

Independent Auditor's Report**To the Designated Partners of HCG Manavata Oncology LLP****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of HCG Manavata Oncology LLP ("the LLP"), which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (collectively referred to as "the financial statements").

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the LLP as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India ("ICAI") and in conformity with the accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") issued by ICAI. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the LLP in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with 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.

Responsibilities of Designated Partners for the Financial Statements

The Designated Partners of LLP are responsible for the preparation of the financial statements that give a true and fair view of the financial position, financial performance and cash flows of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI. This responsibility includes the design, implementation and maintenance of internal control, 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 Designated Partners are responsible for assessing the LLP'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 Designated Partners and those charged with governance either intends to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.

Designated Partners are responsible for overseeing the LLP's financial reporting process.

Registered Office:

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, but not for the purpose of expressing opinion on the effectiveness of LLP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Designated Partners.
- Conclude on the appropriateness of the Designated Partners use of the going concern basis of accounting in preparation of the 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 LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP 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 the Designated Partners 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.

B S R & Co. LLP

We also provide the Designated Partners 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.

For **B S R & Co LLP**

Chartered Accountants

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

Sd/-

Vikash Gupta

Partner

Place: Bangalore

Date: 03 September 2025

Membership No. 064597

UDIN: 25064597BMOXSA1209

HCG Manavata Oncology LLP
Balance Sheet as at 31 March 2025

		Amount in Rs.	
	Note No.	As at 31 March 2025	As at 31 March 2024
PARTNERS' FUNDS AND LIABILITIES			
Partners' funds			
Partners' capital account	3	657,033,098	657,033,098
Reserves and surplus	4	(277,511,884)	(236,367,392)
		379,521,214	420,665,706
Non-current liabilities			
Long-term borrowings	5	213,275,893	272,147,219
Deferred tax liabilities, net	6	34,305,402	27,183,184
Other long-term liabilities	7	193,147,411	180,076,188
Long-term provisions	8	12,614,887	8,704,311
		453,343,593	488,110,902
Current liabilities			
Short-term borrowings	9	216,607,394	62,668,227
Trade payables	10	143,222,072	147,244,094
Other current liabilities	11	34,515,462	33,429,867
Short-term provisions	13	8,339,294	160,750,602
		402,684,222	404,092,790
Total		1,235,549,029	1,312,869,398
ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible assets			
-Property, Plant and Equipment	12.1	896,471,757	987,679,734
-Intangible assets	12.2	362,826	475,754
Long-term loans and advances	14	52,342,150	40,590,039
Other non-current assets	15	22,709,632	21,068,354
		971,886,365	1,049,813,881
Current assets			
Inventories	16	19,175,868	12,910,461
Trade receivables	17	168,941,138	113,537,092
Cash and bank balances	18	64,266,519	126,763,993
Short-term loans and advances	19	9,259,976	5,841,978
Other current assets	20	2,019,163	4,001,993
		263,662,664	263,055,516
Total		1,235,549,029	1,312,869,398

Brief about the entity 1
Significant accounting policies 2
The accompanying notes are an integral part of these Financial Statements

As per our reports of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W -100022

for and on behalf of
HCG Manavata Oncology LLP
LLPIN: AAH-1208

Sd/-
Vikash Gupta
Partner
Membership number: 064597

Sd/- Sd/-
Srinivasa V Raghavan **Dr. Raj Vasantrao Nagarkar**
Designated Partner on behalf of Partner
HealthCare Global Enterprises
Limited DPIN : 01850180
DPIN : 01803376

Place: Bengaluru
Date : 03 September 2025

Place: Bengaluru
Date : 03 September 2025

Place: Nashik
Date : 03 September 2025

HCG Manavata Oncology LLP
Statement of Profit and Loss for the year ended 31 March 2025

		Amount in Rs.	
	Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	21	1,303,418,347	1,044,123,777
Other income	22	29,754,620	8,253,848
Total income		1,333,172,967	1,052,377,625
Expenses			
Purchases of medical and non-medical items	23	327,671,015	211,409,392
Changes in inventories	24	(6,265,407)	(618,918)
Employee benefits expense	25	164,048,567	136,872,148
Finance costs	26	40,248,385	53,470,919
Depreciation and amortisation expense	27	124,667,879	123,525,041
Other expenses	28	556,949,968	495,935,556
Total expenses		1,207,320,407	1,020,594,138
Profit before partners' remuneration and tax		125,852,560	31,783,487
Partners' remuneration	3	142,252,152	123,350,000
Loss before tax		(16,399,592)	(91,566,513)
Tax expense			
-Current tax		17,622,682	21,824,070
-Deferred tax		7,122,218	(35,518,816)
Total tax expense		24,744,900	(13,694,746)
Loss after tax		(41,144,492)	(77,871,767)

Brief about the entity 1
Significant accounting policies 2

The accompanying notes are an integral part of these Financial Statements

As per our reports of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W -100022

for and on behalf of
HCG Manavata Oncology LLP
LLPIN: AAH-1208

Sd/-
Vikash Gupta
Partner
Membership number: 064597

Sd/-
Srinivasa V Raghavan
Designated Partner on behalf of
HealthCare Global Enterprises
Limited
DPIN : 01803376

Sd/-
Dr. Raj Vasantrao Nagarkar
Partner
DPIN : 01850180

Place: Bengaluru
Date : 03 September 2025

Place: Bengaluru
Date : 03 September 2025

Place: Nashik
Date : 03 September 2025

HCG Manavata Oncology LLP
Statement of Cash Flows for the year ended 31 March 2025

