Date of submission: June 02, 2026

To, The Secretary Listing Department **BSE Limited** Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **Scrip Code –539551(EQ), 975516 & 976418**	To, The Secretary Listing Department **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex Mumbai – 400 051 **Scrip Code- NH**

Dear Sir / Madam,

Sub: Transcript of Earnings Call for the quarter and financial year ended March 31, 2026

Further to our earlier letter dated Tuesday, May 26, 2026 in relation to uploading the Audio Recording of the Earnings Call of the Company held on Tuesday, May 26, 2026 for the quarter and financial year ended March 31, 2026, please find attached the transcript of the said Earnings Call.

We wish to inform you that the Earnings Call transcript is also available on the website of the Company at https://www.narayanahealth.org/stakeholder-relations/earnings-call-audio-and-transcripts.

This is for your information and records.

Thanking you

Yours faithfully
For **Narayana Hrudayalaya Limited**

SESHIAH SRIDHAR
Digitally signed by SESHIAH SRIDHAR
Date: 2026.06.02 15:19:18 +05'30'

Sridhar S.
Group Company Secretary, Legal & Compliance Officer

Encl: as above

“Narayana Hrudayalaya Limited

Q4 FY '26 Earnings Conference Call”

May 26, 2026

MANAGEMENT: **MR. VIREN SHETTY – VICE-CHAIRMAN**
DR. EMMANUEL RUPERT – CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR
MS. SANDHYA J – GROUP CHIEF FINANCIAL OFFICER
MR. R. VENKATESH – GROUP CHIEF OPERATING OFFICER
DR. ANESH SHETTY – MD, INTERNATIONAL BUSINESSES
MR. NISHANT SINGH – VICE PRESIDENT, FINANCE AND INVESTOR RELATIONS
MR. VIVEK AGARWAL – DEPUTY GENERAL MANAGER, FINANCE AND INVESTOR RELATIONS

Moderator: Good afternoon, everyone, and welcome to the Quarter 4 FY '26 Earnings Call of Narayana Hrudayalaya Limited. Thank you all for joining us today. On the call with us from the management team are Mr. Viren Shetty, Vice Chairman; Dr. Emmanuel Rupert, CEO and MD; Ms. Sandhya Jayaraman, Group CFO; Mr. Venkatesh, Group COO; Dr. Anesh Shetty, MD of the International Businesses; Mr. Nishant Singh, Vice President, Finance and Investor Relations; and Mr. Vivek Agarwal, Deputy General Manager, Finance and Investor Relations.

The results presentation and financial statements have already been uploaded on the stock exchanges and are also available on the company's website. Before we proceed with this call, we would like to remind everyone that everything that is being said on this call that reflects any outlook for the future or which can be construed as a forward-looking statement must be viewed in conjunction with the uncertainties and the risks that they face. Please note that this call is for a duration of 1 hour. We will address questions pertaining to the India business in the first 30 minutes, followed by the international business.

Given the limited time available, participants are requested to ask maximum two questions at a time and join the queue for any follow-on questions. With that, we would like to start the Q &A. Anyone who wishes to ask a question. Please use the Ask a Question tab on the webcast and then there is an option available on Zoom. You may also post your text questions. We will wait for a moment while the question queue assembles. We'll take our first question from Krish Bhanushali. Krish, please unmute your audio and go ahead with your question please. There is that person has dropped off. We'll take the next question from Sajal Kapoor. Sajal, please unmute your audio and go ahead with your question, please.

Sajal Kapoor: Excellent. Okay. So 2 questions. One is, given the increasing importance of integrated care models globally, how should investors think about the role of pharmacy within the broader Narayana ecosystem over time? And whether there is a scope for deeper economic integration of pharmacy within the listed platform, given how central it is to the overall care proposition? That's my first question.

Viren Shetty: By pharmacy, you mean retail pharmacy or you mean pharmacy as like a department?

Sajal Kapoor: So Hrudayalaya, where it's a partnership model, the listed entity doesn't own it outright today. But they are on our hospital premises and they use the brand, etcetera?

