

## Independent Auditor's Report

### To the Members of Hiranandani Healthcare Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Hiranandani Healthcare Private Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 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 2025, 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 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 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 financial statements.

#### Emphasis of Matter

- a. We draw attention to Note 29 (b) of the financial statements, which describes in detail the matter relating to the termination of hospital lease agreement by Navi Mumbai Municipal Corporation vide order dated 18 January 2017. The Company has filed a Writ Petition before the Hon'ble Supreme Court of India challenging the Termination Order, which is pending hearing and disposal. Based on the opinion obtained from the legal counsel, the management is confident that the Company will be able to successfully defend the termination order. However, due to uncertainties involved, the ultimate outcome will be ascertained on disposal of the said petition.

Our opinion is not modified in respect of this matter.

#### Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Registered Office:

## Independent Auditor's Report (Continued)

### Hiranandani Healthcare Private Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibilities for the 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 financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive loss, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 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 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

## Independent Auditor's Report (Continued)

### Hiranandani Healthcare Private Limited

draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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 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 matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. The matter described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f. On the basis of the written representations received from the directors as on 01 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - g. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(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.
  - h. 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 2025 on its financial position in its financial statements - Refer Note 29 to the financial statements.

**Independent Auditor's Report (Continued)**

**Hiranandani Healthcare Private Limited**

- 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 it's knowledge and belief, as disclosed in the Note 37(iii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or 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 it's knowledge and belief, as disclosed in the Note 37 (iv) to the 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 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(e), as provided under (i) and (ii) above, contain any material misstatement.
- 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 instance mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
  - i. the feature of recording audit trail (edit log) facility was not enabled on certain non-editable fields/ tables of the accounting software used for maintaining the books of account relating to revenue and consumption records.

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

Additionally, except to the extent audit trail was not enabled for the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**Independent Auditor's Report (Continued)**

**Hiranandani Healthcare Private Limited**

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

*Chartered Accountants*

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

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**Rajesh Arora**

*Partner*

Place: Gurugram

Date: 14 May 2025

Membership No.: 076124

ICAI UDIN:25076124BMRJVR5084

**Annexure A to the Independent Auditor's Report on the Financial Statements of Hiranandani Healthcare Private Limited for the year ended 31 March 2025**

**(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.
- (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 at least once over a period of two years. In accordance with this programme, all property, plant and equipment were verified during the 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 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 financial statements are held in the name of the Company. Also refer to the matter described in the "Emphasis of matter" section.
- (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 any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (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 made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not 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 its sales of goods and services provided by it 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

**Annexure A to the Independent Auditor’s Report on the Financial Statements of Hiranandani Healthcare Private Limited for the year ended 31 March 2025 (Continued)**

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 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, the 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 with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund (PF), Goods and Services Tax (GST) and Professional Tax (PT).

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 2025 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 Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount(R upees in Lacs)	Amount paid under Protest (Rupees in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and interest thereon	691.04	588.93	AY 2016-17	Commissioner of Income Tax (Appeals)

- (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 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 did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

- (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, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.

- (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.

**Annexure A to the Independent Auditor's Report on the Financial Statements of Hiranandani Healthcare Private Limited for the year ended 31 March 2025 (Continued)**

- (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 year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our 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 year.
  - (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 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with related parties are in compliance with Section 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards. According to the information and explanations given to us, the provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, although the Company is not required to have an internal audit system as per Section 138 of the Act, 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) According to the information and explanations provided to us, there is no core investment company within the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, clause 3(xvi)(d) of the Order is not applicable. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (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 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, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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,

**Annexure A to the Independent Auditor's Report on the Financial Statements of Hiranandani Healthcare Private Limited for the year ended 31 March 2025 (Continued)**

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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. 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

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**Rajesh Arora**

*Partner*

Place: Gurugram

Date: 14 May 2025

Membership No.: 076124

ICAI UDIN:25076124BMRJVR5084

**Annexure B to the Independent Auditor's Report on the financial statements of Hiranandani Healthcare Private Limited for the year ended 31 March 2025**

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

**(Referred to in paragraph 2(A)(h) 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 Hiranandani Healthcare Private Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the 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 2025, 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 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 financial statements of Hiranandani Healthcare Private Limited for the year ended 31 March 2025 (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.:101248W/W-100022

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**Rajesh Arora**

*Partner*

Place: Gurugram

Date: 14 May 2025

Membership No.: 076124

ICAI UDIN:25076124BMRJVR5084

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2025**

Particulars	Notes	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
<b>ASSETS</b>			
<b>A. Non-current assets</b>			
(a) Property, plant and equipment	3(i)	5,017.81	5,124.66
(b) Capital work-in-progress	3(ii)	98.73	65.16
(c) Right-of-use assets	31	263.00	310.11
(d) Intangible assets	3(iii)	70.25	59.93
(e) Intangible assets under development	3(iv)	2.41	7.63
(f) Financial assets			
(i) Other financial assets	4	119.49	121.23
(g) Deferred tax assets (net)	5	-	-
(h) Non-current tax assets (net)	6	955.25	1,812.67
(i) Other non-current assets	7	11.85	4.89
<b>Total non-current assets (A)</b>		<b>6,538.79</b>	<b>7,506.28</b>
<b>B. Current assets</b>			
(a) Inventories	8	108.38	93.65
(b) Financial assets			
(i) Trade receivables	9	1,484.94	1,430.69
(ii) Cash and cash equivalents	10	83.47	5.82
(iii) Bank balances other than (ii) above	11	1,459.44	253.63
(iv) Other financial assets	4	769.60	14.44
(c) Other current assets	7	94.25	110.90
(d) Assets classified as held for sale	19	-	34.46
<b>Total current assets (B)</b>		<b>4,000.08</b>	<b>1,943.59</b>
<b>Total assets (A+B)</b>		<b>10,538.87</b>	<b>9,449.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A. Equity</b>			
(a) Equity share capital	12	561.33	561.33
(b) Other equity		7,335.84	6,490.92
<b>Total equity (A)</b>		<b>7,897.17</b>	<b>7,052.25</b>
<b>Liabilities</b>			
<b>B. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	31	332.39	375.53
(ii) Other financial liabilities	14	-	5.00
(b) Provisions	15	266.76	230.27
(c) Deferred tax liabilities (net)	5	534.49	368.79
<b>Total non-current liabilities (B)</b>		<b>1,133.64</b>	<b>979.59</b>
<b>C. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	-	33.56
(ii) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		205.55	206.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises		949.47	865.01
(iii) Lease liabilities	31	46.58	43.61
(iv) Other financial liabilities	14	92.06	77.23
(b) Provisions	15	59.36	37.41
(c) Other current liabilities	18	155.04	154.73
<b>Total current liabilities (C)</b>		<b>1,508.06</b>	<b>1,418.03</b>
<b>Total liabilities (B+C)</b>		<b>2,641.70</b>	<b>2,397.62</b>
<b>Total equity and liabilities (A+B+C)</b>		<b>10,538.87</b>	<b>9,449.87</b>

See accompanying notes forming integral part of the financial statements  
In terms of our report attached

1-38

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

Chartered Accountants

Firm registration number: 101248W/W-100022

**RAJESH  
ARORA**

Digitally signed by  
RAJESH ARORA  
Date: 2025.05.14 20:55:14  
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**Rajesh Arora**

Partner

Membership Number: 076124

Place : Gurugram

Date : May 14, 2025

For and on behalf of the Board of Directors  
**Hiranandani Healthcare Private Limited**

**AKSHA  
Y OLETI**

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by AKSHA  
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Date: 2025.05.14  
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**Akshay Oleti**

Director

DIN: 09728883

Place : Bengaluru

Date : May 14, 2025

**Prabhat  
Kumar**

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Date: 2025.05.14  
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**Prabhat Kumar**

Director

DIN: 03109484

Place : Gurugram

Date : May 14, 2025

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	Notes	For the year ended March 31, 2025 (Rupees in lacs)	For the year ended March 31, 2024 (Rupees in lacs)
<b>I</b> Revenue from operations	20	12,659.79	11,731.49
<b>II</b> Other income	21	597.07	284.83
<b>III Total income (I+II)</b>		<b>13,256.86</b>	<b>12,016.32</b>
<b>IV Expenses</b>			
(i) Purchases of medical consumable and drugs		2,481.80	2,293.74
(ii) Changes in inventories of medical consumable and drugs	22	(14.73)	31.79
(iii) Employee benefits expense	23	1,938.37	1,863.39
(iv) Finance costs	24	92.85	115.81
(v) Depreciation and amortisation expense	25	576.57	573.31
(vi) Other expenses	26	7,043.76	6,664.67
<b>Total expenses (IV)</b>		<b>12,118.62</b>	<b>11,542.71</b>
<b>V Profit from continuing operations before tax (III-IV)</b>		<b>1,138.24</b>	<b>473.61</b>
<b>VI Tax expense</b>			
(i) Current tax	5	119.04	-
(ii) Deferred tax (net)	5	167.86	367.40
<b>Total tax expenses</b>		<b>286.90</b>	<b>367.40</b>
<b>VII Profit for the year (V-VI)</b>		<b>851.34</b>	<b>106.21</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit liabilities	27	(8.58)	5.53
(b) Income tax relating to items that will not be reclassified to statement of profit or loss	5	2.16	(1.39)
<b>VIII Total other comprehensive (loss)/profit for the year (net of tax)</b>		<b>(6.42)</b>	<b>4.14</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>844.92</b>	<b>110.35</b>
<b>Earnings per equity share of Rupees 10 each:</b>			
(i) Basic (in Rupees)	28	15.17	1.89
(ii) Diluted (in Rupees)	28	15.17	1.89