		Amount in Rs.	
	Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flows from operating activities			
(Loss) before tax		(16,399,592)	(91,566,513)
Adjustments for:			
Interest income		(4,409,851)	(8,039,106)
Finance costs		40,248,385	53,470,919
Depreciation and amortisation expense		124,667,879	123,525,041
Provision for doubtful receivables		15,858,558	2,770,000
Loss on sale of plant and equipment		-	4,332,493
Rent equalisation		13,071,223	13,071,223
Operating profit before working capital changes		173,036,602	97,564,056
Movement in working capital:			
Changes in inventories		(6,265,407)	(618,918)
Changes in trade receivables		(71,264,907)	4,822,892
Changes in long- term and short-term loans and advances		(5,537,997)	786,119
Changes in other non current and current assets		(679,200)	(2,838,146)
Changes in trade payables		(4,022,022)	21,263,008
Changes in other non current and current liabilities		943,453	14,890,651
Changes in long-term and short-term provisions		(148,500,732)	1,591,858
Cash generated from/ (used in) operations		(62,290,210)	137,461,521
Income tax paid (net)		(27,608,480)	(25,062,768)
Net cash generated from/ (used in) operating activities (A)		(89,898,690)	112,398,753
Cash flow from investing activities			
Acquisition of plant and equipment		(31,616,554)	(25,614,791)
Proceeds from sale of plant and equipment		125,698	2,194,801
Amount invested in margin money/ term deposits		(10,553,526)	(103,629,418)
Proceeds from maturity of margin money/ term deposits		98,959,808	108,018,690
Interest received		8,660,071	6,322,415
Net cash generated from/ (used in) investing activities (B)		65,575,497	(12,708,303)
Cash flow from financing activities			
Repayment of borrowings		(54,932,160)	(56,127,823)
Proceeds from borrowings		150,000,000	-
Finance costs		(40,248,386)	(41,577,502)
Net cash generated from/ (used in) financing activities (C)		54,819,454	(97,705,325)
Net increase in cash and cash equivalents (A+B+C)		30,496,261	1,985,124
Cash and bank balances at the beginning of the year		23,661,840	21,676,716
Cash and bank balances at the end of the year	18	54,158,101	23,661,840
For the purpose of statement of cash flows, cash and bank balances comprises the followings:		As at 31 March 2025	As at 31 March 2024
(a) Cash on hand		1,952,241	628,892
(b) Balance with banks:			
-In Current Accounts		52,205,860	23,032,948
		54,158,101	23,661,840
Brief about the entity	1		
Significant accounting policies	2		
The accompanying notes are an integral part of these Financial Statements			
As per our reports of even date attached			

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W -100022

Sd/-
Vikash Gupta
Partner
Membership number: 064597

Place: Bengaluru
Date : 03 September 2025

for and on behalf of
HCG Manavata Oncology LLP
LLPIN: AAH-1208

Sd/-
Srinivasa V Raghavan
Designated Partner on behalf
of HealthCare Global
Enterprises Limited
DPIN : 01803376

Sd/-
Dr. Raj Vasantrao Nagarkar
Partner
DPIN : 01850180

Place: Bengaluru
Date : 03 September 2025

Place: Nashik
Date : 03 September 2025

HCG Manavata Oncology LLP
Notes to the Financial Statements for the year ended 31 March 2025

1 Corporate information

HCG Manavata Oncology LLP ('the Firm' or 'LLP') is a Limited Liability Partnership registered under Limited Liability Partnership Act, 2008 and incorporated on 10 August 2016. HealthCare Global Enterprises Limited (HCG) and Dr. Raj Vasantrao Nagarkar are partners in LLP having capital and profit sharing ratio of 51:49. The LLP is engaged in setting up and managing of cancer hospitals. The registered office of the LLP is situated at HCG Tower, No. 8 Sampangi Ram Nagar Bengaluru - 560018.

The financial statements for the year ended 31 March 2025 were approved by the partners and authorised for issue on 03 September 2025.

2 Summary of significant accounting policies

2.1 Basis of accounting and preparation of Financial Statements

The Financial Statements of the LLP have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and relevant provisions of Limited Liability Partnership Act, 2008. Indian GAAP comprise the Accounting Standards and the Guidance note issued by the Institute of Chartered Accountants of India. The Financial Statements have been prepared on accrual basis under the historical cost convention.

2.2 Going concern basis

The Firm has incurred losses in the current year and in the previous year. However, the firm has positive net worth in the current year and the previous year and the management expects profits and positive cash flows in future periods. Considering this and the support letter received from the Holding Company (HealthCare Global Enterprises Limited), the Management has prepared the Financial Statements on a going concern basis.

2.3 Use of estimates

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make judgement, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the LLP's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the LLP's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be settled within 12 months after the reporting date; or
- d) The LLP does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect the classification.

Current liabilities include the current portion of the non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of products / activities of the LLP and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the LLP has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.5 Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for GST wherever applicable applying weighted average method.

Imported inventories are accounted for at the applicable exchange rates prevailing on the date of transaction.

2.6 Cash and bank balances

Cash and bank balances 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, are considered part of the cash management system.

2.7 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of 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 LLP are segregated based on the available information.

2.8 Revenue recognition

Medical services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients. Revenue is recorded net of discount given to patients recognised during the period in which the hospital service is provided, based upon the estimated amounts due from patients and/or medical funding entities. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

Sale of medical and non-medical items

Pharmacy sales are recognised when the significant risks and rewards of ownership is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. Revenue is measured excluding taxes or duties collected on behalf of the government.

Other operating income

Revenue is recognised as and when services are rendered and right to receive the consideration is established.

2.9 Other income

Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

2.10 Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment

Property, plant and equipment are measured at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment losses, if any. 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 expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Cost includes expenditures directly attributable to the acquisition of the asset.

The LLP depreciates Property, Plant and Equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. The estimated useful lives of assets as follows:

Asset category	Useful life as per the management
Plant and medical equipment	10, 13 and 15 years
Lab equipment	10 years
Office equipments	05 years
Furniture and fixtures	10 years
Data processing equipments	3-6 years
Electrical installation	10 years
Vehicles	8 years

2.10 Property, Plant and Equipment and Intangible assets (continued)

Useful lives are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

The cost and related accumulated depreciation are eliminated from the balance sheet upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of tangible assets outstanding as of each reporting date are recognized as capital advance and the cost of tangible assets not ready for intended use before such date are disclosed under capital work- in-progress.

Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Asset category	Useful life as per the management
Computer software	3 years

2.11 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the LLP at the exchange rates at the dates of the transactions or an average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

2.12 Employee benefits

Defined contribution plan

Contributions to the recognized provident fund which are defined contribution schemes, are charged to the statement of profit and loss.