Viren Shetty: So we run pharmacies in all our hospitals and in all our clinics. We run it -- when it's in the hospital, it runs under the P&L of the hospital. When it's in the clinics, it runs under the NHIC for now. They fulfil the dispensing functions for people walking in, people who come with a prescription, people who walk into our clinics, avail services, we are able to offer them pharmacy services.

As part of the integrated care model, this is also something that's of tremendous value for patients. And for those who subscribe to our Arya plan, they get access to home delivery services, where on our own expense, we undertake the expense of taking the medicine to their house as well as doing pickups and so on.

But we are not yet, at this point, thinking to create a separate stand-alone pharmacy vertical similar to, say, Apollo Pharmacy, which only does retail pharmacy in a branded franchise model on a stand-alone basis. For us, the pharmacy is the primary fulfilment center for our internal needs in the clinic and hospital.

Sajal Kapoor: Right. So Viren, the shareholders of the listed entity don't get the benefit. That's where I was coming to?

Viren Shetty: No, they do. All the pharmacies of all the hospitals and all the clinics are part of the P&L of the NHL listed entity.

Sajal Kapoor: All right. That's helpful. That explains. Right. And then second question is, as Narayana expands into adjacent health care services over time, I mean, how does management think about the strategic and economic alignment between the listed platform and the newer ecosystem initiatives that leverage the Narayana brand, the clinical infrastructure or patient network globally.

If you can just elaborate what's the thought process, not just here and now, but let's say, a 5-year view because the group will be expanding into several ecosystem services because we want to be not just seen as a hospital, not as a physical hospital, but a technology-enabled ecosystem of preventive to maintenance to corrective health care, etcetera?

Viren Shetty: Yes. Sorry, Sorry, just to clarify for me, which adjacent businesses you're referring to?

Sajal Kapoor: In future, so, for instance, if we decide to expand the services to introduce something new above and beyond, let's say, hospitals above and beyond, let's say, Practice Plus here in the U.K. So I'm from U.K., by the way, and so on, right? How -- what's the sort of overarching thought process? Because ours is a differentiated model, which is unlike other hospitals for the simple reason that we do insurance to conflict of interest was our primary objective to introduce the insurance services. That's again within the listed platform, so the shareholders get benefit. But is there a thought process? So I'll give you an example. There is a procurement-related party, which does the procurement on behalf of Narayana.

Viren Shetty: Sorry, is this Samyat Healthcare?

Sajal Kapoor: Yes, yes...

Viren Shetty: This is a subsidiary of the listed entity. All the related party companies that you see are owned by the listed company.

Sajal Kapoor: Okay. So it's not very clear in -- Viren, in the annual report. I think we need to just clarify a bit because I -- so I run a Substack channel, and I'm very active on Twitter. I get a lot of these queries because I've been a 10-year-old shareholder here in Narayana, right? So there's a...

Sandhya J: 100% subsidiary, Sajal, actually, this has been clarified in the annual report. It is a 100% subsidiary. What we can do, Sajal, is that given that many of these are little fundamentals, we can take a separate call with you from the IR team.

Sajal Kapoor: That's very helpful, Sandhya...

Sandhya J: They will explain and answer all your queries.

Sajal Kapoor: Yes, I've got many more strategic questions, but in the interest of the time, I will drop you an e-mail and we can -- or the IR team rather, and then we can take it from there. Thank you so much for your time.

Moderator: Next question is from Prithviraj. Prithviraj, please unmute yourself and go ahead with your question, please.

Prithviraj: Yes. Hi, I have a couple of questions on India business. One, if you look at ARPP for the Bangalore cluster, I think it's north of 250,000. If you have to ignore NCR region, I don't think there's any other hospital chain that makes this kind of ARPP in any cluster. So we're just trying to understand what explains this probably a bit more detail on the kind of high-end surgeries that you people are doing at your Bangalore center. And also, how large is Narayana's Bangalore facility with respect to transplants, robotics, kind of advanced surgeries in India? As a follow-up, where is Kolkata cluster in this journey?

Viren Shetty: Yes. Dr. Rupert will answer this.

