personnel (KMP)	Short-term employee benefits ^	110.21	34.23
	Doctors professional fees	4.92	4.48
Manipal Academy of Higher Education	Reimbursement of expenses incurred on behalf of the company	7.26	6.04
	Income from health care services	47.29	35.46
	Lease rent expense	2.02	2.27
	Amount received from related party	38.35	38.81



Manipal Health Enterprises Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2024

	Healthcare Services rendered	12.93	7.41
	Sale of medical consumables	1.67	3.55
	Reimbursement of expenses incurred on behalf of the related party	206.78	122.80
Manipal Hospitals Private Limited	Reimbursement of expenses incurred on behalf of the Company	17.71	3.19
	Amount received from related party	198.92	113.75
	Healthcare Services received	1.56	-
	Purchase of Assets	0.06	-
	Sale of Assets	-	0.09
	Purchases of medical consumables	0.26	1.87
	Reimbursement of expenses incurred on behalf of the related party	22.94	16.99
	Amount received from related party	31.15	9.50
Manipal Hospitals (Bengaluru) Private Limited	Healthcare Services rendered	0.58	0.19
	Healthcare Services received	0.97	-
	Reimbursement of expenses incurred on behalf of the Company	0.85	0.18
	Sale of medical consumables	0.03	0.01
	Sale of Assets	0.29	-
Unnext Learning Pvt Ltd	Healthcare Services rendered	0.02	-
	Amount received from related party	0.14	-
Manipal Foundation	Corporate Social Responsibility expenditure	4.48	3.19
AMRI Hospitals Private Limited, India (Formerly known as AMRI Hospital Limited)	Reimbursement of expenses incurred on behalf of the related party	0.33	-

* Represents value less than Rs. 0.01 crore

^ Short-term employee benefits [including payment in lieu of cancellation of ESOP, also refer note 34.1] to KMP and it does not include the provisions made with respect of gratuity and compensated absences, as they are determined on the Company as a whole.

Balances payable to related parties are as follows:

Name of related party	Nature of balances	(Rs. in crore)	
		March 31, 2024	March 31, 2023
MEMG International India Private Limited	Trade payables	2.79	2.50
Dr. H. Sudarshan Ballal	Trade payables	0.10	0.09
Health Map Diagnostics Private Limited	Trade payables	0.53	0.21
Manipal Health Systems Private Limited	Trade payables	-	0.04
Manipal Hospitals (Bengaluru) Private Limited	Trade payables	0.92	-
UNext Learning Private Limited	Trade payables	0.12	-

Balances receivable from related parties are as follows:

Name of related party	Nature of balances	(Rs. in crore)	
		March 31, 2024	March 31, 2023
Manipal Global Education Services Private Limited	Other receivables	0.77	0.23
MEMG International India Private Limited	Other receivables	0.07	0.07
Manipal Hospitals Private Limited	Other receivables	17.01	14.01
Manipal Hospitals (Bengaluru) Private Limited	Other receivables	0.96	9.18
Manipal Health Systems Private Limited (MHSP)	Security deposits	0.88	0.80
Manipal Hospitals (Dwarka) Private Limited	Other receivables	13.37	5.95
	Interest accrued on Inter Corporate Deposit	13.18	2.43
	Inter corporate Deposit	248.99	120.52
Manipal Hospitals (Jaipur) Private Limited	Other receivables	-	10.88
Manipal Cigna Health Insurance Company Limited	Prepaid expenses	8.94	9.29
Stempeutics Research Private Limited	Other receivables	0.09	0.07
Manipal Academy of Higher Education	Other receivables	3.65	4.06
AMRI Hospitals Private Limited, India (Formerly known as AMRI Hospital Limited)	Other receivables	0.33	-

Terms and conditions of transactions with related parties

The sales to / purchases, income / expenses, loans from / to related parties from related parties are made on terms equivalent to those that prevail in arm's length transactions. For the year ended March 31, 2024 and year ended March 31, 2023 the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(This space has been intentionally left blank)



31 Contingent liabilities

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
(A) Claims against the Company not acknowledged as debts		
i) Patient Compensation	12.05	12.21
ii) Income Tax Demand	53.57	77.73
iii) Indirect Tax Demand	7.07	7.07
(B) Guarantees		
i) Bank guarantees	0.82	1.06
ii) Indemnities for performance given on behalf of third parties	652.50	688.53
(C) Co-borrower liability on borrowings	131.05	193.56
	857.06	980.16

(A)(i) Patient Compensation

There are certain claims made against the Company 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 standalone financial statements.

There are certain litigations for the period prior to February 18, 2014 as stated in Annexure 23 of the BTA entered by MHJPL (merged with MHDPL) with Soni Hospital Private Limited amounting to Rs. 5.03 crores in respect of patient compensation. The cases are pending with various judicial authorities. Pursuant to Section 4.13 (iii and iv) of the BTA, any claims including penalties arising on these litigations shall be borne by Soni Hospital Private Limited.