Defined benefit plans

The Firm's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. 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. Actuarial gains and losses are recognised immediately in the statement of profit and loss and on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and receive cash compensation at the end of the financial year. Since the employee has unconditional right to avail the leave, the benefit is classified as a short term employee benefit. The Firm records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

Share-based payment transactions

Certain employees of the LLP have received stock options (Employee Stock Option Plan ESOP) of the holding company HealthCare Global Enterprises Limited. Accordingly, the firm is subject to cross charge of ESOP costs from HealthCare Global Enterprises Limited. The compensation cost relating to share-based payments are measured using the fair valuation method. Compensation expense is amortized over the vesting period of the option.

2.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted.

2.14 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the firm will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the firm.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the firm has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.15 Provisions and contingencies

A provision is recognised when the firm has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the Financial Statements.

Onerous contracts

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

2.16 Government grants

Government grants available to the Firm are recognised

- (i) where there is reasonable assurance that the Firm will comply with the conditions attached to them; and
- (ii) where such benefits have been earned by the Firm and it is reasonably certain that the ultimate collection will be made.

Government grants related to the acquisition of fixed assets are shown as a deduction from the gross value of the respective fixed assets.

2.17 Leases

A finance lease (also known as a capital lease or a sales lease) is a type of lease in which a finance firm is typically the legal owner of the asset for the duration of the lease, while the lessee not only has operating control over the asset, but also has a substantial share of the economic risks and returns from the change in the valuation of the underlying asset.

If "substantially all the risks and rewards" of ownership are transferred to the lessee then it is a finance lease. If it is not a finance lease then it is an operating lease.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.18 Impairment

The Firm assesses at each reporting date whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Firm estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash in-flows, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in statement of profit and loss. However, an impairment loss on a revalued asset is recognised directly against any revaluation surplus to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for that same asset.

HCG Manavata Oncology LLP

Notes to the Financial Statements for the year ended 31 March 2025 (continued)

Amount in Rs.

12.1 Property, Plant and Equipment

Particulars	Gross block				Accumulated depreciation and impairment				Net block
	As at 1 April 2024	Additions	Disposals	As at 31 March 2025	As at 1 April 2024	Depreciation for the year	Eliminated on disposal of assets	As at 31 March 2025	As at 31 March 2025
<i>Owned assets</i>									
Leasehold improvements	482,427,328	16,660,552	-	499,087,880	148,423,000	29,288,002	-	177,711,002	321,376,878
Plant and medical equipment	912,267,635	9,001,762	471,440	920,797,957	387,860,271	60,597,884	275,902	448,182,253	472,615,704
Lab equipment	9,598,128	586,460	-	10,184,588	5,433,537	993,646	-	6,427,183	3,757,406
Data processing equipment	27,147,651	2,057,883	66,147	29,139,387	24,471,029	1,234,261	66,140	25,639,150	3,500,236
Electrical installation	121,925,969	2,168,154	-	124,094,123	69,838,887	12,193,927	-	82,032,813	42,061,310
Furniture and fixtures	52,454,198	1,629,513	-	54,083,711	30,546,761	5,595,187	-	36,141,948	17,941,763
Vehicles	4,474,898	-	-	4,474,898	1,658,510	559,455	-	2,217,965	2,256,933
Office equipment	15,817,409	1,368,348	78,785	17,106,972	14,789,127	444,162	71,931	15,161,358	1,945,614
<i>Leased assets</i>									
Plant and medical equipment	113,116,901	-	-	113,116,901	68,529,261	13,571,727	-	82,100,988	31,015,913
Total	1,739,230,117	33,472,672	616,372	1,772,086,417	751,550,382	124,478,251	413,973	875,614,660	896,471,757

Property, Plant and Equipment for the year ended 31 March 2024

Particulars	Gross block				Accumulated depreciation and impairment				Net block
	As at 1 April 2023	Additions	Disposals	As at 31 March 2024	As at 1 April 2023	Depreciation for the year	Eliminated on disposal of assets	As at 31 March 2024	As at 31 March 2024
<i>Owned assets</i>									
Leasehold improvements	479,872,381	2,554,947	-	482,427,328	119,769,554	28,653,446	-	148,423,000	334,004,328
Plant and medical equipment	906,872,536	14,976,372	9,581,273	912,267,635	331,167,903	59,861,763	3,169,395	387,860,271	524,407,364
Lab equipment	9,598,128	-	-	9,598,128	4,464,720	968,817	-	5,433,537	4,164,591
Data processing equipment	26,749,457	1,585,506	1,187,312	27,147,651	24,358,706	1,188,249	1,075,926	24,471,029	2,676,622
Electrical installation	121,355,725	570,244	-	121,925,969	57,827,269	12,011,618	-	69,838,887	52,087,082
Furniture and fixtures	51,744,043	710,155	-	52,454,198	25,320,547	5,226,214	-	30,546,761	21,907,437
Vehicles	4,074,819	677,985	277,906	4,474,898	1,419,326	517,089	277,905	1,658,510	2,816,388
Office equipment	15,745,343	122,816	50,750	15,817,409	14,200,271	635,577	46,721	14,789,127	1,028,282
<i>Leased assets</i>									
Plant and medical equipment	113,116,901	-	-	113,116,901	54,279,769	14,249,492	-	68,529,261	44,587,640
Total	1,729,129,333	21,198,025	11,097,241	1,739,230,117	632,808,065	123,312,265	4,569,947	751,550,383	987,679,734

Refer note 5.1 for details of charge created on plant and equipment.