See accompanying notes forming integral part of the financial statements 1-38

In terms of our report attached

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

Chartered Accountants

Firm registration number: 101248W/W-100022

**RAJESH  
ARORA**

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Date: 2025.05.14 20:55:43  
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**Rajesh Arora**

Partner

Membership Number: 076124

Place : Gurugram

Date : May 14, 2025

For and on behalf of the Board of Directors

**Hiranandani Healthcare Private Limited**

**AKSHA  
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by AKSHAY OLETI  
Date: 2025.05.14  
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**Akshay Oleti**

Director

DIN: 09728883

Place : Bengaluru

Date : May 14, 2025

**Prabhat  
Kumar**

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Prabhat Kumar  
Date: 2025.05.14  
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**Prabhat Kumar**

Director

DIN: 03109484

Place : Gurugram

Date : May 14, 2025

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	For the year ended March 31, 2025 (Rupees in lacs)	For the year ended March 31, 2024 (Rupees in lacs)
<b>Cash flows from operating activities</b>		
Profit before tax	1,138.24	473.61
<b>Adjustments for:</b>		
Finance costs	92.85	115.81
Interest income	(338.12)	(273.65)
Profit on disposal of property, plant and equipment	(251.06)	(2.08)
Provision/liability no longer required written back	(96.90)	(67.61)
Allowance for doubtful receivables	154.40	69.36
Depreciation and amortisation expense	576.57	573.31
	<b>1,275.98</b>	<b>888.75</b>
<b>Working capital adjustments</b>		
(Increase)/decrease in trade receivables	(208.64)	80.84
(Increase)/decrease in inventories	(14.73)	31.78
Decrease in other assets	15.36	16.46
Increase in other financial assets	(2.77)	(9.50)
Increase in trade payables	180.45	12.90
Increase in provisions	36.96	13.01
Decrease in other financial liabilities	(15.99)	(21.02)
Increase/(decrease) in other liabilities	0.31	(19.11)
<b>Cash generated from operating activities</b>	<b>1,266.93</b>	<b>994.11</b>
Income taxes refund/(paid) (net)	738.38	(23.57)
<b>Net cash generated from operating activities (A)</b>	<b>2,005.31</b>	<b>970.54</b>
<b>Cash flows from investing activities</b>		
Interest received	310.31	273.65
Investment in bank deposits (net)	(1,928.64)	(249.74)
Proceeds on sale of assets held for sale (net of cost of disposal)	285.09	-
Proceeds on disposal of property, plant and equipment	5.74	35.02
Purchase of property, plant and equipment and intangible assets	(446.39)	(784.98)
<b>Net cash used in investing activities (B)</b>	<b>(1,773.89)</b>	<b>(726.05)</b>
<b>Cash flows from financing activities (refer note 16)</b>		
Repayment of borrowings	-	(200.00)
Proceeds from borrowings	-	200.00
Principal repayment of lease liabilities (refer note 31)	(40.17)	(34.33)
Finance cost paid (including interest on lease liabilities of Rupees 42.62 lacs (March 31, 2024 Rupees 46.72 lacs)	(80.04)	(115.29)
<b>Net cash used in financing activities (C)</b>	<b>(120.21)</b>	<b>(149.62)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>111.21</b>	<b>94.87</b>
Add: Cash and cash equivalents at the beginning of the year (refer note 10)	(27.74)	(122.61)
<b>Cash and cash equivalents at the end of the year (refer note 10)</b>	<b>83.47</b>	<b>(27.74)</b>

**Notes:**

- The cash flow statement has been prepared in accordance with "Indirect Method" as set out on Indian Accounting Standard -7 on "Statement of Cash Flows".
- The Company has not made any payment towards Corporate Social Responsibility (CSR) expenditure for the year ended March 31, 2025 and March 31, 2024.

See accompanying notes forming integral part of the financial statements  
In terms of our report attached

1-38

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

Chartered Accountants

Firm registration number: 101248W/W-100022

**RAJESH** Digitally signed by  
RAJESH ARORA  
Date: 2025.05.14  
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**Rajesh Arora**

Partner

Membership Number: 076124

Place : Gurugram

Date : May 14, 2025

For and on behalf of the Board of Directors

**Hiranandani Healthcare Private Limited**

**AKSHA** Digitally signed  
by AKSHAY  
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Date:  
2025.05.14  
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**Akshay Oleti**

Director

DIN: 09728883

Place : Bengaluru

Date : May 14, 2025

**Prabhat** Digitally signed by  
Prabhat Kumar  
Date: 2025.05.14  
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**Prabhat Kumar**

Director

DIN: 03109484

Place : Gurugram

Date : May 14, 2025

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

**a. Equity share capital**

Particulars	No. in lacs	(Rupees in lacs)
<b>Balance as at April 01, 2023</b>	56.13	561.33
Changes in equity share capital during the year	-	-
<b>Balance as at March 31, 2024</b>	56.13	561.33
Changes in equity share capital during the year	-	-
<b>Balance as at March 31, 2025</b>	56.13	561.33

**b. Other Equity**

Particulars	Reserves and surplus		
	Securities premium reserve *	Retained earnings	Total other equity
<b>Balance as at April 01, 2023</b>	<b>6,233.45</b>	<b>147.12</b>	<b>6,380.57</b>
Profit for the year	-	106.21	106.21
Other comprehensive income for the year (net of income tax)	-	4.14	4.14
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>110.35</b>	<b>110.35</b>
<b>Balance as at March 31, 2024</b>	<b>6,233.45</b>	<b>257.47</b>	<b>6,490.92</b>
Profit for the year	-	851.34	851.34
Other comprehensive loss for the year (net of income tax)	-	(6.42)	(6.42)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>844.92</b>	<b>844.92</b>
<b>Balance as at March 31, 2025</b>	<b>6,233.45</b>	<b>1,102.39</b>	<b>7,335.84</b>

\* Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

See accompanying notes forming integral part of the financial statements

1-38

In terms of our report attached

For **BSR & Co. LLP**

*Chartered Accountants*

Firm registration number: 101248W/W-100022

**RAJESH**  
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**RAJESH ARORA**  
 Date: 2025.05.14  
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**Rajesh Arora**

*Partner*

Membership Number: 076124

Place : Gurugram

Date : May 14, 2025

For and on behalf of the Board of Directors

**Hiranandani Healthcare Private Limited**

**AKSHA**  
 Digitally signed  
 by AKSHAY  
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 Date: 2025.05.14  
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**Akshay Oleti**

*Director*

DIN: 09728883

Place : Bengaluru

Date : May 14, 2025

**Prabhat**  
 Digitally signed by  
**Prabhat Kumar**  
 Date: 2025.05.14  
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**Prabhat Kumar**

*Director*

DIN: 03109484

Place : Gurugram

Date : May 14, 2025

**Note 1. Corporate information**

Hiranandani Healthcare Private Limited (“HHPL” or “the Company”) (CIN: U85100MH2005PTC154823) was incorporated on 15 July 2005 to setup, manage and operate a multi-specialty hospital at Vashi, Navi Mumbai. HHPL is a wholly owned subsidiary of Fortis Healthcare Limited, a listed company.

On November 13, 2018, IHH Healthcare Berhad acquired 31.10% stake in Fortis Healthcare Limited, thereby, becoming the controlling shareholder of Fortis Healthcare Limited.

**Note 2(i). Material accounting policies**

This note provides a list of the material accounting policies adopted in the preparation of these financial statements (‘financial statements’). The accounting policies adopted are consistent with those of the previous financial year.

**(a) Basis of preparation**

*(i) Statement of compliance*

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under Section 133 of Companies Act, 2013, (“the Act”) and other relevant provisions of the Act. All the amounts included in the financial statements are reported in lakhs of Indian Rupees (‘INR’) and are rounded to the nearest lakhs rounded off two decimals, except per share data.

The financial statements have been authorized for issue by the Company’s Board of Directors on May 14, 2025.

*(ii) Functional and presentation currency*

These financial statements are presented in Indian Rupees, which is also the Company’s functional currency.

*(iii) Basis of measurement*

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

<b>Item basis</b>	<b>Measurement</b>
Net defined benefit liability	Present value of the defined benefit obligation

**(b) Current versus non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

**(c) Measurement of fair values**

A number of the accounting policies and disclosures require 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).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

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.

**(d) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense on lease liability. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. General and specific borrowing costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

**(e) Property, plant and equipment (PPE) and intangible assets**

**(i) Property, plant and equipment**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment loss. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major Components) of property, plant and equipment.

**(ii) Intangible assets**

*a) Recognition and measurement*

- Internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the statement of profit and loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour,

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

- Intangible assets acquired separately are measured on initial recognition at cost. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. After initial recognition, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment loss.

*b) Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in profit or loss as incurred.

*c) Amortisation*

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**(iii) Depreciation and amortization methods, estimated useful lives and residual value**

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of property, plant and equipment as per the useful life specified in Part C of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for certain classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management. The details of useful life are as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	30 years	60 years
Plant and equipment	11-22 years	15 years
Medical equipment	12-15 years	13 years
Furniture and fittings	7-10 years	10 years
Computers	3 years	3 years
Vehicles	4-8 years	8 years
Office equipment	5 years	5 years

Depreciation on leasehold assets is provided over the lease term or expected useful life of the asset, whichever is lower.