The Company is confident that its position will be upheld for above litigations and accordingly the outcome of these will not have material effect on the Standalone Financial Statements.

(A)(ii) Income Tax Demand

The Company had demand notices under section 156 of the Income-tax Act, 1961 for AY 2014-15 towards disallowance of back-office expenses and section 14A. The Company had filed appeal before CIT (Appeals) against the demand notices. CIT(Appeals) order issued allowing back-office charges. The Company has filed appeal with ITAT for remaining matters having contingency of Rs. 3.48 crores (March 31, 2023: Rs. 4.36 crores)

During the year ended March 31, 2019, the Company had received the ITAT order dated June 27, 2018, for AY 2011-12, 2012-13, 2013-14 in which ITAT had held that Manipal Health Systems Private Limited ('MHS') and Manipal Health Enterprises Private Limited ('MHE') demerger is not a slump sale and also allowed the back-office expenses, partial depreciation and remanded back one matter to Assessing Officer. Against ITAT order, the department had filed an appeal in the High Court of Karnataka. Karnataka HC held the matters in favour of the Company except one matter which is remanded back to Assessing Offer for reconsideration. The matters of one consultancy fee and 14A disallowance are with AO for reconsideration having a tax impact of Rs. 1.28 crore (March 31, 2023 - Rs. 24.56 crore).

During the year ended March 31, 2020, Company has received the order U/s 143(3) of the Income Tax Act, 1961 for AY 2017-18 as per which AO has not allowed short term capital loss on account of relinquishment of its investment in the shares of a subsidiary and disallowed certain other expense. The aforesaid disallowances have resulted in a tax impact of Rs. 27.61 crore (March 31, 2023 - Rs. 27.61 crore). The Company has filed an appeal before CIT (Appeals) and the same has been admitted.

During the year ended March 31, 2021, Company has received demand notices of Rs. 21.20 crore (March 31, 2023 - Rs. 21.20 crore) under section 156 of the Income-tax Act, 1961 for AY 2018-19 towards disallowance of back-office expenses, provision for doubtful debts, Ind-AS adjustment, disallowance under section 14A and set off of brought forward capital loss. The Company has filed appeal before CIT (Appeals) against the demand notices.

The Company is confident that its position will be upheld for above income tax litigations and accordingly the outcome of these will not have material effect on the Standalone Financial Statements.

(A)(iii) Indirect Tax Demand

(a) The Company has received a show cause notice under section 124 of the Customs Act, 1962, for the financial year 2012-13, from Assistant Commissioner of Customs, as to why customs duty of Rs. 0.08 crore (March 31, 2023: Rs. 0.08 crore) with interest and penalty should not be demanded with regard to short payment of customs duty due to incorrect classification of goods.

(b) The Company received a demand order from the Commercial Tax officer, wherein a Luxury Tax adjustment of Rs. 2.40 crore (March 31, 2023: Rs. 2.40 crore) has been made on claim for improper exemption for financial years 2010-11, 2011-12 and 2012-13.

(c) During the year ended March 31, 2021, the Company has received two notice from the Customs Department asking to submit the Proof of Evidence fulfilling the Export Obligation mentioned in EPCG License. Accordingly the contingent liability in this regard is Rs. 3.50 crore (March 31, 2023: Rs. 3.50 crore) has been disclosed. Further during the year ended March 31, 2022, the Company received an additional notice of Rs.0.49 crore. Further, during the year ended March 31, 2023, the company received the final demand order of Rs.0.40 crore which has been duly paid off. The Company believes that its position will be upheld for above and accordingly the outcome of these will not have material effect on the Standalone Financial Statements.



Manipal Health Enterprises Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2024

(d) During the year ended March 31, 2021, the Company has received proposition notice for an amount of Rs. 1.09 crores (March 31, 2023: Rs. 1.09 crores) (including interest) from the Assistant Commissioner of Commercial Taxes, (Luxury Tax) asking to furnish the details of accommodation charges collected in ICU as well as in ward for FY 2012-13. The Company has replied to the department stating that the case is time barred and requested to drop the proceedings. Further there is no communication from the department. However, the same has been disclosed as contingent liability.

The Company is confident that its position will be upheld for above Indirect tax litigations and accordingly the outcome of these will not have material effect on the Standalone Financial Statements.

Additionally, the Company is also involved in other disputes, lawsuits and claims, including commercial matters, which arise from time to time in the ordinary course of business. The Company believes that there are no such pending matters that are expected to have any material adverse effect on its Standalone Financial Statements.

Pending resolution of the respective proceedings, it is not practicable for the Company 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.

(B) (ii) Indemnities for performance given on behalf of third parties

During the year ended March 31, 2021, the Company has given indemnity against performance of third parties to RSDH (Malaysia) Sdn Bhd, MYR 37 crores equivalent to Rs. 652.50 crores (March 31, 2023: Rs. 688.53 crores) relating to the sale of Manipal Hospitals Sdn. Bhd., Malaysia.