Dr. Emmanuel Rupert: So if you really -- we have been mentioning over the last 3, 4 quarters about the complexities of the cases that is being delivered at Bangalore. So if you see that we have gone very high in the robotic cardiac surgery, we do almost 100 cases per month. Many competing hospitals do probably that in 1 to 2 months. I mean, 1 to 2 in a year, we do it in a month. That's the scale at which we operate.

So are the percutaneous aortic valve reimplantation, which is suggested a couple of hours in the cath lab for an aortic valve replacement, which generally used to happen with the surgical program is happening in the cath lab nowadays, and we do a very large number. We did around 160 procedures of that nature in the Bangalore facility alone. And if you look at the other non-cardiac work, we do the highest number of paediatric bone marrow transplants as well. So the complexities of work that happens here is quite on the very high quaternary range, and that brings in the financial gains which you are talking about.

Kolkata journey - if you look at the kind of infrastructure that we have in Bangalore, it's extremely large facilities which we have to support the scale of the clinical work. Kolkata, we have limited in scale because we can't expand within that small campus of around 3.5 acres in RN Tagore Hospital.

So that's where when we come up with the Rajarhat project, we will have many integrated quaternary care facility all in one place. That's where we are. If we have 45 beds in bone marrow transplant in Bangalore, we have 10 such beds in Kolkata. So that's the difference around 30% of the scale of the infrastructure is what we have in Kolkata compared to the Bangalore campus.

Prithivaj: Okay. Got it. My second question on India business. If you look at the clinics and insurance losses, it has remained flat around INR 66 crores loss in FY26. I think the initial impression was that the losses

will keep coming down as clinics will turn 3 years kind of maturity, etcetera. So how should we look at these losses for the next couple of years? And why is there a delay with respect to decline in losses?

Sandhya J: So it is a factor of the number of new clinics that we are setting up. If we have more clinics coming in, every clinic takes an 18-month period to turn around. So the clinics that we set up about 2 years back, they have broken even and the losses that you're seeing are mainly because of the corporate overheads that are being incurred to sustain the integrated care infrastructure.

Now as we add new clinics, which we intend to do in the coming year, we will have cash burns coming in the new clinics, though the leverage that we will get for the fixed costs will also increase. So therefore, some of the cash burn will moderate because of that. So you have to assume that a similar run rate of cash burn will continue on the clinics going into next year as well because we still have a significant ambition in terms of growth of clinics in our core geographies.

Viren Shetty: What we are doing is a little bit of consolidation and a few of the corporate overheads can be worked in a way that we share resources with the parent and we'll be demerging the clinic business into the core that should help with a lot of that. But we've seen a lot of positive aspects of running these clinics.

We are accessing patients domestically that historically would never consider coming to Narayana. We've generated a lot of inpatient referrals of fairly advanced therapies for the main hospital. So they act as an excellent feeder for all the hospitals and build up that long-term relationship for patients who tomorrow will subscribe to our One Health plans insurance plans and then become Narayana Health customers.

Prithviraj: Got it. One final question on India business. If you look at the India business, say, hospitals margins, I think over the last couple of quarters margins have expanded significantly. Do you think there is still scope for further margin expansion in India hospital business?

Viren Shetty: On an absolute basis or a percentage basis?

Prithviraj: Percentage sir.

Viren Shetty: As you know, we don't give guidance on those. But a lot of the things we put in place that have brought us to this journey still have room for growth and there's still a fair amount of work that we've put in place that we'll start to see. But of course you have to balance that out against the new center losses that will start coming in from the mid- to end of this financial year and going forward. So one would temper the other.

Prithviraj: Understood. Fine. I will join back in the queue for international questions.

Moderator: Thank you. Next question is from Shashwat Singh. Shashwat please unmute and go ahead with your question please.

Shashwat Singh: Am I audible?

Moderator: Yes you are.

Shashwat Singh: Thank you so much for the great care at the affordable prices that you're giving. Sir, as a customer and as a patient, we appreciate it. Sir, regarding the business updates, sir, when do we expect the breakeven to be achieved in the insurance business? And sir, on the U.K. side of things, are we planning to get into insurance there as well?