12.2 Intangible assets

Description of assets	Computer software	Total
I. Cost		
Balance as at 31 March 2023	1,221,811	1,221,811
Additions	-	-
Balance as at 31 March 2024	1,221,811	1,221,811
Additions	76,700	76,700
Balance as at 31 March 2025	1,298,511	1,298,511
II. Accumulated amortisation and impairment		
Balance as at 31 March 2023	533,281	533,281
Amortisation expense	212,776	212,776
Balance as at 31 March 2024	746,057	746,057
Amortisation expense	189,628	189,628
Balance as at 31 March 2025	935,685	935,685
Net block as at 31 March 2024	475,754	475,754
Net block as at 31 March 2025	362,826	362,826

3 Partners' Contribution *

Name of Partner	Agreed Contribution (Refer note 1)	Share of profit/ (loss) %	As at 01 April 2024 (Refer note 1)	Remuneration for the year	Withdrawals during for the year#	As at 31 March 2025 (Refer note 1)
HealthCare Global Enterprises Limited	550,481,686	51%	550,481,686	-	-	550,481,686
Dr. Raj Vasantao Nagarkar	106,551,412	49%	106,551,412	142,252,152	(142,252,152)	106,551,412
	657,033,098	100%	657,033,098	142,252,152	(142,252,152)	657,033,098

Withdrawals includes the amount payable of Rs 8,469,874 which is included in trade payables (refer note 10 and 33)

Name of Partner	Agreed Contribution (Refer note 1)	Share of profit/ (loss) %	As at 01 April 2023 (Refer note 1)	Remuneration for the year	Withdrawals during for the year #	As at 31 March 2024 (Refer note 1)
HealthCare Global Enterprises Limited	550,481,686	51%	550,481,686	-	-	550,481,686
Dr. Raj Vasantao Nagarkar	106,551,412	49%	106,551,412	123,350,000	(123,350,000)	106,551,412
	657,033,098	100%	657,033,098	123,350,000	(123,350,000)	657,033,098

Withdrawals includes the amount payable of Rs 22,560,904 which is included in trade payables (refer note 10 and 33)

*The initial capital contribution is made by each partner as per the arrangement mentioned in the LLP agreement between the partners.

Note 1: With respect to capital contribution made by HealthCare Global Enterprises Limited, such amount will be attributed and assumed to have been notionally contributed by Dr. Raj Vasantao Nagarkar as per terms of LLP agreement which will allow to maintain initial capital contribution ratio agreed by both the partners. However, this is due only in the event of liquidation or dissolution of the LLP. The notional contribution by Dr. Raj Vasantao amounts to Rs. 422,342,757 (31 March 2024: Rs 422,342,757), which will lead to capital adjustment between HCG and Dr. Nagarkar's capital account i.e. credit to Dr. Nagarkar by Rs 215,394,806 and debit to HCG by Rs. 215,394,806, such that capital account ratio is maintained in 51% : 49%.

As per the LLP agreement, neither HealthCare Global Enterprises Limited nor Dr. Raj Vasantao Nagarkar shall transfer their interest in the LLP for a period of 20 years from the execution date of LLP agreement without the prior consent of the other partner.

4 Reserves and surplus

Particulars	As at 31 March 2025	As at 31 March 2024
Undistributed deficit (balance in statement of profit and loss)		
At the commencement of the year	(236,367,392)	(158,495,625)
Add: Loss for the year	(41,144,492)	(77,871,767)
Amount available for appropriation	(277,511,884)	(236,367,392)
Share of loss appropriated to HealthCare Global Enterprises Limited	(141,531,061)	(120,547,370)
Share of loss appropriated to Dr. Raj Vasantao Nagarkar	(135,980,823)	(115,820,022)
At the end of the year	(277,511,884)	(236,367,392)

As per the LLP agreement entered into, HealthCare Global Enterprises Limited and Dr. Raj Vasantao Nagarkar will share the profit/ losses in the ratio of 51%: 49% respectively.

5 Long-term borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Secured</i>		
(a) Term loans from banks - (refer note 5.1.1 below)	190,748,167	235,708,975
<i>Unsecured</i>		
(b) Finance lease obligations -(refer note 5.1.2 below)	22,527,726	36,438,244
	213,275,893	272,147,219

Note:

5.1 Details of security, interest rate and terms of repayment for the long-term borrowings:

Terms of repayment and security	As at 31 March 2025	As at 31 March 2024
5.1.1 Term loan from Bank - Secured		
a) Non-current portion	190,748,167	235,708,975
b) Amount included under current maturities of long term borrowings	52,693,878	44,123,300
Security: Exclusive charge on all assets (Equipments) purchased through bank finance. Exclusive charge on all the movable fixed assets and current assets (both present and future), including any refundable lease/rental deposits placed with lessor. Corporate guarantee and Debt Shortfall Undertaking of Healthcare Global Enterprises Limited and Dr. Raj Vasantao Nagarkar on the entire loan amount. Repayable in quarterly installments over a period of 10 years from the date of borrowing. Interest rate is MCLR 3 months + 0.20%. (31 March 2024: Rate of interest: Repo-rate + 3.25% p.a.)		
5.1.2 Finance lease obligations - Unsecured		
a) Non-current portion	22,527,726	36,438,244
b) Amount included under current maturities of finance lease obligations	13,913,516	18,544,927
Rate of interest is 11% p.a. (31 March 2024: Rate of interest is 11% p.a.) Monthly lease rental as per the schedule from September 2019 to August 2027.		
5.1.3 Loans from related parties - Unsecured		
a) Non-current portion	-	-
b) Amount included under current maturities	150,000,000	-
- Rate of interest: 10% p.a - Repayable within 12 months from the date of disbursement and extendable on mutually agreed terms. (refer note 33)		
Non-current portion	213,275,893	272,147,219
Current portion		
- under short-term borrowings	216,607,394	62,668,227
	279,883,287	334,815,446