(C) The contingent liability has been created for the coborrower structure of bank loans obtained by Manipal Hospitals (Dwarka) Private Limited and Human Care Medical Charitable Trust of Rs. 131.05 crores (March 31, 2023: Rs. 193.56 crores)

(D) The Company, as per the Employees' provident Fund (EPF) and Miscellaneous provisions Act, 1952 ('the Act') is required to contribute provident fund at a certain defined percentage on basic wages (including certain allowances) and along with employee's contribution it has to be deposited with the EPF authorities. On February 28, 2019, the Supreme Court of India held that allowances meeting certain conditions paid by establishments to its employees should also be considered as "basic wages" while computing provident fund amounts for employees whose basic wages is less than certain statutory thresholds. This court ruling may have an impact of increasing Company's liability towards provident fund contributions which is a defined contribution plan. However, the Company based on the legal advice in this EPF matter believes that there is a considerable uncertainty due to which provision cannot be estimated reliably of the retrospective impact on EPF contribution.

(E) The Company along with MHBPL, MHDPL, MHPL & AMRI have offered covenant to pay and security in the form of first charge on pari passu basis over fixed assets and current assets (as defined in the facility agreements) for the term loans amounting to Rs. 3,883.13 crores availed by the Company, MHDPL, HCMCT (Silo), MHPL & AMRI from various lenders.

32 Capital commitments and other commitments

As at March 31, 2024, the Company has a commitment towards purchase of capital assets of Rs. 323.99 crore (March 31, 2023: Rs. 95.18 crore).

(This space has been intentionally left blank)



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 Rs. 20.03 crores (March 31, 2023: Rs. 17.73 crores)

(ii) Defined benefit plan:

The Company has a defined benefit gratuity plan. Under this plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded. However, the Company has created a trust on March 30, 2013.

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.

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
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	4.67	4.40
Interest (income) / cost on benefit obligation	(0.01)	0.76
Net benefit expense charged to statement of profit or loss	4.66	5.16
ii) Remeasurement		
Return on Plan Assets, Excluding Interest Income	0.08	0.34
Actuarial changes arising from changes in financial assumptions	0.97	(1.77)
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	(0.19)	(0.06)
Total amount recognised in other comprehensive income	0.86	(1.49)
b) Balance Sheet		
Defined benefit (plan assets) / obligation		
Non current	(0.21)	0.81
Current	-	-
Plan (asset) / liability	(0.21)	0.81
c) Change in projected benefit obligations		
Defined benefit obligation at the beginning of the year	0.81	11.90
Fair value of plan assets at the beginning of the year	33.41	20.35
Current service cost	4.67	4.40
Interest cost	2.47	2.16
Benefits paid	(1.80)	(2.76)
Remeasurement of (gain)/ loss in other comprehensive income:		
Actuarial loss / (gain) arising from change in financial assumptions	0.97	(1.77)
Actuarial loss/ (gain) on account of experience adjustments	(0.19)	(0.06)
Fair value of plan assets at the end of the year	(40.55)	(33.41)
Obligations at the end of the year	(0.21)	0.81
d) Fair value of plan assets		
Fair Value of Plan Assets at the Beginning of the Year	33.41	20.36
Interest income	2.48	1.41
Contributions by the Employer	6.60	14.74
Benefit Paid	(1.80)	(2.76)
Return on Plan Assets, Excluding Interest Income	(0.14)	(0.34)
Fair Value of Plan Assets at the End of the Year	40.55	33.41
e) Investment details of plan assets:		
Insurer managed funds	40.55	33.41
Total	40.55	33.41

The Company expects to pay Rs. 1.80 crore in contributions to its defined benefit plans in 2024-25



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

Discount rate	7.20%	7.45%
Increase in compensation cost	6.00%	6.00%
Retirement Age	60 years	60 years
Employee turnover - for all age groups:		

Age (Years)		Rate (p.a.)	
March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
21 - 30	21 - 30	24.04%	24.04%
31 - 34	31 - 34	5.81%	5.81%
35 - 44	35 - 44	4.73%	4.73%
45 - 50	45 - 50	0.75%	0.75%
51 - 54	51 - 54	0.10%	0.10%
55 - 59	55 - 59	0.03%	0.03%

As per Indian Assured lives Mortality (2012-14) Ult. [March 31, 2023: 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 by the amounts shown below:

	0.5% Decrease		0.5% Increase	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	5.10%	5.16%	(4.71)%	(4.78)%
Future salary growth	(4.79)%	(4.86)%	5.13%	5.21%

Maturity profile of defined benefit obligation:

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Within 1 year	3.18	2.35
Between 2 and 5 years	11.80	10.28
Between 6 and 10 years	14.74	12.49
Beyond 10 years	67.63	60.95

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.80 years (March 31, 2023: 9.93 years)



34 Employee Stock option plans

The Company provides share-based payment schemes to its employees. The relevant details of respective schemes and grants are as below.