Estimated useful lives of the intangible assets are as follows:

Category of assets	Management estimate of Useful Life
Computer software	6 years

Depreciation and amortization on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

**(iv) Derecognition**

Property, plant and equipment and intangible assets are derecognised on disposal or when no future economic benefits are expected from their use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

**(f) Assets held for sale**

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit or Loss.

Once classified as held-for sale, property, plant and equipment, right of use assets and intangible assets are no longer amortised or depreciated.

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

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated to assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**(h) Financial instrument**

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 asset*

*Initial recognition and measurement*

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

### *Financial assets*

#### *Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

#### *Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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 other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

#### *Debt instrument at FVOCI*

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

#### *Debt instrument at FVTPL*

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

#### *Equity investments*

Equity investments which are in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments in scope of Ind AS 109, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

#### *Impairment of financial assets*

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade

receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

#### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

#### *Presentation of allowance for ECL in the balance sheet*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### *Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- 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.

#### *Write off of financial assets*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### *Financial liabilities*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

#### *Derecognition of financial liabilities*

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*

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(i) Inventories**

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value. The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost and other direct costs incurred. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

**(j) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

**(k) Contingent liabilities and contingent assets**

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 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.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**(l) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

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.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**(m) Revenue recognition**

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services, sale of products comprising medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Company assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered and goods sold if net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract including claims. Further, the Company also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue from in patient hospital services is recognised over the period of time, as and when services are performed. Revenue from outpatient hospital services is recognised at a point in time when patient has actually received the service. Revenue from sale of products is recognised at the point in time upon transfer of control of products to customers at the time of delivery of goods to the customers.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any revenue transaction for which the Company has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Excess of revenue earned over billings on contracts is recognised as unbilled revenue. Unbilled revenue is classified as trade receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue (“contract liability”) is recognized as other current liability when there is billings in excess of revenues.

Other operating revenue comprises revenue from various ancillary revenue generating activities like sponsorship arrangements and academic services which is recognized over the period of time, in accordance with the terms of the relevant agreements, as and when services are performed.

Income from export benefit schemes, included in other operating revenue, is recognized on accrual basis as and when eligible services are performed and convertible foreign exchange is received on a net basis to the extent it is certain that economic benefits will flow to the Company.

Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method on a time proportionate basis.

**(n) Employee benefits**

*Short-term employee benefits*

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly. Short term employee benefits are measured on an undiscounted basis.

*Post-employment benefits*

Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of account based on actuarial valuation by an independent actuary.

b) Provident fund

The Company makes contribution to Regional Provident Fund Commissioner for its employees. This is treated as defined contribution plan.

The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

*Other long-term employee benefits:*

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

*Actuarial valuation*

The liability in respect of all defined benefit plans and other long-term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long-term benefits are recognised in the statement of profit and loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are recognized immediately in the Statement of Changes in Equity with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the statement of profit and loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the statement of profit and loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

**(o) Income tax**

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI. Interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

*Current taxes:*

Current tax comprises the best estimate of expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

*Deferred taxes:*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination; and
- at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(p) Leases**

At inception of a contract, the company assesses whether a contract is, or contains, a lease. 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. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

**(i) As a lessee**

The Company accounts for assets taken under lease arrangement in the following manner:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

**(ii) As a lessor**

The Company accounts for assets given under lease arrangement in the following manner:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Assets subject to operating leases are included in Property, Plant and Equipment. Rental income on operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight-line basis over the lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(q) Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

The Company is primarily engaged in the business of healthcare services which is the only reportable segment.

**(r) Foreign currency translation**

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

**(s) Statement of Cash flows**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**(t) Earnings per share**

*(i) Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

*(ii) Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**(u) Government grant**

The Company recognise government grant that compensate the Company for expenses in profit or loss on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. The grant is recognised when it becomes receivable and adjusted against relevant expenses in the statement of profit and loss.

**Note 2(ii). Critical estimates and judgements**

The preparation of financial statements requires management to make judgments, 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 recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Lease arrangement (classification) – Note 31

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Lease arrangement (accounting) – Note 31
- Fair value measurement – Note 34.3
- Estimated impairment of financial assets and non-financial assets – Note 3, 4 and 7
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 29
- Measurement of ECL allowance for trade receivables and other assets – Note 9
- Assessment of useful life and residual value of property, plant and equipment and intangible asset – Note 2(e)(iii) and Note 3
- Estimation of assets and obligations relating to employee benefits – Note 27

**Note 2(iii). Recent pronouncements**

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. On 7<sup>th</sup> May 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments define currency exchangeability and include guidance on estimating spot exchange rates when a currency is not exchangeable. The Company does not expect this amendment to have any significant impact in its financial statements.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**Note 3 (i): Property, plant and equipment**

(Rupees in lacs)

Particulars	Leasehold improvements	Plant and machinery	Medical equipment	Furniture and fittings	Computers	Office equipment	Vehicles	Total
<b>Gross carrying value</b>								
As at April 01, 2023	3,705.58	738.51	3,501.08	172.01	107.00	65.04	11.21	8,300.44
Additions	144.27	84.03	421.67	55.85	20.18	9.61	-	735.61
Disposals	(2.47)	(5.23)	(374.45)	(18.04)	(7.35)	(7.46)	-	(415.00)
As at March 31, 2024	3,847.38	817.31	3,548.30	209.82	119.83	67.19	11.21	8,621.05
Additions	7.30	160.11	160.16	9.90	37.11	13.26	-	387.84
Disposals	-	(15.44)	(60.88)	(8.82)	-	(2.64)	-	(87.78)
As at March 31, 2025	3,854.68	961.98	3,647.58	210.90	156.94	77.81	11.21	8,921.11
<b>Accumulated depreciation</b>								
As at April 01, 2023	1,324.12	468.28	1,344.11	110.17	84.07	51.11	9.99	3,391.86
Charge for the year	149.45	49.19	249.99	16.07	15.27	5.40	1.32	486.69
Disposals	-	(4.93)	(344.50)	(17.82)	(7.35)	(7.46)	-	(382.16)
As at March 31, 2024	1,473.57	512.54	1,249.60	108.42	91.99	49.05	11.21	3,496.39
Charge for the year	150.98	39.05	254.23	16.43	21.55	7.14	-	489.38
Disposals	-	(11.83)	(60.51)	(7.60)	-	(2.53)	-	(82.47)
As at March 31, 2025	1,624.55	539.76	1,443.32	117.25	113.54	53.66	11.21	3,903.30
<b>Net carrying value (As at March 31, 2024)</b>	2,373.81	304.77	2,298.70	101.40	27.84	18.14	-	5,124.66
<b>Net carrying value (As at March 31, 2025)</b>	2,230.13	422.22	2,204.26	93.65	43.40	24.15	-	5,017.81

**Notes:**

- (a) The Company does not have any immovable property, whose title deeds are not held in the name of the company and no immovable property is jointly held with others. (Also refer note 29 (b))  
(b) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2025 and previous year ended March 31, 2024.  
(c) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**Note 3 (ii) : Capital work-in-progress**

(Rupees in lacs)

Particulars	March 31, 2025	March 31, 2024
Opening balance	65.16	27.35
Additions during the year*	421.41	773.42
Transfer to property, plant and equipment	(387.84)	(735.61)
Closing Balance	98.73	65.16

\*The Company accounts for all capitalization of property, plant and equipment through capital work in progress and therefore the movement in capital work in progress is the difference between closing and opening balance of capital work in progress as adjusted in addition to property, plant and equipment.

**Ageing schedule**

As at March 31, 2025

CWIP	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	48.04	50.69	-	-	98.73
<b>Total</b>	<b>48.04</b>	<b>50.69</b>	<b>-</b>	<b>-</b>	<b>98.73</b>

As at March 31, 2024

CWIP	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	65.16	-	-	-	65.16
<b>Total</b>	<b>65.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65.16</b>

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**Note 3 (iii): Intangible assets**

(Rupees in Lacs)

Particulars	Computer Software
<b>Gross carrying value</b>	
<b>As at April 01, 2023</b>	<b>562.66</b>
Additions	14.35
<b>As at March 31, 2024</b>	<b>577.01</b>
Additions	50.40
<b>As at March 31, 2025</b>	<b>627.41</b>
<b>Accumulated amortisation</b>	
<b>As at April 01, 2023</b>	<b>477.57</b>
Charge for the year	39.51
<b>As at March 31, 2024</b>	<b>517.08</b>
Charge for the year	40.08
<b>As at March 31, 2025</b>	<b>557.16</b>
<b>Carrying value as at March 31, 2024</b>	<b>59.93</b>
<b>Carrying value as at March 31, 2025</b>	<b>70.25</b>

**Note 3 (iv): Intangible assets under development**

(Rupees in lacs)

Particulars	March 31, 2025	March 31, 2024
<b>Opening balance</b>	<b>7.63</b>	<b>8.54</b>
Additions during the year*	45.18	13.44
Transfer to intangible assets	(50.40)	(14.35)
<b>Closing Balance</b>	<b>2.41</b>	<b>7.63</b>

\*The Company accounts for all capitalisation of intangible assets through intangible assets under development and therefore the movement in intangible assets under development is the difference between closing and opening balance of intangible assets under development as adjusted in additions to intangible assets.