Viren Shetty: Sure. I'll answer the India insurance business and Anesh will answer for the U.K. business. For India and the insurance business, this is still the early days. We have a very reasonable control overall claims ratio. What's happening right now is that once you combine it with the expenses, it is what's causing the losses, but this is to be expected for any new business that is being built up here.

We've had a lot of positive momentum in growing our group business with small and medium enterprises. And we're doing a lot of things on automation to bring the overall admin cost down. So it definitely will start to reduce over the coming years. But at this point, we can't give a date for when the losses would subside. Anesh, would you be able to address whether we're planning in U.K.

Anesh Shetty: No, plans for that.

Viren Shetty: Yes. So just to clarify, for U.K., we're not planning to get into the insurance business. We're currently only operating insurance in India and the Cayman Islands.

Shashwat Singh: Okay, sir. And sir, regarding our pharmaceutical business -- the pharma business, sir, are we planning to white-label the basic formulas and selling out-of-patent drugs under our own brand name to expand our margins in that business by any chance?

Viren Shetty: No. Like I said, we don't have retail pharmacies. All our pharmacies are fulfilling internal demand. What we do have is a very large purchasing network and a formulary that is able to get very good deals with suppliers. There are certain antibiotics that we're talking with suppliers. These are still in the very early stages, but these wouldn't be branded per se. These are just unbranded generic medicines that are coming directly from the manufacturer to our facility. And these are meant mostly for inpatient activities, not for selling in the outside market.

Shashwat Singh: Okay, sir. And sir, why do we not consider that?

Viren Shetty: We don't have sufficient scale at which it makes sense. If a manufacturer has to put a dedicated line for you and the packaging and so on, that's only in your brand, they will not take returns. And there is a certain amount of volume guarantee you would need to give them, which from an outpatient perspective, does not make sense for us.

Shashwat Singh: Okay, sir. And sir, going forward, what would be the ARPOB growth that we are expecting?

Viren Shetty: Again, without giving forward guidance, we have seen healthy ARPOB growth over the past couple of years based on the efficiencies on reducing length of stay and changing the payer mix. We expect to be able to continue the performance that we've had so far. But the one thing to note is that year-on-year, the rack rate and the price increases that we take hover in the low to mid-single digits.

Moderator: Shashwat, I request you to join back the queue.

Shashwat Singh: Sure, ma'am. Thank you.

Moderator: Thank you. We'll take our next question from Japreet Singh. Please go ahead.

Japreet Singh: So, my question is on the acquisition that you have done. So my question is what led you to believe that you will turn this assets and you will -- this acquisition will be value creation, not value destruction. And my question is on this acquisition?

Viren Shetty: What is the question, Japreet?

Japreet Singh: I want to ask how will you turn this asset?

Viren Shetty: Sorry, how will we?

Japreet Singh: I mean this you have to increase our efficiencies and technology, increase the payer mix. What led you to believe that you will turn this acquisition into value creation?

Viren Shetty: Okay. Fine. Anesh, if you can just talk about the things.

Anesh Shetty: Yes. Thank you for your question, Japreet. So essentially, we have two prime areas of focus. The first is to increase the proportion of patients coming from private sources that is self-pay or private insurance. Those patients inherently pay more for the same service. The second is an implementation of our entire technology platform that will allow us to meaningfully lower the cost base for all operational processes, similar to what we've done in the Cayman Islands.

Japreet Singh: What is the purpose behind this acquisition motive.

Anesh Shetty: So once we had stabilized our operations in Cayman, we were looking for a second jurisdiction or a second country with a larger base and a larger potential because our software platform, our technology and the systems we had developed to make Cayman a very profitable operation are scalable in other markets as well. And outside India, in certain European, U.K., British mature markets, the acquisition multiples are quite reasonable relative to the opportunity we have to lower the cost base and improve earnings.

Japreet Singh: There are also some other risks like cultural difference like, culture in Narayana will be different to what practice plus culture and your resources will also get diverted, your focus will also change. That's obvious and integration risks are also there. So how do you see these risks?