I) Manipal Health Enterprises Stock Option Scheme ('old Scheme')

On March 15, 2011, the board of directors approved the Equity Settled Scheme for issue of stock options to the key employees and directors of the Company. According to the old scheme, the employee selected by the compensation committee from time to time are entitled to options, subject to satisfaction of the prescribed vesting conditions as per the old Scheme. The contractual life (comprising the vesting period and the exercise period) of options granted is 6 years from the date of grant.

The relevant terms of the grant as per old Scheme are as below:

Vesting period	6 months to 3 years
Exercise period	6 years
Expected Life	2.79 years
Exercise price	Rs. 100
Market price	Rs. 100

	March 31, 2024		March 31, 2023	
	No. of options	Weighted Average Exercise Price (Rs.)	No. of options	Weighted Average Exercise Price (Rs.)
Outstanding and Exercisable at the beginning of the year	1,02,324	100.00	1,46,600	100.15
Lapse/ forfeited during the year	-	-	-	-
Encashed/cancelled	1,02,324	-	44,276	-
Outstanding and Exercisable at the end of the year	-	-	1,02,324	100.00

II) Manipal Health Enterprises Stock Option Scheme - 2016 ('new Scheme')

During the year ended March 31, 2020, the board of directors approved equity settled Manipal Health Enterprises Stock Option Scheme - 2016 ('new Scheme') for issue of stock options to the key employees and directors of the Company. According to the new scheme, the employee selected by the compensation committee from time to time are entitled to options, subject to satisfaction of the prescribed vesting conditions based on performance and passage of time. The contractual life (comprising the vesting period and the exercise period) of options granted is 6 years from the date of grant.

The relevant terms of the grant as per new Scheme are as below:

Vesting period	1 to 4 years
Exercise period	6 years
Expected Life	3.5 to 5 years
Exercise price	Ranges from Rs. 610 to Rs. 979 per option.
Fair value of options as per Black Scholes model	Ranges from Rs 113.30 to 553.94 per option.

	March 31, 2024		March 31, 2023	
	No. of options	Weighted Average Exercise Price (Rs.)	No. of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	10,05,353	1,222	9,14,871	1,008
Granted during the year	-	-	2,99,428	2,644
Lapse/ forfeited during the year	13,000	-	21,312	-
Encashed/cancelled	9,92,353	-	1,87,633	-
Outstanding at the end of the year	-	-	10,05,353	1,222
Exercisable at the end of the year	-	-	5,73,069	814

The weighted average remaining contractual life of the stock options outstanding as at March 31, 2024 is Nil (March 31, 2023: 4.22 years).

The following tables list the inputs to the models used for the years ended March 31, 2024 and March 31, 2023, respectively:

	March 31, 2024	March 31, 2023
Weighted average fair values at the measurement date	-	345.10
Expected volatility (%)	-	26.08% to 38.67%
Risk-free interest rate (%)	-	6.48% to 7.34%
Dividend yield	-	Nil
Expected life of share options	-	6.00
Weighted average share price (INR)	-	1,221.62
Model used	-	Black Scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.



Manipal Health Enterprises Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2024

The expense recognised for employee services received during the year is given below:

	(Rs in crore)	
	March 31, 2024	March 31, 2023
Expense (net of reversals) arising from equity settled share based payment transactions (refer note 24)	13.23	8.11
Exceptional items (refer note 28)	-	43.90

On February 28, 2012, a trust called "Manipal Hospitals Employees Welfare Trust" (MHEWT) was constituted to administer all the employee stock option schemes and other employee benefit schemes. The Company treats MHEWT as its extension and the same is consolidated in this financial statements. The shares held by MHEWT are treated as treasury shares and deducted from other equity. Refer note 12.2 for details.

During the year ended March 31, 2024, Manipal Global Health Services (MGHS), one of the shareholder, proposed to purchase the entire ESOP shares from the Manipal Hospitals Employee Welfare Trust (MHEWT). These shares were held by MHEWT for the sole purpose of allotment to employees under the Manipal Health Enterprises Stock Option Scheme 2011 and 2016. During the current year, the employees were given an option to surrender their eligible ESOP Options. Consequently, the Company accelerated vesting of unvested options, at an additional charge of Rs. 13.23 crores which is recognized in the statement of profit and loss. The employees exercised this option and surrendered 100% of their eligible ESOP Options. All the options under the ESOP plan is cancelled and amount is paid to the employees at the fair value on the date of cancellation for surrender of all of their Options and forego / release their right to receive shares of Company. Subsequently, MHEWT transferred 11,33,200 equity shares of the Company to MGHS. This is considered as 'equity' transaction i.e. transaction amongst shareholders under Ind AS. The net impact of sale of treasury shares amounting to Rs. 96.09 crores [i.e., sale of shares of Rs. 434.52 crores less amount paid to employee (including tax deducted at source) of Rs.278.04 crores, tax on sale of shares of Rs. 26.03 crores and cost of investment of Rs. 34.36 crores] is disclosed in Securities Premium under the head Other Equity in the Standalone Financial Statements.