**As at March 31, 2025**

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.41	-	-	-	2.41
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.41</b>

**As at March 31, 2024**

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.63	-	-	-	7.63
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>7.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.63</b>

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
<b>4 Financial assets</b>		
<b>Other financial assets</b>		
<b><u>Non-current</u></b>		
<b>Considered good</b>		
Security deposits	116.78	115.65
Deposit accounts with bank	2.71	5.58
	<b>119.49</b>	<b>121.23</b>
<b><u>Current</u></b>		
<b>Considered good</b>		
Interest accrued but not due on deposits	27.97	0.16
Staff advance	2.89	-
Security deposits	3.65	3.15
Deposit accounts with bank	722.84	-
Other recoverable	6.79	4.90
Government grant receivable	5.46	6.23
	<b>769.60</b>	<b>14.44</b>
<b>5 Deferred tax (net)</b>		
Deferred tax assets	180.53	331.44
Deferred tax liabilities	(715.02)	(700.23)
	<b>(534.49)</b>	<b>(368.79)</b>
Unrecognised deferred tax asset	-	-

Deferred tax liability has been recognised in previous year since the Company had opted for lower tax regime u/s 115BAA and consequently, Minimum Alternate Tax (MAT) credit had lapsed. The following is the analysis of the movement in deferred tax assets/(liabilities) presented in financial statements:

Particulars	As at April 01, 2024	(Charge)/ credit to profit or loss	(Charge)/ credit to other comprehensive Income	As at March 31, 2025
<b>Deferred tax assets</b>				
Unabsorbed depreciation	142.85	(142.85)	-	-
On loss allowance	16.23	(10.01)	-	6.22
On lease liabilities	105.49	(10.11)	-	95.38
On employee benefits	64.16	8.41	2.16	74.73
Disallowance under section 43B(h)	2.71	1.49	-	4.20
	<b>331.44</b>	<b>(153.07)</b>	<b>2.16</b>	<b>180.53</b>
<b>Deferred tax liabilities</b>				
On property, plant and equipment	(622.18)	(26.64)	-	(648.82)
On right-of-use assets	(78.05)	11.85	-	(66.20)
	<b>(700.23)</b>	<b>(14.79)</b>	<b>-</b>	<b>(715.02)</b>
<b>Deferred tax liabilities (net)</b>	<b>(368.79)</b>	<b>(167.86)</b>	<b>2.16</b>	<b>(534.49)</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**5 Deferred tax (net) (Contd.)**

Particulars	As at April 01, 2023	(Charge)/ credit to profit or loss	(Charge)/ credit to other comprehensive Income	As at March 31, 2024
<b>Deferred tax assets</b>				
Unabsorbed depreciation	306.95	(164.10)	-	142.85
MAT credit entitlement	272.80	(272.80)	-	-
On loss allowance	33.96	(17.73)	-	16.23
On lease liabilities	126.19	(20.70)	-	105.49
On employee benefits	62.56	2.99	(1.39)	64.16
Disallowance under section 43B(h)	-	2.71	-	2.71
	<u>802.46</u>	<u>(469.63)</u>	<u>(1.39)</u>	<u>331.44</u>
<b>Deferred tax liabilities</b>				
On property, plant and equipment	(703.08)	80.90	-	(622.18)
On right-of-use assets	(99.38)	21.33	-	(78.05)
	<u>(802.46)</u>	<u>102.23</u>	<u>-</u>	<u>(700.23)</u>
<b>Deferred tax assets (net)</b>	<u>-</u>	<u>(367.40)</u>	<u>(1.39)</u>	<u>(368.79)</u>

	As on March 31, 2025		As on March 31, 2024	
	Gross Amount	Tax effect	Gross Amount	Tax effect
<b>Unabsorbed depreciation</b>				
No expiry	-	-	567.58	142.85
	<u>-</u>	<u>-</u>	<u>567.58</u>	<u>142.85</u>

**Income tax**

Particulars	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
<b>Recognised in statement of profit and loss</b>		
<b>Current tax</b>		
Current income tax charge for the year	119.04	-
	<u>119.04</u>	<u>-</u>
<b>Deferred tax</b>		
Deferred tax charge on profits for the year	167.86	367.40
<b>Total</b>	<u>167.86</u>	<u>367.40</u>
<b>Recognised in other comprehensive income</b>		
<b>Deferred tax charge</b>		
Tax related to items that will not be reclassified to profit or loss	(2.16)	1.39
<b>Tax recognised through other comprehensive income</b>	<u>(2.16)</u>	<u>1.39</u>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
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**Income tax (Contd.)**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	As on 31 March 2025		As on 31 March 2024	
	Tax Rate	Gross Amount	Tax Rate	Gross Amount
<b>Profit before tax</b>		<b>1,138.24</b>		<b>473.61</b>
Tax using the Company's income tax rate	25.17%	286.47	25.17%	119.20
Recognition of deferred tax on previously unrecognised amounts	-	-	52.70%	249.60
Others	0.04%	0.43	-0.29%	(1.40)
<b>Effective tax rate</b>	<b>25.21%</b>	<b>286.90</b>	<b>77.58%</b>	<b>367.40</b>

**6 Non-current tax assets (net)**

Advance tax and tax deducted at source (net of provision for taxation)	955.25	1,812.67
	<b>955.25</b>	<b>1,812.67</b>

**7 Other assets (Unsecured)**

**Non-current**

**Considered good**

Capital advances	9.34	3.67
Prepaid expenses	2.51	1.22
	<b>11.85</b>	<b>4.89</b>

**Current**

**Considered good**

Advance to vendors	7.09	14.15
Prepaid expenses	86.50	96.75
Balances with customs excise and other authorities	0.66	-
	<b>94.25</b>	<b>110.90</b>

**8 Inventories**

**Valued at lower of cost and net realisable value**

Medical consumables, drugs and others	108.38	93.65
	<b>108.38</b>	<b>93.65</b>

**9 Trade receivables**

**Current**

**Unsecured**

Considered good		
- From others		
Billed	1,409.75	1,344.21
Unbilled	85.45	149.67
- From related party (refer note 32)		
Billed	14.44	1.30
Less: Loss allowance	(24.70)	(64.49)
	<b>1,484.94</b>	<b>1,430.69</b>

**Break-up of security details**

Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	1,509.64	1,495.18
Less: Loss allowance	(24.70)	(64.49)
<b>Total trade receivables</b>	<b>1,484.94</b>	<b>1,430.69</b>

**9 Trade receivables (Cont'd.)**

Trade receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on outstanding balance, regardless of the age of the balances. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and defaults in collection. The Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of consumer default in making the payments. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The provision matrix at the end of the reporting period is as follows:

	Expected credit loss (%)	
	As at March 31, 2025	As at March 31, 2024
0 - 1 year	0% - 5%	0% - 9%
1 - 2 year	1% - 19%	1% - 25%
2 - 3 year	8% - 49%	10% - 58%
More than 3 years	100%	100%

**The movement in expected credit loss during the year is as follows**

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	64.49	122.05
Creation of the allowance for credit losses	154.40	69.36
Utilisation of the allowance for expected credit loss (written off)	(194.19)	(126.92)
<b>Balance at the end of the year</b>	<b>24.70</b>	<b>64.49</b>

The Company does not obtain collateral in respect of trade receivables. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**9 Trade receivables (Cont'd.)**

**Ageing schedule of trade receivables - billed**

As at March 31, 2025

	Particulars	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables – considered good	992.54	306.44	109.29	15.92	-	-	1,424.19
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
		<b>992.54</b>	<b>306.44</b>	<b>109.29</b>	<b>15.92</b>	-	-	<b>1,424.19</b>
	<b>Less: Loss allowance for doubtful trade receivables - billed</b>							(24.70)
								<b>1,399.49</b>
	<b>Trade receivables - unbilled</b>							<b>85.45</b>
								<b>1,484.94</b>

As at March 31, 2024

	Particulars	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables – considered good	836.92	370.48	84.06	54.05	-	-	1,345.51
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
		<b>836.92</b>	<b>370.48</b>	<b>84.06</b>	<b>54.05</b>	-	-	<b>1,345.51</b>
	<b>Less: Loss allowance for doubtful trade receivables - billed</b>							(64.49)
								<b>1,281.02</b>
	<b>Trade receivables - unbilled</b>							<b>149.67</b>
								<b>1,430.69</b>

**Notes:**

- The Company does not have any significant concentration of exposure to specific category of customer.
- Current assets are pledged against working capital facility taken by the Company (refer note 13).