Anesh Shetty: Yes, definitely, you are right. These are all things we have to be aware of and cautious about with any acquisition in a different geography, there are cultural integration risks, understanding local nuances. These are things we have to work through.

Moderator: We'll take our next question from Raman. Raman, kindly unmute and go ahead with your question, please.

Raman: Hello, sir. Can you hear me?

Moderator: Yes, Raman. Please go ahead.

Raman: Yes. So, my question is with respect to your U.K. business as well. So when we did the acquisition call, then the U.K. business reported EBITDA margin was around 7% to 8%. And now at the end of the Q4, for the quarter ending this -- for the previous quarter, the margins have increased to 10%. So can you just give me a ballpark figures on where did the cost cutting come from? And is this margin going forward sustainable?

Anesh Shetty: Sandhya, do you want to take that because I think we're not looking at apple-to-apple comparison in those numbers.

J. Sandhya: Yes. Actually, when we acquired, we only had 2 months of data. So the cost bookings were not complete. And we still are not fully grounded in terms of how our costs are coming through because we still have transition costs, etcetera, coming in the P&L. So in the first quarter 3, which was our first quarter, we did have slightly higher overhead costs coming in. And we also don't have a full handle of all the costs that were getting booked.

Now we have a slightly better handle and most of the savings for us have come on the overhead cost side. However, what did a few more quarters to be able to fully baseline and be able to give a consistent commentary on the movement of the costs because we still have many moving parts. We have not fully separated from the seller. IT separation is still underway and costs are still getting grounded for us.

We also had some pre-deal costs, most of which we called out separately and explained, but there were costs that were getting booked because the deal was in progress. So I do think that you should give us a few more quarters, and we'll be able to explain these cost movements with greater clarity.

Anesh Shetty: On a more sustainable steady-state basis, what we can say at a high level is that now that we are running the company as an independent entity, there are some costs and cost increases with regards to certain IT costs, vendor costs, etcetera, compared to when it was part of a broader company.

At the same time, now that it is part of NH, there are cost synergies as well that we bring to the table. So, as Sandhya mentioned, in a few quarters, the overs and unders should neutralize, and we will get a better sense of the trajectory improvement in earnings.

Raman: Understood, sir. Thank you for that. And my second question is with respect to the margins of the Indian business. That has been consistently increasing, like, let's say, for last year same quarter, you reported 21.5% margin, and now it's 25.1%.

So I just want to understand the incremental margin improvement in the Indian business. Is it because of mainly you're bringing in more technology, more automation, more robotics into the picture? Or is it because of the complex increase in revenue share from complex surgery or something else?

Can you just give me where is this margin expansion coming from? And are we -- is this 25% a stable margin? Or can we expect a further room of margin improvement?

Viren Shetty: You already answered your own question. It is all the things that you mentioned, but Venkatesh can elaborate on what exactly we're doing to be able to do high-end procedures.

R. Venkatesh: Yes. So this is typically -- I mean, the increase in volume, which has happened year-on-year now is typically because we've seen the impact of our transformation initiatives infrastructurally. And also, while we have worked on performing more high-end procedures, alongside whether patients have opted for higher configuration beds, keeping our volumes and occupancy obviously intact. So the hard work which we have put in, in terms of the transformation and high-end procedures are actually kind of reflecting now on the bottom line.

This over and above that, we have also coupled it with technology, as you are raising this question through increased volume of robotic cardiac surgeries, through high-end transplant work across our flagship centers, primarily in Bangalore and a few other high-end procedures, which have also resulted in increased realization, leading to a higher revenue achievement and better margins.

So all these initiatives together have actually helped us in increasing realizations and improving on the bottom line. While another thing which you're saying about the sustainability of this, we are very confident in terms of the margins, and we can see that the gains are sustainable, but we also need to see that currently with a lot of headwinds, including the environment being volatile with several moving parts around us in terms of the cost of crude and the dollar. So obviously, we are very watchful while we are being optimistic in terms of sustaining the gains.

Raman: Understood, sir. Thank you.

Moderator: Thank you. Next question is from Aditya. Aditya, please unmute your phone and go ahead with your question, please.