35 Fair values and hierarchy

Accounting classification and fair value of financial instruments is as follows. The Company 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 Company:

Quantitative disclosures fair value measurement hierarchy valued as at March 31, 2024:

March 31, 2024	Note No.	Level 1	Level 2	Level 3	Total
(Rs. in crore)					
Financial assets (at FVTPL)					
Investment in mutual funds (quoted) (non-current)	5.1	60.67	-	-	60.67
Investment in mutual funds (quoted) (current)	9.1	845.49	-	-	845.49
		<u>906.16</u>	<u>-</u>	<u>-</u>	<u>906.16</u>

Quantitative disclosures fair value measurement hierarchy valued as at March 31, 2023:

March 31, 2023	Note No.	Level 1	Level 2	Level 3	Total
(Rs. in crore)					
Financial assets (at FVTPL)					
Investment in mutual funds (quoted) (non-current)	5.1	65.21	-	-	65.21
Investment in mutual funds (quoted) (current)	9.1	632.16	-	-	632.16
		<u>697.37</u>	<u>-</u>	<u>-</u>	<u>697.37</u>

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

As at March 31, 2024

	Note	Carrying value		
		FVTPL	Amortised Cost	Total
		(Rs. in crore)		
Financial assets: *				
Investment in mutual funds (quoted) (non-current)	5.1	60.67	-	60.67
Loans (non-current)	5.2	-	248.99	248.99
Other Financial assets (non-current)	5.3	-	49.82	49.82
Investment in mutual funds (quoted) (current)	9.1	845.49	-	845.49
Trade receivables	9.2	-	133.38	133.38
Cash and cash equivalents	9.3	-	227.93	227.93
Loans (current)	9.4	-	1.35	1.35
Other financial assets (current)	9.5	-	42.46	42.46
		<u>906.16</u>	<u>703.93</u>	<u>1,610.09</u>
Financial liabilities:				
Borrowings (includes current maturities of long-term borrowings)	13.1	-	1,311.44	1,311.44
Lease liabilities (Non-current and current)	13.2	-	330.88	330.88
Trade payables	16.1	-	433.06	433.06
Other current financial liabilities	16.3	-	22.30	22.30
		<u>-</u>	<u>2,097.68</u>	<u>2,097.68</u>

As at March 31, 2023

	Note	Carrying value		
		FVTPL	Amortised Cost	Total
		(Rs. in crore)		
Financial assets: *				
Investment in mutual funds (quoted) (non-current)	5.1	65.21	-	65.21
Loans (non-current)	5.2	-	120.94	120.94
Other Financial assets (non-current)	5.3	-	34.13	34.13
Investment in mutual funds (quoted) (current)	9.1	632.16	-	632.16
Trade receivables	9.2	-	127.64	127.64
Cash and cash equivalents	9.3	-	28.61	28.61
Loans (current)	9.4	-	1.93	1.93
Other financial assets (current)	9.5	-	73.81	73.81
		<u>697.37</u>	<u>387.06</u>	<u>1,084.43</u>
Financial liabilities:				
Borrowings (includes current maturities of long-term borrowings)	13.1	-	1,280.91	1,280.91
Lease liabilities (Non-current and current)	13.2	-	314.24	314.24
Trade payables	16.1	-	456.63	456.63
Other current financial liabilities	16.3	-	17.53	17.53
		<u>-</u>	<u>2,069.31</u>	<u>2,069.31</u>

*excludes investment in equity instruments

The Company 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 years ended March 31, 2024 and March 31, 2023.

The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



36 Financial risk management

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

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company'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 deposits. The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023. 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, 2024 and March 31, 2023.

(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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates in form of Term loans.

Exposure to interest rate risk

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

	(Rs. in crores)	
	March 31, 2024	March 31, 2023
Fixed rate instruments		
Financial asset		
Margin money deposit with banks	2.25	5.82
Deposits with banks due to mature after twelve months from the reporting date	4.95	6.80
Deposits with original maturity of less than three months	25.00	-
Financial liability		
Borrowings (non-current and current)	354.25	343.20
	(Rs. in crores)	
	March 31, 2024	March 31, 2023
Variable rate instruments		
Financial asset		
Inter Corporate Deposit given to related parties	262.17	122.95
Investments in mutual funds (quoted)	906.16	697.37
Financial liability		
Borrowings (non-current and current)	957.19	937.71

Sensitivity analysis for fixed rate instruments

Based on the closing balance of fixed rate instruments, an increase/ decrease in interest rate by 1%, with all other variables remaining constant would result in increase/ decrease in interest cost by Rs. 3.86 crore (year ended March 31, 2023: Rs. 3.55 crore).

Sensitivity analysis for variable rate instruments

Based on the closing balance of variable rate instruments, an increase/ decrease in interest rate by 1%, with all other variables remaining constant would result in increase/ decrease in interest cost by Rs. 21.25 crore (year ended March 31, 2023: Rs. 17.58 crore).