6	Deferred tax liabilities, net			
	Particulars	As at 31 March 2025	As at 31 March 2024	
	Tax effect of items constituting deferred tax liability:			
	- Depreciation on fixed asset	126,024,478	135,374,163	
	Deferred tax liabilities	126,024,478	135,374,163	
	Tax effect of items constituting deferred tax assets:			
	- Provision for doubtful debts/ advances	13,977,600	8,432,870	
	- 43B items	7,590,000	6,795,985	
	- Impact due to finance lease	1,816,480	3,632,614	
	- Rent equalisation and provision for interest on customs duty	68,334,995	89,329,509	
	Deferred tax assets	91,719,075	108,190,979	
	Deferred tax liabilities, net	34,305,403	27,183,184	
	Particulars	31 March 2024	Charge/(benefit) for the year	31 March 2025
	Deferred tax asset			
	- Provision for doubtful debts/ advances	8,432,870	5,544,730	13,977,600
	- 43B items	6,795,985	794,015	7,590,000
	- Impact due to finance lease	3,632,614	(1,816,135)	1,816,480
	- Rent equalisation and provision for interest on customs duty	89,329,509	(20,994,514)	68,334,995
	Gross deferred tax asset (A)	108,190,979	(16,471,904)	91,719,075
	Deferred tax liability			
	- Depreciation on fixed asset	135,374,163	(9,349,685)	126,024,478
	Gross deferred tax liability (B)	135,374,163	(9,349,685)	126,024,478
	Net deferred tax liability (B-A)	27,183,184	7,122,220	34,305,403
	Particulars	31 March 2023	Charge/(benefit) for the year	31 March 2024
	Deferred tax asset			
	- Provision for doubtful debts/ advances	8,199,000	233,870	8,432,870
	- 43B items	5,660,000	1,135,985	6,795,985
	- Impact due to finance lease	6,668,000	(3,035,386)	3,632,614
	- Rent equalisation and provision for interest on customs duty	58,358,000	30,971,509	89,329,509
	Gross deferred tax asset (A)	78,885,000	29,305,979	108,190,979
	Deferred tax liability			
	- Depreciation on fixed asset	141,587,000	(6,212,837)	135,374,163
	Gross deferred tax liability (B)	141,587,000	(6,212,837)	135,374,163
	Net deferred tax liability (B-A)	62,702,000	(35,518,816)	27,183,184
7	Other long-term liabilities			
	Particulars	As at 31 March 2025	As at 31 March 2024	
	Rent equalisation reserve	193,147,411	180,076,188	
		193,147,411	180,076,188	
8	Long-term provisions			
	Particulars	As at 31 March 2025	As at 31 March 2024	
	Provision for gratuity (refer note 31)	10,470,499	8,704,311	
	Provision for compensated absences	2,144,388	-	
		12,614,887	8,704,311	
9	Short-term borrowings			
	Particulars	As at 31 March 2025	As at 31 March 2024	
	Current maturities of long-term borrowings - secured (refer note 5.1.1)	52,693,878	44,123,300	
	Current maturities of finance lease obligations - unsecured (refer note 5.1.2)	13,913,516	18,544,927	
	Loan from related parties - unsecured (refer note 5.1.3 and 33)*	150,000,000	-	
		216,607,394	62,668,227	
	*Repayable within 12 months from the date of disbursement and extendable on mutually agreed terms			
10	Trade payables*			
	Particulars	As at 31 March 2025	As at 31 March 2024	
	Total outstanding dues of micro and small enterprises (refer note 30)	4,475,770	2,950,000	
	Total outstanding dues of creditors other than micro and small enterprises	138,746,302	144,294,094	
		143,222,072	147,244,094	

* For details relating to payable to related parties, please refer note 33

11 Other current liabilities				
Particulars				
		As at	As at	
		31 March 2025	31 March 2024	
Creditors for capital goods		1,866,302	1,721,855	
Advance from customer		7,579,270	7,487,462	
Statutory dues payable		7,134,523	5,570,388	
Accrued salary benefits		17,935,367	17,650,162	
Others		-	1,000,000	
		34,515,462	33,429,867	
13 Short-term provisions				
Particulars				
		As at	As at	
		31 March 2025	31 March 2024	
Provision for gratuity (refer note 31)		3,843,206	3,158,186	
Provision for compensated absences		1,307,631	2,958,423	
Provision for contingency for taxes (refer note below (i) and note 29)		3,188,457	154,633,993	
		8,339,294	160,750,602	

(i) Details of provisions

Under the Foreign Trade Policy, importers are allowed to discharge the custom duty payable on imported assets through EPCG licenses wherein importers need to achieve certain level of exports. For certain cases, the firm expected shortfall in meeting the export obligations required under the EPCG scheme and accordingly the firm had made provision for contingency for customs duty and other taxes based on its assessment. During the year ended 31 March 2025, the firm applied for closure of certain licenses pursuant to payment of required duties and taxes amounting to Rs. 126,606,221. There has been reduction in provision for contingency for taxes on account of meeting export obligation and gain on settlement recorded on account of provision created for higher duty saved amounts in earlier years aggregating to Rs. 25,344,769 (net of interest accrued during the year) has been accounted under other income. As at 31 March 2025 and 31 March 2024 for certain licenses there is unfulfilled conditions, and the firm expects that it would be able to meet export obligations.

Particulars				
	As at	Additions	Utilisation/	As at
	31 March 2024		Settlement/ Reversal	31 March 2025
Provision for tax contingency	154,633,993	-	(151,445,536)	3,188,457
Particulars				
	As at	Additions#	Utilisation/	As at
	31 March 2023		Settlement/ Reversal	31 March 2024
Provision for tax contingency	142,740,576	11,893,417	-	154,633,993
#relates to interest accrued in the previous year				

14 Long-term loans and advances			
Particulars	As at 31 March 2025	As at 31 March 2024	
<i>Unsecured, considered good</i>			
Capital advances	5,955,916	7,667,587	
Prepaid expenses	3,195,963	1,075,964	
Advance income tax and tax deducted at source, net of provision for tax	43,190,271	31,846,488	
	52,342,150	40,590,039	
15 Other non-current assets			
Particulars	As at 31 March 2025	As at 31 March 2024	
Security deposits	7,489,980	6,810,780	
Bank balance in margin money *	15,094,746	10,507,293	
Interest accrued on deposits	124,906	3,750,281	
	22,709,632	21,068,354	
* Includes deposit given for letter of credits and bank guarantees issued by the banks.			
16 Inventories (At lower of cost and net realisable value)*			
Particulars	As at 31 March 2025	As at 31 March 2024	
Medical and non-medical items	19,175,868	12,910,461	
	19,175,868	12,910,461	
*Refer note 5.1 for details of charge created on Inventories.			
17 Trade receivables (unsecured)*			
Particulars	As at 31 March 2025	As at 31 March 2024	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment**			
- Considered good	22,252,464	27,484,410	
- Considered doubtful	31,591,252	19,132,995	
	53,843,716	46,617,405	
Less: Provision for bad and doubtful trade receivables	(31,591,252)	(19,132,995)	
	22,252,464	27,484,410	
Other trade receivables**			
- Considered good	132,858,107	75,462,461	
- Doubtful	7,431,692	4,081,131	
	140,289,799	79,543,592	
Less: Provision for doubtful trade receivables	(7,431,692)	(4,081,131)	
	132,858,107	75,462,461	
Unbilled receivables:			
- Unsecured, Considered good	13,830,567	10,590,221	
- Considered doubtful	968,140	918,400	
	14,798,706	11,508,621	
Less: Provision for doubtful trade receivables	(968,140)	(918,400)	
	13,830,567	10,590,221	
	168,941,138	113,537,092	