Aditya: Yes. Thank you. First of all, congratulations on the strong set of numbers. So my question is regarding the Raipur Hospital specific, given that you are committing significant capex there. So I just want to understand the current state of the hospital, like what are the occupancy levels, what's the specialty mix and payer mix? And in terms of capacity addition, what clinical capabilities or specialties we are building that doesn't currently exist at the facility?

Sandhya J: You're referring to the Raipur hospital, Aditya?

Aditya: Yes, ma'am.

Sandhya J: Okay. We have shared information relating to Eastern Peripheral, and we have shared information relating to our capex and expansion plan for Raipur. We don't share hospital-specific data. But what we can say is Raipur is a full-service hospital and all the capabilities which we have in the rest of the centers in NH are also available in Raipur.

Viren Shetty: The only thing that we felt we had to expand on the existing facility is the existing building is quite old, one of the oldest hospital structure that we run, O&M model we have with the trust. And while we have refurbished the interiors a lot in the time that we've been there, it doesn't match up to what people expect when they go to other hospitals. So the new investment is adding another tower that can offer a much more differentiated experience for patients coming in.

Aditya: Got it. Thank you. That's it from my side.

Moderator: Thank you. Next question is from Akshay Thakur. Akshay, please unmute your connection and go ahead with your question, please.

Akshay Thakur: Hello. Hi, team. Can you hear me. Am I audible?

Moderator: Yes, Akshay. Please go ahead.

Akshay Thakur: Yes. Thanks for taking my question and congratulations on good numbers. My question is related to the new capex, which you have announced. So this capex is on the higher end as compared to the old Narayana days. So my question is, so you are expanding in core areas like within the city limits, not like early days.

So we being a low-cost model, low volume player, we try to cut down our expenses on opex and capex front. Now the capex front has increased as compared to the previous model, so the only impact would be on the opex front. So, how do we plan to follow the same model, but at the different locations, which is on the higher expensive capex per bed?

Viren Shetty: Yes. So, the capex is higher for 2 reasons. One is just naturally construction cost today is 60% higher than it was 5 years ago. These are post-pandemic-related cost increases that is beyond our control. So no matter where you are building, if you're building in the most small town in India or if you're building the largest capital of the country, the construction cost has gone up significantly. So that cost remains the same wherever it goes.

Cost of land acquisition, yes, that is much higher in the big cities, but that is a one-time cost. It will be amortized over the 100-plus years that this hospital will be there. The most important value proposition we bring in as a low-cost, highly efficient provider of health care is that no matter where we operate, our pricing will be the lowest in the market for the similar levels of quality that you get in any of our facilities.

The things that we are putting in place in all the hospitals we're setting up to reduce the cost involve huge amount of automation, being able to eliminate a lot of the manual work, taking away all printing and paper, making the patient experience a seamless journey. So, less space inside the hospital is wasted for nonclinical activities.

Less people are required inside the hospital for doing nonclinical activities. And so all the space and attention that is there inside the hospital is dedicated entirely to the patients. So, that would increase

the throughput, that would increase a lot of the flow that exists for the patient journey and thus, in turn, lower the operating cost and that we can pass on to our patients.

These already exist in all our hospitals. That's why we are the only listed group that has not added a single bed from the time of listing and still been able to deliver revenue and margin growth because all our effort has been on improving the way how hospitals function.

Akshay Thakur: That was helpful. So, primarily on the efficiency front and the tech front, that is how we are going to drive the same result with different tech. Is that correct?

Viren Shetty: Thanks, Akshay.

Akshay Thakur: Thank you that's all from me.

Moderator: Thank you. We have a follow-up question from Shaswat Singh. Shaswat please go ahead.

Shaswat Singh: So on the UK business, so, the doctor expenses, is it showed under some other heading because I'm unable to figure out where the doctor expense for the UK business is?

Anesh Shetty: Yes. No, we don't break it down into doctor and non doctor.

Shaswat Singh: Okay, so, because in our Indian business, we are giving out the profitability snapshot. It's not there for the UK business. Is there a reason why we are not giving that out?