Particulars	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
<b>10 Cash and cash equivalents</b>		
Balances with banks		
- on current accounts	81.85	1.70
Cash on hand	1.62	4.12
<b>Cash and cash equivalents as per balance sheet</b>	<b>83.47</b>	<b>5.82</b>
Bank overdraft	-	(33.56)
<b>Cash and cash equivalents as per statement of cash flows</b>	<b>83.47</b>	<b>(27.74)</b>
<b>11 Bank balances other than cash and cash equivalents</b>		
Deposits with original maturity of more than 3 months and less than 12 months*	1,459.44	253.63
	<b>1,459.44</b>	<b>253.63</b>

\*Bank deposits includes Rupees 3.44 lacs (previous year Rupees 3.40 lacs) which is under lien with banks against bank guarantee.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
<b>12 Share capital</b>		
<b>Authorised share capital</b>		
6,800,000 (March 31, 2024: 6,800,000) equity shares of Rupees 10 each	680.00	680.00
200,000 (March 31, 2024: 200,000) zero percent redeemable preference shares of Rupees 10 each	20.00	20.00
<b>Total authorised share capital</b>	<b>700.00</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
<b>Equity Share Capital</b>		
5,613,300 (March 31, 2024: 5,613,300) equity shares of Rupees 10 each	561.33	561.33
<b>Total issued, subscribed and fully paid up share capital</b>	<b>561.33</b>	<b>561.33</b>

**Notes:**

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

**Equity Shares**

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	Amount (Rupees in lacs)	No. of Shares held	Amount (Rupees in lacs)
At the beginning of the year	56,13,300	561.33	56,13,300	561.33
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>56,13,300</b>	<b>561.33</b>	<b>56,13,300</b>	<b>561.33</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rupees 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) For the period of five years immediately preceding the date of the balance sheet, there were no share allotment made for consideration other than cash and also no bonus shares were issued. Further, there has been no buyback of shares during the period of five years preceding the date of balance sheet.**

**(d) Shares held by the holding company**

**Equity Shares**

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	Amount (Rupees in lacs)	No. of shares held	Amount (Rupees in lacs)
Fortis Healthcare Limited (Holding Company) *	56,13,300	561.33	56,13,300	561.33

\* including equity shares held by nominees

**(e) Details of shareholders holding more than 5% shares in the Company**

**Equity Shares**

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Healthcare Limited (Holding Company) *	56,13,300	100%	56,13,300	100%

\* including equity shares held by nominees

**(f) Details of shares held by promoters**

**As at 31 March 2025**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Fortis Healthcare Limited (Holding Company)	56,13,300	-	56,13,300	100.00%	0.00%

**As at 31 March 2024**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Fortis Healthcare Limited (Holding Company)	56,13,300	-	56,13,300	100.00%	0.00%

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
<b>13 Borrowings</b>		
<b>Current- Secured</b>		
Bank overdraft (refer note below)	-	33.56
	<u>-</u>	<u>33.56</u>

**Note:** The Company has availed bank working capital facility of Rs. 500 lacs from HSBC Bank at the interest rate of HSBC overnight MCLR with monthly reset or any other rate as may be mutually agreed from time to time.

Working capital facility is secured by the first pari-passu charge on the stocks, receivables and movable fixed assets of the Company except machineries and vehicles specifically financed by other banks/financial institutions.

**14 Other financial liabilities**

**Non-current**

Security deposits	-	5.00
	<u>-</u>	<u>5.00</u>

**Current**

Security deposits	1.02	2.00
Interest accrued but not due on borrowings	0.87	0.96
Capital creditors*	29.96	4.05
Employee payable	60.21	70.22
	<u>92.06</u>	<u>77.23</u>

\* This also includes amount payable to micro and small enterprises amounting to Rupees Nil as at 31 March 2025 (Previous year Rupees 5.10 lacs).

**15 Provisions**

**Non-current**

Provision for compensated absences	65.67	52.80
Provision for gratuity (refer note 27)	201.09	177.47
	<u>266.76</u>	<u>230.27</u>

**Current**

Provision for gratuity (refer note 27)	26.08	14.36
Provision for compensated absences	4.11	10.30
Provision for contingencies *	29.17	12.75
	<u>59.36</u>	<u>37.41</u>

\* **Provision for contingencies :**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	12.75	35.31
Add: Provision made during the year	29.17	12.75
Less: Reversal during the year	(12.75)	(35.31)
<b>Closing balance</b>	<u>29.17</u>	<u>12.75</u>

Provision for contingencies is made against refund due to the patients, which is expected to be settled in due course.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**16 Changes in liabilities arising from financing activities**

Particulars	Non-current borrowings	Current borrowings	Interest accrued	Lease liabilities
<b>As at April 01, 2023</b>	-	<b>128.20</b>	<b>0.44</b>	<b>453.59</b>
Lease liability paid	-	-	-	(34.33)
Proceeds from borrowings	200.00	-	-	-
Repayment of borrowings	(200.00)	-	-	-
Reclassification of bank overdraft*	-	(94.64)	-	-
Finance costs	-	-	69.09	46.72
Finance costs paid	-	-	(68.57)	(46.72)
<b>As at March 31, 2024</b>	-	<b>33.56</b>	<b>0.96</b>	<b>419.26</b>
Lease liability paid	-	-	-	(40.17)
Reclassification of bank overdraft*	-	(33.56)	-	-
Finance costs #	-	-	37.33	42.62
Finance costs paid	-	-	(37.42)	(42.62)
<b>As at March 31, 2025</b>	-	-	<b>0.87</b>	<b>379.09</b>

\*Bank overdraft have been reclassified from current borrowing to cash and cash equivalent for the purpose of preparation of statement of cash flow.

# excludes finance cost on defined benefit plan.

**17 Trade payables**

- (a) Total outstanding dues of micro enterprises and small enterprises (refer note 33)  
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises  
**Total**

	As at March 31, 2025 (Rupees in lacs)	As at March 31, 2024 (Rupees in lacs)
(a)	205.55	206.48
(b)	949.47	865.01
<b>Total</b>	<b>1,155.02</b>	<b>1,071.49</b>

**Of the above trade payables amount due to related parties as below:**

Trade payables due to related parties (refer note 32)

	<b>101.58</b>	<b>38.51</b>
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**Ageing schedule**

**As at March 31, 2025**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	197.59	7.96	-	-	-	-	205.55
(ii) Others	318.85	273.90	12.97	11.80	33.11		650.63
(iii) Disputed dues – MSME	-	-	-	-	-		-
(iv) Disputed dues - Others	-	-	-	-	-		-
	<b>516.44</b>	<b>281.86</b>	<b>12.97</b>	<b>11.80</b>	<b>33.11</b>		<b>856.18</b>
Unbilled							298.84
<b>Total</b>							<b>1,155.02</b>

**As at March 31, 2024**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	206.29	0.19	-	-	-	-	206.48
(ii) Others	240.70	210.59	15.61	29.19	80.11		576.20
(iii) Disputed dues – MSME	-	-	-	-	-		-
(iv) Disputed dues - Others	-	-	-	-	-		-
	<b>446.99</b>	<b>210.78</b>	<b>15.61</b>	<b>29.19</b>	<b>80.11</b>		<b>782.68</b>
Unbilled							288.81
<b>Total</b>							<b>1,071.49</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

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<b>18 Other current liabilities</b>	<b>As at March 31, 2025 (Rupees in lacs)</b>	<b>As at March 31, 2024 (Rupees in lacs)</b>
(a) Contract liabilities - advance from patients	58.55	60.89
(b) Statutory dues payable	96.49	93.84
<b>Total</b>	<b>155.04</b>	<b>154.73</b>

**19 Assets classified as held for sale**

**Assets held for sale**

Building*	-	34.46
	-	<b>34.46</b>

\* 1 flat for which the sale had been previously approved by the Board of Directors of the Company, has been sold during the current year.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	For the year ended March 31, 2025 (Rupees in lacs)	For the year ended March 31, 2024 (Rupees in lacs)
<b>20 Revenue from operations</b>		
<b>I. Revenue from contracts with customers</b>		
<b>(a) Sale of services</b>		
<b>Healthcare services</b>		
- Operating income - in-patient department	13,379.51	12,445.71
- Operating income - out-patient department	1,191.10	1,317.07
- Income from medical services	8.52	-
Less: Trade discounts	2,200.36	2,238.49
<b>Total (a)</b>	<b>12,378.77</b>	<b>11,524.29</b>
<b>(b) Sale of products - Trading</b>		
Pharmacy	201.32	149.04
Less: Trade discounts	18.88	9.75
<b>Total (b)</b>	<b>182.44</b>	<b>139.29</b>
<b>I. Total revenue from contracts with customers (a+b)</b>	<b>12,561.21</b>	<b>11,663.58</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	182.44	139.29
Services transferred at a point in time	1,191.10	1,229.73
Services transferred over time	11,187.67	10,294.56
	<b>12,561.21</b>	<b>11,663.58</b>
<b>Contract balances</b>		
Contract assets (unbilled revenue)	85.45	149.67
Contract liabilities (advance from patient)	58.55	60.89
The revenue recognized during the current year is the balancing number for transactions with customers after opening and closing balances of receivables and liabilities.		
<b>II. Other operating revenues</b>		
Sponsorship income	-	0.30
Provisions / liabilities no longer required written back	96.90	67.61
Income From Scrap Sales	1.68	-
<b>II. Total other operating revenues</b>	<b>98.58</b>	<b>67.91</b>
<b>Total revenue from operations (I+II)</b>	<b>12,659.79</b>	<b>11,731.49</b>
<b>21 Other income</b>		
Interest income		
- Interest on bank deposits	49.85	0.72
- Interest on income tax refund	288.27	272.93
Profits on sale of property, plant and equipment	251.06	2.08
Miscellaneous income	7.89	9.10
<b>Total other income</b>	<b>597.07</b>	<b>284.83</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