*Refer note 5.1 for details of charge created on Trade Receivables.

**Refer note 33 for related party balances

18	Cash and bank balances		
	Particulars	As at 31 March 2025	As at 31 March 2024
	a) Cash and bank balances		
	Cash on hand	1,952,241	628,892
	Balances with banks:		
	-In Current Accounts	52,205,860	23,032,948
		54,158,101	23,661,840
	b) Other bank balances		
	- Other Deposits with banks with original maturity of more than three months but less than 12 months	10,108,418	103,102,153
		10,108,418	103,102,153
		64,266,519	126,763,993
	For the purpose of the statement of cash flows, cash and cash equivalent comprise the following:		
	a) Cash on hand	1,952,241	628,892
	b) Balance with bank in current accounts		
	-In Current Accounts	52,205,860	23,032,948
	Cash and bank balances as per statement of cash flows	54,158,101	23,661,840
19	Short-term loans and advances*		
	Particulars	As at 31 March 2025	As at 31 March 2024
	<i>Unsecured, considered good</i>		
	Loans to employees	103,502	234,073
	Advance to vendors	1,473,546	1,173,940
	Prepaid expenses	7,682,928	4,433,965
		9,259,976	5,841,978
	*Refer note 5.1 for details of charge created on Short term loans and advances.		
20	Other current assets*		
	Particulars	As at 31 March 2025	As at 31 March 2024
	Interest accrued on deposits	122,617	2,105,447
	Tax paid under protest	1,896,546	1,896,546
		2,019,163	4,001,993
	*Refer note 5.1 for details of charge created on Other current assets.		

HCG Manavata Oncology LLP
Notes to the Financial Statements for the year ended 31 March 2025 (continued)

Amount in Rs.

21 Revenue from operations *		
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Income from medical services	1,256,819,213	997,962,827
Sale of medical and non-medical items	44,921,785	44,817,950
Other operating income	1,677,349	1,343,000
	1,303,418,347	1,044,123,777
* Refer note 33 for related party transactions		
22 Other income		
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest income on fixed deposits	3,051,866	7,030,597
Exchange Gain	-	8,504
Interest on income tax refund	1,357,985	1,008,509
Miscellaneous income (refer note 13)	25,344,769	206,237
	29,754,620	8,253,848
23 Purchases of medical and non-medical items *		
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Medical and non-medical items	327,671,015	211,409,392
	327,671,015	211,409,392
*Refer note 33 for related party transactions		
24 Changes in inventories		
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Inventories at the end of the year	19,175,868	12,910,461
Inventories at the beginning of the year	12,910,461	12,291,543
Net (decrease)	(6,265,407)	(618,918)
25 Employee benefits expense		
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages (refer note 31)	148,777,300	121,446,989
Contributions to provident and other funds (refer note 31)	8,711,083	7,502,441
Gratuity Expenses (refer note 31)	3,240,108	3,164,681
Staff welfare expenses	3,320,076	4,758,037
	164,048,567	136,872,148
26 Finance cost		
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Bank charges	4,196,489	3,359,359
Interest expense on borrowings (refer note 33)	29,975,270	29,687,496
Net loss on foreign currency transactions and translations to the extent regarded as borrowing costs	-	10,970
Interest on finance lease	4,955,072	7,537,970
Interest on provision for tax contingency	-	11,893,417
Loan processing charges	1,121,554	981,707
	40,248,385	53,470,919

HCG Manavata Oncology LLP
Notes to the Financial Statements for the year ended 31 March 2025 (continued)
Amount in Rs.
27 Depreciation and amortisation expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment	124,478,251	123,312,265
Amortisation of intangible assets	189,628	212,776
	124,667,879	123,525,041

28 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Medical consultancy charges (excluding Dr. Raj Vasantrya Nagarkar. Refer Note 3) *	196,401,686	169,241,798
Lab charges *	9,397,213	8,036,891
Power, fuel and water charges	52,709,317	51,286,334
House keeping expenses	17,781,139	17,199,482
Rent *	128,428,705	105,430,579
Repairs and maintenance:		
- Building	2,560,648	2,779,826
- Machinery	42,850,346	43,569,653
- Others	8,009,483	6,069,920
Insurance	2,927,739	1,340,175
Rates and taxes	443,951	235,554
Printing and stationery	4,294,687	3,849,514
Communication	2,169,817	2,173,921
Business promotion expenses	33,580,097	32,916,039
Travelling and conveyance	5,465,030	3,806,653
Legal and professional charges	28,469,691	29,684,371
Payment to auditors (refer note below)	1,070,100	1,070,100
Loss on sale of plant and equipment	-	4,332,493
Provision for doubtful trade receivables	15,858,558	2,770,000
Miscellaneous expenses	4,531,761	10,142,253
	556,949,968	495,935,556

* Refer note 33 for related party transactions

Note:

Payment to auditors (excluding applicable taxes)	Year ended 31 March 2025	Year ended 31 March 2024
- Statutory Audit fees	900,000	900,000
- Out of pocket expenses	170,100	170,100
	1,070,100	1,070,100

29 Contingent Liabilities and commitments

(i) Contingent Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Customs duty [refer note (a)]	-	37,987,270

(a) Demand of Rs. 24,987,270 plus interest as applicable and 100% penalty equal to demand amount and additional redemption fine amounting Rs. 13,000,000 was raised on the Firm for wrong classification and wrong availment of duty in Bill of Entries. Personal penalty was also imposed on certain employees aggregating to Rs. 300,000. Appeal had been filed before the appellate authority. Further, the Firm had also re-assessed the classification in the Bill of Entry, enhanced the EPCG license and the differential duty has been debited to the EPCG license. The Firm had provided Rs. 24,987,270 plus applicable interest thereon as part of Provision for contingency for duties and taxes in view of shortfall in meeting export obligations as required. During the current year, the firm has settled the provision for contingencies for taxes and do not expect any further demand against the same.