(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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency), the Company's net investments in foreign subsidiaries and financial guarantees given to foreign subsidiaries.

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

Particulars	March 31, 2024		March 31, 2023	
	USD (million)	(Rs. in crore)	USD million	(Rs. in crore)
Capital advances	-	-	0.01	0.08
Import trade payable (USD)	0.02	0.18	0.01	0.08
Capital creditors	-	-	0.01	0.05

Foreign currency risk sensitivity

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments and the impact on equity arises from changes in foreign exchange rates relating to the Company's net investments in foreign subsidiaries which are primarily in USD. The sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant is as below:

Depreciation of INR against USD by 1% results in decrease in profit before tax by Rs. Nil (March 31, 2023 by Rs. Nil) and appreciation of INR against USD by 1% results in increase by such amount.



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 operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

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.

(i) Trade receivables:

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 133.38 crore (March 31, 2023: Rs. 127.64 crore). The movement in allowance for impairment in respect of trade receivables during the year was as follows:

	(Rs. in crores)	
	March 31, 2024	March 31, 2023
Opening balance	41.78	29.22
Reversal of provision for unbilled revenue	(1.72)	-
Loss allowance (reversal) / provision on trade receivables	(13.67)	12.56
Closing balance	26.39	41.78

There is no significant concentration of credit risk and no single customer accounted for more than 10% of the revenue as of March 31, 2024 and March 31, 2023.

(ii) Other receivables:

The Company 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 Rs. 40.67 crore (March 31, 2023: Rs. 68.05 crore). The movement in allowance for impairment in respect of other receivables during the year was as follows:

	(Rs. in crores)	
	March 31, 2024	March 31, 2023
Opening balance	0.62	0.63
Loss allowance provision / (reversal) on other receivables	0.05	(0.01)
Closing balance	0.67	0.62

(iii) Loans to others :

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of loans to others based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from loans to others amounting to Rs. Nil crore (March 31, 2023: Rs. 0.42 crore). The movement in allowance for impairment in respect of loans to others during the year was as follows:

	(Rs. in crores)	
	March 31, 2024	March 31, 2023
Opening balance	5.00	5.00
Reclassified to investment	(5.00)	-
Closing balance	-	5.00

(v) Financial instruments and deposits:

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

C. Liquidity risk

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

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

	(Rs. in crore)		
	March 31, 2024		
	Less than 1 year	More than 1 year	Total
Borrowings (includes current maturities of long-term borrowings)	261.86	1,595.28	1,857.14
Lease liabilities (non-current and current)	52.48	767.15	819.63
Trade payables	433.06	-	433.06
Other current financial liabilities	22.30	-	22.30
	March 31, 2023		
	Less than 1 year	More than 1 year	Total
Borrowings (includes current maturities of long-term borrowings)	249.96	1,596.92	1,846.88
Lease liabilities (non-current and current)	45.76	765.27	811.03
Trade payables	456.63	-	456.63
Other current financial liabilities	17.53	-	17.53



37 (A) Capital management

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

The Company monitors capital using a gearing ratio which is net debt divided by total equity plus net debt as shown below.

- Net debt includes borrowings (long term and short term) less cash and cash equivalents and
- Total equity comprises of issued share capital and all other equity components attributable to equity share holder.

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
Borrowings (including current maturities) (note 13.1 and 16.2)	1,311.44	1,280.91
Lease liabilities (note 13.2)	330.88	314.24
Less: Cash and cash equivalents (refer note 9.3)	(227.93)	(28.61)
Less: Investment in mutual funds (quoted) (refer note 5.1 and 9.1)	(906.16)	(697.37)
Net debt (A)	508.23	869.17
Total equity attributable to the equity share holders of the Company (excluding share options outstanding account) (note 11 and note 12)	3,897.84	3,354.31
Total capital (B)	3,897.84	3,354.31
Capital and net debt (C = A+B)	4,406.07	4,223.48
Gearing ratio (D = A / C)	12%	21%

37 B 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 certain hospital locations. During the course of the search proceedings, certain information and documents were sought by the department. On March 29, 2024, the Company has received assessment order, with respect of abovementioned matter, comprising demand u/s 156 of the Income-tax Act, 1961 for the Assessment Year (AY) 2019-20 amounting to Rs. 4.21 crores (including interest) and AY 2022-23 amounting to Rs. 4.55 crores (including interest) towards disallowance of certain expenses. The company has filed an appeal with CIT (A).

The Company is confident that its position will be upheld for above litigations and accordingly the outcome of these will not have material effect on the Standalone Financial Statements.

(This space has been intentionally left blank)



38 Segment information:

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of healthcare services in India.

The Company is primarily engaged in a single segment (business and geographical) i.e., Healthcare services in India. As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Ind AS 108 on 'Operating Segments'.

39 Corporate Social Responsibility ('CSR') expenditure

Consequent to the requirements of Section 135 and Schedule VII of the Companies Act, 2013, the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility Policy.