Particulars	For the year ended March 31, 2025 (Rupees in lacs)	For the year ended March 31, 2024 (Rupees in lacs)
<b>22 Changes in inventories of medical consumables and drugs</b>		
(a) Inventory at the beginning of the year	93.65	125.44
(b) Inventory at the end of the year	108.38	93.65
<b>(Increase)/decrease in inventories [(a)-(b)]</b>	<b>(14.73)</b>	<b>31.79</b>
<b>23 Employee benefits expense</b>		
(a) Salaries, wages and bonus	1,705.03	1,635.52
(b) Gratuity expense (refer note 27.2)	28.08	26.92
(c) Compensated absences	11.82	18.93
(d) Contribution to provident fund (refer note 27.1)	85.78	88.29
(e) Staff welfare expenses	107.66	93.73
<b>Total</b>	<b>1,938.37</b>	<b>1,863.39</b>
<b>24 Finance costs</b>		
(a) Interest expense		
- on term loans	-	10.87
- on cash credit	2.93	16.58
- on others	4.43	3.40
- on defined benefit plan (refer note 27.2)	12.90	11.91
- on lease liabilities (refer note 31)	42.62	46.72
(b) Other borrowing costs	29.97	26.33
<b>Total</b>	<b>92.85</b>	<b>115.81</b>
<b>25 Depreciation and amortisation expense</b>		
(a) Depreciation of property, plant and equipments	489.38	486.69
(b) Amortisation of intangible assets	40.08	39.51
(c) Depreciation of right-of-use assets (refer note 31)	47.11	47.11
<b>Total</b>	<b>576.57</b>	<b>573.31</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

<b>Particulars</b>	<b>For the year ended March 31, 2025 (Rupees in lacs)</b>	<b>For the year ended March 31, 2024 (Rupees in lacs)</b>
<b>26 Other expenses</b>		
Contractual manpower	530.04	505.12
Power, fuel and water	439.28	411.25
Housekeeping expenses including consumables	115.36	113.74
Patient food and beverages	114.85	105.50
Pathology laboratory expenses	388.21	461.18
Radiology expenses	0.62	-
Cost of Medical Services	47.34	58.72
Professional and consultation fees to doctors	3,944.66	3,972.56
Repairs and maintenance		
- Building	18.14	5.12
- Plant and machinery	468.76	412.87
- Others	10.99	4.34
Rent		
- Hospital buildings	14.33	14.17
- Equipments	51.83	44.96
- Others	53.25	50.98
Legal and professional fees (refer note 26.1)	51.42	82.23
Travel and conveyance	33.47	21.01
Rates and taxes	69.77	66.86
Printing and stationery	47.52	34.13
Communication expenses	31.71	34.45
Insurance	19.16	18.23
Marketing and business promotion	436.73	169.41
Allowance for doubtful receivables	154.40	69.36
Foreign exchange fluctuation loss (net)	0.22	-
Miscellaneous expenses	1.70	8.48
<b>Total</b>	<b>7,043.76</b>	<b>6,664.67</b>

**26.1 Auditors' remuneration comprises (excluding GST)**

Statutory audit fee	7.80	7.20
Tax audit fee	0.90	0.84
Out of pocket expenses	0.87	0.80
<b>Total</b>	<b>9.57</b>	<b>8.84</b>

**27 Employee Benefit Plans:**

**27.1 Defined Contribution Plan**

The Company's defined contribution plan includes provident fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) for qualifying employees.

**Contribution to Defined Contribution Plan, recognised as expense in Note 23 - 'Employee benefits expense' for the year, is as under:**

	<b>(Rupees in lacs)</b>	
	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
Employer's contribution to provident fund	85.78	88.29

**27.2 Defined Benefit Plan**

**(a) Gratuity**

The Company provides long-term benefits in the nature of Gratuity to its employees. Under the Gratuity Plan, every employee who has completed at least five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service. The scheme is unfunded.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss and the amounts recognized in the balance sheet.

<b>(Rupees in lacs)</b>		
<b>(i) Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
<b>Movement in net liability</b>		
Present value of obligation at the beginning of the year	191.83	173.80
Current service cost	28.08	26.92
Interest cost	12.90	11.91
Amount recognized to OCI	8.58	(5.53)
Benefits paid	(14.96)	(19.18)
Acquisition (credit)/ cost	0.74	3.91
Present value of obligations at the end of the year	<b>227.17</b>	<b>191.83</b>

<b>(Rupees in lacs)</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Present value of unfunded obligation	227.17	191.83
<b>Amounts in the balance sheet</b>		
(a) Liabilities	227.17	191.83
(b) Assets	-	-
(c) Net liability/(asset) recognized in the balance sheet	<b>227.17</b>	<b>191.83</b>
Current Liability	26.08	14.36
Non-Current Liability	201.09	177.47
	<b>227.17</b>	<b>191.83</b>

27 Employee Benefit Plans (Cont'd.)

		(Rupees in lacs)	
(ii)	Expense recognized in Statement of Profit and Loss is as follows:	Year ended	Year ended
		March 31, 2025	March 31, 2024
	<b>Employee Benefit Expense</b>		
	Service cost	28.08	26.92
	Past Service Cost	-	-
	<b>Finance Cost</b>		
	Interest cost	12.90	11.91
	<b>Amount charged to Statement to Profit and Loss</b>	<b>40.98</b>	<b>38.83</b>

		(Rupees in lacs)	
(iii)	Expense/ (income) recognized in Statement of Other comprehensive income is as follows:	Year ended	Year ended
		March 31, 2025	March 31, 2024
	Net actuarial loss / (gain) due to experience adjustment recognized during the year	(0.99)	(9.68)
	Net actuarial loss / (gain) due to assumptions changes recognized during the year	9.57	4.15
	<b>Expense/ (Income) charged to Other Comprehensive income</b>	<b>8.58</b>	<b>(5.53)</b>

(iv) The Principal assumptions used in determining gratuity and compensated absences obligation for the Company's plan is shown below:

Principal Actuarial assumptions for Gratuity and compensated absences	Year ended	Year ended
	March 31, 2025	March 31, 2024
Rate for discounting liabilities (p.a)	6.50%	7.00%
Expected salary increase rate	8.00%	8.00%
Withdrawal / Employee Turnover Rate (Per annum)		
Age up to 30 years	10% - 30%	10% - 30%
Age from 31 to 44 years	3% - 25%	3% - 25%
Age above 44 years	1% - 15%	1% - 15%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

**Notes:**

a) Expected benefit payment for the future years.

Year ended	(Rupees in lacs)
March 31, 2026	16.61
March 31, 2027	26.17
March 31, 2028	25.43
March 31, 2029	25.57
March 31, 2030	25.99
March 31, 2031 to March 31, 2035	174.69

b) Weighted average duration of defined benefit obligation is 9 years. (Previous year: 9 years)

c) The discount rates reflect the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

d) The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

e) Significant actuarial assumption for the determination of the defined obligation are discount rate, withdrawal rate and expected salary increase. The sensitivity analyses below have been determined by the actuarial based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Year ended		Year ended	
	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.5%	(9.57)	10.30	(8.14)	8.76
Change in Salary escalation rate by 1%	20.90	(18.41)	17.86	(15.72)
Change in withdrawal rate by 5%	(11.09)	12.54	(7.58)	8.64

**28 Earnings per share (EPS)**

Particulars	Denomination	For the year ended	For the year ended
		March 31, 2025	March 31, 2024
Profit for the year	Rupees in lacs	851.34	106.21
Weighted average number of equity shares in calculating Basic EPS and Diluted EPS	Numbers	56,13,300	56,13,300
Basic EPS	Rupees	15.17	1.89
Diluted EPS	Rupees	15.17	1.89

**Weighted average number of equity shares**

Number of shares at the beginning of the year	56,13,300	56,13,300
Effect of fresh issue of shares	-	-
<b>Weighted average number of shares at the end of the year</b>	<b>56,13,300</b>	<b>56,13,300</b>

**29 Contingent liabilities to the extent not provided for**

**(a) Claims against the Company, disputed by the Company, not acknowledged as debt**

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax (refer note below)	691.04	1,242.91
Claims against the Company not acknowledged as debts (in respect of compensation demanded by the patients/their relatives for negligence)	614.80	614.80

**Note:** Income tax litigations primarily pertain to disallowance of brought forward losses and unabsorbed depreciation adjusted which is currently pending for appeal before tax authorities.

(b) Navi Mumbai Municipal Corporation ('NMMC') terminated the Hospital lease agreement with the Company vide order dated January 18, 2017 (Termination Order) for certain alleged contravention of the Hospital lease agreement. NMMC granted a period of one month to the Company to hand over the possession of the hospital to NMMC and also directed the Company not to admit any new patients. The Company filed a Writ Petition before the Hon'ble Supreme Court of India challenging the Termination Order. The Writ Petition has been tagged with Special Leave Petition also filed by the Company inter alia challenging the actions of State Government, City Industrial Development Corporation and NMMC which led to the passing of the said Termination Order. The Hon'ble Supreme Court of India in the hearing held on January 30, 2017 ordered "Status Quo". Special Leave Petition has been admitted on January 22, 2018 and "Status Quo" has been continuing. Based on external legal counsel's opinion, management is confident that the Company is in compliance with the conditions of the Hospital lease agreement, the likelihood of an unfavourable outcome is remote. However, due to uncertainties involved, the ultimate outcome will be ascertained on disposal of the said petition. Accordingly no adjustment is required to the Financial Statements.

(c) On 28 February 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers (the "India Defined Contribution Obligation") altered historical understandings of such obligations, extending them to cover additional portions of the employee's income to measure obligations under employees Provident Fund Act, 1952. There is significant uncertainty as to how the liability should be calculated as it is impacted by multiple variables, including the period of assessment, the application with respect to certain current and former employees and whether interest and penalties may be assessed. As such, the Company has been legally advised not to consider that there is any probable obligations for periods prior to date of aforesaid judgment.