(b) The Firm is involved in disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, including tax and commercial matters that arise from time to time in ordinary course of business. The Firm believes that there are no such pending matters that are expected to have any material adverse effect on its Financial Statements.

(c) The Hon'ble Supreme Court has, in a recent decision dated 28 February 2019, ruled that special allowance would form part of wages for computing the Provident Fund (PF) contribution. The firm keeps a close watch on further clarifications and directions from the respective department based on which suitable action would be initiated, if any.

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and other commitments and not provided for amounts to Rs NIL (previous year: Rs 2,182,525).

30 Due to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 and as at 31 March 2024 has been made in the Financial Statements based on information received and available with the LLP. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises development Act, 2006 ('The MSMED Act') is not expected to be material. The LLP has not received any claim for interest from any supplier.

Particulars	As at 31 March 2025	As at 31 March 2024
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
Principal	4,475,770	2,950,000
Interest	-	-
The amount of interest paid by the buyer under MSMED Act	-	-
The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year	-	-
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;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
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 the MSMED Act	-	-

31 Employee benefit plans

Defined contribution plans

The LLP makes provident fund contributions to defined contribution plan for qualifying employees. Under the Scheme, the LLP is required to contribute a specified percentage of the payroll costs to fund the benefits.

The LLP has recognized the following amounts in the statement of profit and loss towards its contributions to provident fund.

Particulars	As at 31 March 2025	As at 31 March 2024
Contribution to provident fund	8,711,083	7,502,441

Employee benefit plans (continued)

Defined benefit plans

The LLP offers the Gratuity benefits (included as part of 'Salaries and wages' in Note 25 Employee benefits expense) to its employees. The following table sets out the status of the gratuity and the amount recognised in the Financial Statements:

Particulars	As at 31 March 2025	As at 31 March 2024
Components of employer expense		
Current service cost	2,519,181	2,206,844
Interest cost	982,734	835,094
Actuarial losses	(261,807)	122,743
Total expense recognised in the statement of profit and loss	3,240,108	3,164,681
Actual contribution and benefits payments		
Present value of defined benefit obligation	14,313,705	11,862,497
Net liability recognised in balance sheet	14,313,705	11,862,497
Current (Refer note 13)	3,843,206	3,158,186
Non-current (Refer note 8)	10,470,499	8,704,311
Change in defined benefit obligations		
Present value of defined benefit obligation at the beginning of the period	11,862,497	9,873,180
Current service cost	2,519,181	2,206,844
Interest cost	982,734	835,094
Actuarial losses	(261,807)	122,743
Benefits paid	(788,900)	(1,175,364)
Present Value of DBO at the end of year	14,313,705	11,862,497
Actuarial assumptions		
Discount rate	6.40%	6.90%
Salary escalation	6.50%	6.50%
Attrition rate	30.00%	30.00%
Retirement age	60 years	60 years
Mortality	Indian Assured Lives (2012-14) Mod Ult	Indian Assured Lives (2012-14) Mod Ult

Note:

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Amounts for the current and previous periods are as follows:	As at 31 March 2025	As at 31 March 2024
Gratuity		
Defined benefit obligation	14,313,705	11,862,497
(Surplus) / deficit in the plan	14,313,705	11,862,497
Experience adjustments arising on plan liabilities	(490,433)	47,387

32 Segment information

The LLP's operations comprises of only one segment viz., rendering oncology medical services. The LLP's operations are in India and therefore there are no secondary geographical segments.

HCG Manavata Oncology LLP
Notes to the Financial Statements for the year ended 31 March 2025 (continued)

Amount in Rs.

33 Related party transactions

a. Details of related parties:

Description of relationship	Names of related parties
Ultimate holding company	CVC Capital Partners Asia V L.P.
Intermediate holding companies	Aceso Company Pte Ltd
	Aceso Investment Holding Pte. Ltd.
Holding Company / Partner	HealthCare Global Enterprises Limited
Designated partner	Srinivasa V Raghavan (<i>Designated Partner on behalf of HealthCare Global Enterprises Limited</i>)
Partner	Dr. Raj Vasantrya Nagarkar
Entity over which Partner can exercise significant influence/control	Raj Vasantrya Nagarkar HUF HCG Foundation HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP) HCG NCHRI Oncology LLP Vasantrya Nagarkar Medical Foundation Trust KIMS Manavata Hospitals Private Limited Raj Nagarkar Medical Foundation Private Limited