The Company has constituted a CSR committee in accordance with the provisions of the Companies Act, 2013. The focus of CSR activities of the Company comprise promotion of healthcare, education, gender equality, ensuring environment sustainability, training for rural sports and rural development objects. The amount required to be spent towards the CSR activities as per Section 135 and the CSR activities undertaken by the Company is given below:

(a) Gross amount required to be spent by the Company during the year is Rs. 4.48 crore (March 31, 2023: Rs. 3.19 crore)

(b) Amount spent:

Promoting healthcare, education, gender equality, ensuring environment sustainability, training for rural sports and rural development objects.

	(Rs. in crore)		
	In cash	Yet to be paid in cash	Total
Year ended March 31, 2024	4.48	-	4.48
Year ended March 31, 2023	3.19	-	3.19

(c) Details related to spent / unspent obligations:

(i) Contribution to Public Trust

(ii) Contribution to Charitable Trust (refer note 30)

(iii) Unspent amount in relation to:

- Ongoing project

- Other than ongoing project

	March 31, 2024	March 31, 2023
(i) Contribution to Public Trust	-	-
(ii) Contribution to Charitable Trust (refer note 30)	4.48	3.19
(iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
	4.48	3.19

Details of other than ongoing project

As on March 31, 2024

	Amount deposited in Specified Fund of Sch. vii within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
Opening balance	-	4.48	4.48	-

As on March 31, 2023

	Amount deposited in Specified Fund of Sch. vii within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
Opening balance	-	3.19	3.19	-

40 Reconciliation of movements of liabilities to cash flows arising from financial liabilities

	Term loans	Lease liability	Loan for purchase of capital asset	Total
Debt as at April 01, 2023	1,273.96	314.24	6.94	1,595.14
Interest accrued but not due as at April 01, 2023	0.95	-	-	0.95
Addition during the year	149.59	38.47	7.87	195.93
Cash flows including interest paid				
- Repayment of borrowings	(138.30)	(20.82)	(3.08)	(162.20)
- Interest paid	(111.36)	(32.80)	(0.77)	(144.93)
Non-cash changes				
- Interest expense	125.02	32.80	0.77	158.59
- Leases reversal	-	(1.01)	-	(1.01)
Interest accrued but not due as at March 31, 2024	(0.15)	-	-	(0.15)
Debt as at March 31, 2024	1,299.71	330.88	11.73	1,642.32

	Term loans	Lease liability	Loan for purchase of capital asset	Total
Debt as at April 01, 2022	1,178.96	312.66	3.20	1,494.82
Interest accrued but not due as at April 01, 2022	0.16	-	-	0.16
Addition during the year	409.93	12.62	4.95	427.50
Cash flows including interest paid				
- Repayment of borrowings	(314.93)	(10.95)	(1.21)	(327.09)
- Interest paid	(97.88)	(31.56)	(0.35)	(129.79)
Non-cash changes				
- Ind AS adjustment with respect to unamortised loan processing charges	(7.19)	-	-	(7.19)
- Interest expense	105.86	31.56	0.35	137.77
- Leases reversal	-	(0.09)	-	(0.09)
Interest accrued but not due as at March 31, 2023	(0.95)	-	-	(0.95)
Debt as at March 31, 2023	1,273.96	314.24	6.94	1,595.14



41 Dues to Micro and Small Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED):

	(Rs. in crore)	
	March 31, 2024	March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	9.75	5.81
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
(vii) Further interest remaining due and payable for earlier years	-	-

42 Below is the list of subsidiaries, joint ventures and associates along with proportion of ownership interest held and country of incorporation

Investment in subsidiaries:

The entities 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, 2024	March 31, 2023
Manipal Health Enterprises International Pte. Ltd. ("MHEIPL") - Subsidiary	Singapore	100.00%	100.00%
Manipal Hospitals (Jaipur) Private Limited ("MHJPL") - Subsidiary *	India	-	100.00%
Manipal Hospitals (Dwarka) Private Limited ("MHDPL") - Subsidiary	India	100.00%	100.00%
Healthmap Diagnostics Private Limited ("Healthmap") - Subsidiary	India	55.63%	55.63%
Manipal Hospitals Private Limited ("MHPL") - Subsidiary	India	100.00%	100.00%
Manipal Hospitals (Bengaluru) Private Limited ("MHBPL") - Subsidiary	India	100.00%	100.00%

* refer note 5.1.1

Joint venture in which the Company is a joint venture partner

Name of the Company	Country of Incorporation	Percentage of ownership interest held (directly and indirectly) and voting rights held as at	
		March 31, 2024	March 31, 2023
Terrals Technologies Private Limited ("Phable") - Joint Venture	India	20.59%	20.59%

Associate

Name of the Company	Country of Incorporation	Percentage of ownership interest held (directly and indirectly) and voting rights held as at	
		March 31, 2024	March 31, 2023
I-Genetics Diagnostics Private Limited	India	42.17%	42.17%