(d) Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

(e) The Company believes that none of the above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements. The cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various stages/forums. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**30 Capital commitment and other commitments:**

**a) Capital commitments**

Particulars	(Rupees in lacs)	
	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)		
-Property, plant and equipment	240.04	254.08
-Intangible assets	14.35	7.04
<b>Total</b>	<b>254.39</b>	<b>261.12</b>

**b) Other Commitment**

The Company has entered into a long term lease agreement on 20th January 2006 with Navi Mumbai Municipal Corporation (NMMC) for a period of 25 years, to be renewed thereafter for 27 years on the same terms and conditions subject to satisfactory performance. As per terms of the aforesaid agreement, the Company is required to provide free treatment to 10% of the total beds (i.e. 15 patients at any given point of time) limited to 800 patients in a year referred by NMMC Hospital [also see Note 29(b)].

**31 Leases**

**As a lessee**

The Company has taken Hospital building on lease. Information about leases for which the Company is a lessee is presented below.

Right-of-use assets	(Rupees in lacs)	
	Land and building	
<b>Gross Carrying Amount</b>		
As at April 01, 2023		545.64
Additions		-
Derecognition		-
As at March 31, 2024		545.64
Additions		-
Derecognition		-
As at March 31, 2025		545.64
<b>Accumulated Depreciation</b>		
As at April 01, 2023		188.42
Charge for the year		47.11
Derecognition		-
As at March 31, 2024		235.53
Charge for the year		47.11
Derecognition		-
As at March 31, 2025		282.64
<b>Carrying value</b>		
As at March 31, 2024		310.11
As at March 31, 2025		263.00

Lease liabilities	(Rupees in lacs)	
	As at March 31, 2025	As at March 31, 2024
<b>Maturity analysis - contractual undiscounted cash flows</b>		
Less than one year	84.43	83.78
One to five years	354.97	439.40
More than five years	66.54	66.54
<b>Total undiscounted lease liabilities</b>	<b>505.94</b>	<b>589.72</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**31 Leases (Cont'd.)**

	<b>(Rupees in lacs)</b>	
<b>Lease liabilities included in the balance sheet (discounted)</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Current	46.58	43.61
Non-current	332.39	375.53
	<b>(Rupees in lacs)</b>	
<b>Amounts recognised in statement of profit and loss</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Interest on lease liabilities	42.62	46.72
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to short-term leases and leases of low-value assets	119.41	110.11
	<b>(Rupees in lacs)</b>	
<b>Amounts recognised in statement of cash flow</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Cash outflow for leases	40.17	34.33
Interest on lease liabilities (included in Finance Cost)	42.62	46.72
<b>Total cash outflow for leases</b>	<b>82.79</b>	<b>81.05</b>

32 Related party disclosures

Names of Related Parties and related party relationship	
<b>Ultimate Holding Company</b>	IHH Healthcare Berhad
<b>Intermediate Holding Companies</b>	Integrated Healthcare Holdings Limited Parkway Pantai Limited Northern TK Venture Pte Ltd
<b>Immediate Holding Company</b>	Fortis Healthcare Limited (FHL)
<b>Key Management Personnel (KMP) / Directors</b>	Manu Kapila - Non Executive Director (upto September 06, 2024) Akshay Oleti - Non Executive Director (w.e.f. September 09, 2024) Prabhat Kumar - Non Executive Director Narayani Shivkumar - Non Executive Director
<b>Fellow Subsidiaries (parties with whom transactions have taken place)</b>	Fortis Hospitals Limited (FHsL) Agilus Diagnostics Limited (Formerly known as SRL Limited) Escorts Heart Institute & Research Centre Limited International Hospital Limited
<b>Enterprises owned or significantly controlled / influenced by subsidiary of holding/ultimate holding company/ enterprise having significant influence over ultimate holding company (with whom transactions have been taken place)</b>	Acibadem Teknoloji A.S.

a) Transactions during the year

(Rupees in lacs)

Particulars	Fortis Healthcare Limited		Escorts Heart Institute & Research Centre Limited		International Hospital Limited		Fortis Hospitals Limited		Acibadem Teknoloji A.S.		Agilus Diagnostics Limited (Formerly known as SRL Limited)	
	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024
<b>Expenses</b>												
Pathology expenses	-	-	-	-	-	-	-	-	-	-	242.23	198.26
<b>Reimbursement of Expenses</b>												
Expenditure incurred on behalf of the Company	-	-	-	-	-	-	34.46	-	-	-	131.45	262.92
Expenditure incurred by the Company on behalf of	-	-	-	-	1.72	-	28.92	-	-	-	-	-
<b>Collections</b>												
Collection on behalf of company by related party	-	-	-	-	-	-	-	26.86	-	-	-	-
Collection on behalf of related party by company	-	-	-	-	-	-	-	2.73	-	-	-	-
<b>Availing/Rendering of any Goods / services</b>												
Medical services availed on OPD basis	-	-	-	-	-	-	7.53	6.72	-	-	-	-
Transfer of medical consumables and pharmacy from	-	-	-	-	-	-	2.73	0.19	-	-	-	-
Transfer of medical consumables and pharmacy to	-	-	-	-	-	-	1.12	-	-	-	-	-
Employee Hospitalization expenses	-	-	-	-	-	-	2.99	6.50	-	-	-	-
Transfer of employee liability to	-	-	-	-	-	-	0.72	6.02	-	-	-	-
Transfer of employee liability from	-	-	-	-	-	-	1.34	4.43	-	-	-	-
Purchase of Property, Plant and Equipment from	-	-	1.09	-	-	-	-	-	-	-	-	-
Intangible assets acquired	-	-	-	-	-	-	-	-	39.46	6.46	-	-
Financial guarantee on behalf of company to avail loan given by related party withdrawn	-	2,450.00	-	-	-	-	-	-	-	-	-	-

b) Balances at the end of the year

(Rupees in lacs)

Particulars	Fortis Healthcare Limited		Escorts Heart Institute & Research Centre Limited		International Hospital Limited		Fortis Hospitals Limited		Acibadem Teknoloji A.S.		Agilus Diagnostics Limited (Formerly known as SRL Limited)	
	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024	Mar 31, 2025	Mar 31, 2024
Trade Receivable	-	-	-	-	0.34	-	14.10	1.30	-	-	-	-
Trade Payables and other current liabilities	-	-	-	-	-	-	8.92	6.65	-	-	92.66	31.86
Capital creditors	-	-	-	-	-	-	-	-	17.36	-	-	-

**Note:** All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash with in credit period from the reporting date. None of the balances are secured.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**33 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006**

The Ministry of Micro and Small Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the micro enterprises and the small enterprises should mention in their correspondences with their customers the Entrepreneur Memorandum Number as allocated after filing of the memorandum. Accordingly, the below information regarding dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company:

		(Rupees in lacs)	
S. No	Particulars	March 31, 2025	March 31, 2024
(a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
	- Principal amount due to micro and small enterprises*	205.55	211.58
	- Interest due on above	0.06	0.06
(b)	The amount of Interest paid by the buyer in terms of the Section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	532.00	-
(c)	The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.06	0.06
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

\* including payable to micro enterprises and small enterprises included in capital creditors (refer note 14)

**34 Financial Instruments**

**34.1 Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 13 offset by cash and cash equivalents) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's Board of Directors review the capital structure of the Company on need basis. As part of this review, the Board of Directors consider the cost of capital and the risks associated with each class of capital.

Amongst other things, the Company's objective for capital management is to ensure that it maintains stable capital management by monitoring the financial covenants attached to the interest bearing loans and borrowings.

**Gearing ratio**

The gearing ratio at end of the reporting period was as follows:

Particulars	(Rupees in lacs)	
	As at March 31, 2025	As at March 31, 2024
Debt*	379.84	453.66
Less: Cash and bank balances - current	(1,542.91)	(259.45)
<b>Total net debt (A)</b>	<b>(1,163.07)</b>	<b>194.21</b>
<b>Equity</b>		
Equity share capital	561.33	561.33
Other equity	7,335.84	6,490.92
<b>Total equity (B)</b>	<b>7,897.17</b>	<b>7,052.25</b>
<b>Net Debt to Equity Ratio (A/B)</b>	<b>-14.73%</b>	<b>2.75%</b>

\*Debt is defined as long-term and short-term borrowings (including interest accrued on borrowings, lease liabilities and excluding Corporate guarantees contracts and contingent consideration).

**34.2 Financial risk management**

**Financial risk management objectives**

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (interest rate risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of the Company through internal risk reports which analyse exposure by magnitude of risk. The Company has limited exposure from the international market as the Company's operations are in India. The Company has no exposure towards foreign currency risk as it earns all of its revenue from domestic patients only. Capital expenditure includes very few capital goods purchased in foreign currency through overseas vendors during the year. The Company has not taken any derivative contracts during the year to hedge the exposure.