b. Details of related party transactions:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Partners' remuneration		
Dr. Raj Vasantrya Nagarkar	142,252,152	123,350,000
<i>Above excludes Rs 48,441,406 (31 March 2024 Rs 35,358,982) paid to him for the disbursement to his team included in medical consultancy charges as per the Medical service agreement entered with Dr. Raj Vasantrya Nagarkar dated 09 February 2017</i>		
Lab charges		
HealthCare Global Enterprises Limited	-	447,400
Rent charges		
Dr. Raj Vasantrya Nagarkar	91,939,356	77,914,708
Raj Vasantrya Nagarkar HUF	300,000	289,100
Vasantrya Nagarkar Medical Foundation Trust	120,000	117,600
Income from medical services		
Vasantrya Nagarkar Medical Foundation Trust	6,428,536	11,253,090
Dr. Raj Vasantrya Nagarkar	457,986	-
KIMS Manavata Hospitals Private Limited	5,113,206	-
Sale of medical and non-medical items		
Dr. Raj Vasantrya Nagarkar	-	1,192,657
Reimbursement of expenditure incurred by the Partners		
HealthCare Global Enterprises Limited	-	4,795,970
Sale of Asset		
HealthCare Global Enterprises Limited	-	2,510,000
Expense incurred by LLP on behalf of		
KIMS Manavata Hospitals Private Limited	18,260,504	-
Expense incurred on behalf of the LLP by:		
KIMS Manavata Hospitals Private Limited	17,619,892	-
HealthCare Global Enterprises Limited	7,555,559	836,015
Loan taken		
Dr. Raj Vasantrya Nagarkar	75,000,000	-
HCG NCHRI Oncology LLP	75,000,000	-
Interest expense on borrowings		
Dr. Raj Vasantrya Nagarkar	1,100,000	-
HCG NCHRI Oncology LLP	1,232,877	-
Payment incurred by		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	-	156,780
HCG NCHRI Oncology LLP	-	622,129

c. Details of related party balances outstanding:

Particulars	As at 31 March 2025	As at 31 March 2024
Partner's Capital account		
HealthCare Global Enterprises Limited #	550,481,686	550,481,686
Dr. Raj Vasantrya Nagarkar #	106,551,412	106,551,412
Trade Receivables		
HCG Foundation	100,000	100,000
KIMS Manavata Hospitals Private Limited	5,633,818	-
Dr. Raj Vasantrya Nagarkar	61,549	-
Raj Nagarkar Medical Foundation Private Limited	41,465	-
Other payable to related party		
HealthCare Global Enterprises Limited	-	6,669,716
Borrowings		
Dr. Raj Vasantrya Nagarkar	75,000,000	-
HCG NCHRI Oncology LLP	75,000,000	-
Trade payables		
HealthCare Global Enterprises Limited	14,313,485	395,930
Dr. Raj Vasantrya Nagarkar - Rent	-	7,012,323
Dr. Raj Vasantrya Nagarkar - MSA	8,469,874	22,560,904
Vasantrya Nagarkar Medical Foundation Trust	9,800	9,800
Rajnish Vasantrya Nagarkar HUF	24,500	24,500
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	24,220	24,220
HCG NCHRI Oncology LLP	-	622,129
Share of losses appropriated to		
HealthCare Global Enterprises Limited	(141,531,061)	(120,547,370)
Dr. Raj Vasantrya Nagarkar:	(135,980,823)	(115,820,022)

excludes adjustments towards notional capital contribution by Dr. Raj Vasantrya Nagarkar and distribution of surplus. Refer note 3

34 Details of leasing arrangements

34.1 Finance lease arrangements

Finance leasing arrangements of the Firm include lease of medical equipments for 5-8 years. Interest rate under finance leases is from 11%- 12.50% p.a. There is option to purchase these equipments at the end of lease tenure. The rental payments are fixed as per the lease agreements. The details of future minimum lease payment and reconciliation of gross investment in the lease and payment value of minimum lease payments are given below:

Particulars	Minimum Lease Payments		Present value of minimum lease payments	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Up to one year	17,250,000	23,500,000	13,913,516	18,544,927
More than one year and up to five years	24,437,500	41,687,500	22,527,726	36,438,244
More than five years	-	-	-	-
	41,687,500	65,187,500	36,441,242	54,983,171
Less: future finance charges	(5,246,258)	(10,204,329)	-	-
Present value of minimum lease payments	36,441,242	54,983,171	36,441,242	54,983,171

	As at 31 March 2025	As at 31 March 2024
Included in the financial statements as:		
- Non-current finance lease obligations (Refer note 5)	22,527,726	36,438,244
- Current finance lease obligations (Refer note 9)	13,913,516	18,544,927
	36,441,242	54,983,171

34.2 Operating lease arrangements

The LLP has entered into operating lease arrangements for hospital buildings. The lease is non-cancellable for a period of 20 years from the arrangement execution date and on mutual consent can be renewed for an additional period to be agreed at the time of renewal of the lease. The lease agreements provide for an increase in the lease payments by 15% every 3 years.

- (i) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Up to one year	78,888,651	77,914,717
More than one year and up to five years	372,968,012	348,814,450
More than five years	825,539,867	928,582,081

- (ii) Amounts recognised in the statement of profit and loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Lease expenses recognised in the statement of profit and loss with respect to above mentioned operating lease arrangement.	128,428,705	105,430,579

34 The Firm does not have any unhedged foreign currency exposure as at 31 March 2025 and 31 March 2024.

35 During the year ended 31 March 2025, the Board of Directors of the HealthCare Global Enterprises ("HCG" or Holding Company) had approved share purchase agreement (SPA) dated 23 February 2025 between Aceso Company Pte. Ltd. ('Seller'), Hector Asia Holdings II Pte. Ltd. ('Purchaser 1') and KIA EBT II Scheme 1 ('Purchaser 2') (Purchaser 1 and Purchaser 2 collectively, 'Purchasers') and HCG, for the sale of upto 54% of the diluted voting share capital of the Holding Company from Seller to the Purchasers. Hector Asia Holdings II Pte. Ltd. is an affiliate of funds, vehicles and/or entities managed and/or advised by Kohlberg Kravis Roberts & Co. L.P., which is an indirect subsidiary of KKR & Co. Inc. Pursuant to the SPA, On 30 May 2025, the purchasers acquired 51.59% of the diluted voting share capital of the Holding Company.

The accompanying notes are an integral part of these Financial Statements

As per our reports of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's registration number: 101248W/W -100022

for and on behalf of

HCG Manavata Oncology LLP

LLPIN: AAH-1208

Sd/-

Vikash Gupta

Partner

Membership number: 064597

Place: Bengaluru

Date : 03 September 2025

Sd/-

Srinivasa V Raghavan

Designated Partner on behalf
of HealthCare Global Enterprises
Limited

DPIN : 01803376

Place: Bengaluru

Date : 03 September 2025

Sd/-

Dr. Raj Vasantrao Nagarkar

Partner

DPIN : 01850180

Place: Nashik

Date : 03 September 2025