43 Accounting ratios

i) Current ratio

The current ratio is used to assess a company's short term liquidity. It is calculated by dividing the current assets by current liabilities.

ii) Debt-equity ratio

"Total debt" is defined as aggregate of non-current borrowings and current maturities of long term-borrowings and total equity includes issued capital and all other equity reserves.

iii) Debt service coverage ratio

The Debt Service Coverage Ratio (DSCR) measures the ability of a company to use its operating income to repay all its debt obligations, including repayment of principal and interest on both short-term and long-term debt. It is calculated by dividing net operating income by the total debt service (Interest and principal).

iv) Return on equity ratio

Equal to profit for the year divided by the equity during that period, and is expressed as a percentage.

v) Inventory turnover ratio

Inventory turnover indicates the rate at which a company sells and replaces its stock of goods during a particular period. The inventory turnover ratio formula is the cost of goods sold divided by the average inventory for the same period.

vi) Trade receivables turnover ratio

Accounts receivable turnover ratio is calculated by dividing your revenue from operations by your average accounts receivable. The ratio is used to measure how effective a company is at extending credits and collecting debts.

vii) Trade payables turnover ratio

This ratio is used to measure the number of times the business is paying off its creditors or suppliers in an accounting period. It is computed by dividing the total purchases by average accounts payable.

viii) Net capital turnover ratio

It is calculated by dividing annual sales by average stockholder equity (net worth). The ratio indicates how much a company could grow its current capital investment level.

ix) Net profit ratio

The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.

x) Return on capital employed

Return on Capital Employed is calculated by dividing our EBIT during a given period by Capital Employed (net worth, total debt, deferred tax liability) during that period.



xi) Return on investment

Return on investment (ROI) is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments. To calculate ROI, the benefit (or return) of an investment is divided by the cost of the investment.

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% change	Reason for variance
i) Current ratio	Current assets	Current liabilities	1.81	1.27	42%	On account of increase in mutual fund investment and balances with bank.
ii) Debt-equity ratio	Total debt	Total Equity	0.34	0.38	-11%	NA
iii) Debt service coverage ratio	Earnings available for debt service= Net Profit after tax+ Non cash operating expenses+ Interest + Other adjustments like loss on sale of fixed assets, etc	Debt service= Interest & lease payments + Principal Repayments	1.98	1.20	65%	On account of increase in the profitability due to improvement in the performance of the company.
iv) Return on equity ratio %	Net Profit after tax	Average Shareholders equity	10.44%	5.93%	76%	On account of increase in the profitability due to improvement in the performance of the company.
v) Inventory turnover ratio	Cost of Goods sold = opening inventory + purchases - closing inventory (medical and pharmacy consumables)	Average Inventory	22.63	18.68	21%	NA
vi) Trade receivables turnover ratio	Revenue from operations	Average Accounts Receivable	20.74	16.84	23%	NA
vii) Trade payables turnover ratio	Total purchases	Average Trade Payables	1.23	1.15	7%	NA
viii) Net capital turnover ratio	Net sales	Average Shareholders equity	0.74	0.74	1%	NA
ix) Net profit ratio %	Net Profit	Net Sales	14.02%	8.07%	74%	On account of increase in the profitability due to improvement in the performance of the company.
x) Return on capital employed %	Earnings before interest and taxes	Capital Employed = Net Worth + Total Debt + Deferred Tax Liability	12.97%	9.25%	40%	On account of increase in the profitability due to improvement in the performance of the company.
xi) Return on investment %	Interest (Finance Income)	Investment	2.98%	8.95%	-67%	The change is due to significant additional investment made towards the end of the current year.

44 Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company has balance with below- mentioned companies struck off under section 248 of Companies Act, 2013:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (Rs. in crore)		Relationship with the Struck off company, if any, to be disclosed
		As at March 31, 2024	As at March 31, 2023	
T2K Fire & Security Private Limited	Capital creditors	0.01	0.01	None
	Retention money	0.03	0.03	None

- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
(iv) The Company 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 Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), 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 company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(vii) The Company 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 Company 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 Company 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



45 Subsequent event

The Company entered into a share purchase agreement to acquire shareholding interest in one of the healthcare companies. This acquisition will provide an opportunity for the Company to expand its footprint in India, leverage and optimize costs, and generate higher scale of economies in procurement. The Transaction closure is subject to the completion of certain conditions.

As per our report of even date attached

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



Siddhartha Sharma
Partner
Membership number: 118756

Place : Bengaluru
Date : May 28, 2024

For and on behalf of the Board of Directors of
Manipal Health Enterprises Private Limited



Dilip Jose
Managing Director & CEO
DIN: 03591692

Dr. H. Sudarshan Ballal
Chairman & Director
DIN: 01195055



Sameer Agarwal
Chief Financial Officer



Sathish Kolar Ramamoorthy
Company Secretary
Membership No: A15203

Place : Bengaluru
Date : May 28, 2024