**Market Risk**

**(a) Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	(Rupees in lacs)				
	Currency	As at March 31, 2025		As at March 31, 2024	
		Foreign Currency in lacs	Equivalent Rupees in lacs	Foreign Currency in lacs	Equivalent Rupees in lacs
Trade receivables	USD	0.23	20.07	-	-
Import trade payables including capital creditors	USD	0.08	6.72	-	-

**34 Financial Instruments (Cont'd...)**

**Foreign currency sensitivity analysis**

The Company is mainly exposed to fluctuations in USD currency.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupees against USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. This analysis assumes that all other variables, in particular interest rate to remain same. A positive number below indicates an increase in profit or equity where the Rupees. strengthens 5% against the relevant currency. For a 5% weakening of the Rupees against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(Rupees in lacs)		
If increase by 5%	Currency impact USD	
	As at March 31, 2025	As at March 31, 2024
Particulars		
Impact in profit or loss before tax for the year	(0.67)	-
Impact in other equity	(0.50)	-

(Rupees in lacs)		
If decrease by 5%	Currency impact USD	
	As at March 31, 2025	As at March 31, 2024
Particulars		
Impact in profit or loss before tax for the year	0.67	-
Impact in other equity	0.50	-

**(b) Interest rate risk management**

The Company is exposed to interest rate risk because Company borrows funds at floating interest rates. The interest rate on the Company's financial instruments is based on market rates. The Company monitors the movement in interest rates on an ongoing basis.

**Interest rate sensitivity analysis**

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(Rupees in lacs)		
Particulars	Interest impact	Interest impact
	As at March 31, 2025	As at March 31, 2024
<b>If increase by 50 basis point</b>		
Increase / (decrease) in profit or loss before tax for the year	-	(0.17)
Increase / (decrease) in other equity	-	(0.13)
<b>If decrease by 50 basis point</b>		
Increase / (decrease) in profit or loss before tax for the year	-	0.17
Increase / (decrease) in other equity	-	0.13

**(c) Credit risk management**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company takes due care while extending any credit as per the approval matrix approved by Board of Directors.

Refer note 9 of the financial statements for carrying amount and maximum credit risk exposure for trade receivables.

**Expected credit loss on financial assets other than trade receivables:**

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed in Balance Sheet.

**Cash and cash equivalents and other bank balances:**

The Company held cash and cash equivalents and other bank balances (including bank deposits) as disclosed in relevant notes. The cash and cash equivalents and other bank balances are held with bank which have high credit ratings assigned by credit-rating agencies.

The Company considers that its cash and cash equivalents and other bank balances have low credit risk based on the external credit ratings of the counterparties.

The Company uses a similar approach for assessment of ECLs for cash and cash equivalents and other bank balances to those used for debt securities.

**(d) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Liquidity risk tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**34 Financial Instruments (Cont'd...)**

Particulars					(Rupees in lacs)	
	Within 1 year	1-2 year	More than 2 years	Total	Carrying amount	
<b>As at March 31, 2025</b>						
Borrowings (current and non-current)	-	-	-	-	-	-
Lease liabilities (current and non-current)	84.43	86.12	335.39	505.94	378.97	
Trade payables	1,155.02	-	-	1,155.02	1,155.02	
Security deposits	1.02	-	-	1.02	1.02	
Interest accrued but not due on borrowings	0.87	-	-	0.87	0.87	
Capital creditors	29.96	-	-	29.96	29.96	
Other liabilities	60.21	-	-	60.21	60.21	
<b>Total</b>	<b>1,331.51</b>	<b>86.12</b>	<b>335.39</b>	<b>1,753.02</b>	<b>1,626.05</b>	

Particulars					(Rupees in lacs)	
	Within 1 year	1-2 year	More than 2 years	Total	Carrying amount	
<b>As at March 31, 2024</b>						
Borrowings (current and non-current)	33.56	-	-	33.56	33.56	
Lease liabilities (current and non-current)	83.78	84.43	421.51	589.72	419.14	
Trade payables	1,071.49	-	-	1,071.49	1,071.49	
Security deposits	2.00	5.00	-	7.00	7.00	
Interest accrued but not due on borrowings	0.96	-	-	0.96	0.96	
Capital creditors	4.05	-	-	4.05	4.05	
Other liabilities	70.22	-	-	70.22	70.22	
<b>Total</b>	<b>1,266.06</b>	<b>89.43</b>	<b>421.51</b>	<b>1,777.00</b>	<b>1,606.42</b>	

**34.3 Fair value measurement**

(Rupees in lacs)

Particulars	Note	Carrying value as at	
		As at	As at
		March 31, 2025	March 31, 2024
<b>Measured at amortised cost</b>			
<b>i) Financial Assets - Non current</b>			
Security deposits	(b)	116.78	115.65
Other Financial assets	(b)	2.71	-
<b>ii) Financial assets – Current</b>			
Trade receivables	(a)	1,484.94	1,430.69
Cash and cash equivalents (including other bank balances)	(a)	1,542.91	259.46
Other financial assets	(a)	769.60	14.44
<b>TOTAL</b>		<b>3,916.94</b>	<b>1,820.24</b>
<b>Measured at amortised cost</b>			
<b>iii) Financial liabilities - Non current</b>			
Lease liabilities	(c)	332.39	375.53
Other Financial liabilities	(b)	-	5.00
<b>iv) Financial liabilities - Current</b>			
Borrowings	(a)	-	33.56
Lease liabilities	(c)	46.58	43.61
Trade payables	(a)	1,155.02	1,071.49
Other Financial liabilities	(a)	92.06	77.23
<b>TOTAL</b>		<b>1,626.05</b>	<b>1,606.42</b>

**The following methods / assumptions were used to estimate the fair values:**

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short-term maturities of these instruments.
- (b) Fair valuation of non-current financial assets & liabilities has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- (c) Fair value measurement of lease liabilities is not required.

The fair value is determined by using the valuation model/technique with observable/ non-observable inputs and assumptions.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2025 and 31 March 2024.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**35 Segment information**

The Company is primarily engaged in the business of healthcare services which is the only reportable business segment as per Ind AS 108 "Operating Segments".

Sales by market- Revenue from external customers by location of customers

The following table shows the distribution of the Company's revenues by geographical market:

Particulars	(Rupees in lacs)	
	Year ended	Year ended
	March 31, 2025	March 31, 2024
India	12,659.79	11,731.49
Outside India	-	-
<b>Total</b>	<b>12,659.79</b>	<b>11,731.49</b>

Carrying value of non-current assets- by location of assets

The following table shows the carrying amount of non-current assets (other than financial instruments and deferred tax assets) by geographical area in which the assets are located:

Particulars	(Rupees in lacs)	
	Year ended	Year ended
	March 31, 2025	March 31, 2024
India	6,419.30	7,385.06
Outside India	-	-
<b>Total</b>	<b>6,419.30</b>	<b>7,385.06</b>

36 As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of preceding three years towards Corporate Social Responsibility (CSR). However, the Company has incurred cumulative losses, hence the same is not applicable.

**37 Other Statutory Information**

- (i) The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has 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
- (iv) The Company has 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,
- (v) 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).
- (vi) The Company is not declared willful defaulter by any bank or financial institution or other lender.
- (vii) The Company has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

(Rupees in lacs)

Name of the Company	Reason for continuous transactions	Nature of transaction	Balance outstanding as at March 31, 2025 Payable/(Advance)	Balance outstanding as at March 31, 2024 Payable/(Advance)	Transactions in FY 2024-2025	Transactions in FY 2023-2024
Indicure Health Tours Pvt Ltd	Business requirement	Purchase of material / services	-	-	3.88	-
Acro Fire Solutions Pvt Ltd	Business requirement	Purchase of material / services	-	(0.02)	0.41	-
Reliance Communications Infrastructure Ltd	Business requirement	Purchase of material / services	0.24	-	3.41	-

- (viii) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act.
- (x) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

**38 Ratio analysis and its elements**

S.No.	Ratio	Numerator	Denominator	31-Mar-25	31-Mar-24	% change	Reason for variance
1	Current Ratio (in times)	Total current assets	Total current liabilities	2.65	1.34	98%	Due to increase in current financial assets in current year
2	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.05	0.06	-17%	
3	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Finance costs + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	11.04	2.27	386%	Due to increase in profit & decrease in finance cost & borrowings in current year
4	Return on Equity Ratio (in %)	Profit for the year less preference dividend (if any)	Average total equity	11.39%	1.48%	671%	Due to increase in profit in current year
5	Inventory turnover Ratio (in times)	Cost of goods sold	Average inventory	24.42	21.23	15%	
6	Trade Receivables Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Average trade receivable	8.62	7.75	11%	
7	Trade Payables Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	2.23	2.09	7%	
8	Net Capital Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Working capital (i.e. total current assets less total current liabilities)	5.04	23.89	-79%	Due to increase in working capital in current year
9	Net Profit Ratio (in %)	Net Profit	Revenue from operations (excluding liabilities no longer required written back)	6.78%	0.89%	661%	Due to increase in profit in current year
10	Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Tangible Net worth + Debts + Lease liabilities + Deferred tax liabilities	14.09%	7.49%	88%	Due to increase in profit in current year

For **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**RAJESH  
ARORA**

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Date: 2025.05.14  
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**Rajesh Arora**

Partner

Membership Number: 076124

Place : Gurugram

Date : May 14, 2025

For and on behalf of the Board of Directors

**Hiranandani Healthcare Private Limited**

**AKSHA  
YOLETI**

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**Akshay Oleti**

Director

DIN: 09728883

Place : Bengaluru

Date : May 14, 2025

**Prabhat  
Kumar**

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Date: 2025.05.14  
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**Prabhat Kumar**

Director

DIN: 03109484

Place : Gurugram

Date : May 14, 2025