Anesh Shetty: It will take us some time to decide what are the relevant metrics to display and discuss quarter-on-quarter. Having said that, the predominant method of engaging with doctors in the private sector, the UK is also very different from India, wherein most of the doctors are visiting consultants and their revenue is booked separately. That's not the case for PPG. That's the case for the other private providers, and we are moving towards some hybrid between that model where doctors submit their own invoices and reimburse themselves differently. We currently have an employed model, but we're working out a hybrid structure.

Shaswat Singh: Okay, sir. And sir, if I'm not mistaken, we took out the GBP 150 million loan for 7 years for the UK business acquisition, right?

Sandhya J: Yes, correct.

Shaswat Singh: So our profit numbers from the UK business is not sufficient. So how are we hedging it for the currency risk?

Sandhya J: The loan has been taken in GBP, and it is being serviced locally in the UK So there is no currency risk on this loan.

Shaswat Singh: But ma'am, profit numbers are not sufficient to pay back the loan, right?

Sandhya J: At the moment, we believe that we have adequate cash flow to pay back the loan. Currently, you are not able to see the full effect of the PAT because there are a lot of transition-related costs that are getting booked in. It's not the steady-state number that you are able to see. In fact, in our deck, we have clearly called out, the movement between the numbers. On a cash flow basis, if you see cash PAT, we are able to service the loan. The net negative PAT you are seeing is because of the amortization of expenses, which is not a cash expenditure. So we are currently able to service.

Shaswat Singh: Okay. Ma'am could you give us a.

Moderator: Shaswat, I request you to join back the queue, please. Next question is from Rajit Aggarwal. Please unmute your connection and go ahead with your question please.

Rajit Aggarwal: Hi good afternoon. This question is related to UK P&L. Now, if I look at the Slide 21, it shows FY26 without UK and then a column FY26. So I'm assuming the column FY26 is with UK. Is that right?

Sandhya J: Correct.

Anesh Shetty: Yes, that's correct. I'm laughing because Sandhya and I had this debate before if it made sense to say without and with UK.

Rajit Aggarwal: And if I were to, so if I subtract the two columns, I'll get the UK numbers for Q3 and Q4?

Sandhya J: Yes. Q4, you will. For full year, you will get FY26, which we have given. This has five months of UK.

Rajit Aggarwal: Correct. And if I refer to the similar slide of your last call, then it had two months P&L.

Sandhya J: Yes.

Rajit Aggarwal: Right. And if I subtract those two, then I get this quarter's numbers for UK.

Anesh Shetty: Sandhya adjusted for the 6 or 9 days in November.

Rajit Aggarwal: Right. I mean that's a little bit of adjustment. But some of these numbers somehow don't make sense in this, so I'll give you an example. If you look at your doctors' expenses, the row doctors expenses here, it's INR 67 crores increase. So UK had INR67 crores of doctors' expenses as per this Slide number 21 of current PPT.

Sandhya J: Yes. Actually, Rajit, some re-classes has happened. We re-classed some expenses because see, when we reported out in Q3, we didn't have a full handle of the way the P&L was being reported in the UK. Now we are slowly aligning. So for example, your specific example of doctor expenses, there is a re-class in the P&L from doctor expenses line to the manpower line because of which you are seeing the number to be not like-to-like.

Rajit Aggarwal: Right, which is okay. So I get that. Now I mean, if I were to include doctors' expenses and employee, excluding doctors' expenses, will that be a correct way to look at your total expenses for everyone? Employees, I mean, including doctors and others, right?

Sandhya J: Yes.

Rajit Aggarwal: So now if I compare that, those two numbers itself with what you had given in the last slide as a percentage of sales, that number seems to have gone down by 200 basis points.

Sandhya J: Correct. That is correct.

Rajit Aggarwal: So how has that been achieved?

J. Sandhya: So like I was explaining to the previous caller, because we took a part quarter handover, so the costs on the baseline of Q3 are not representative of the underlying cost structures, which is why we requested a couple of more quarters for us to be able to report these numbers more accurately and be able to explain the movements.

Rajit Aggarwal: So basically, we should just, we should not delve too much into these numbers.

Viren Shetty: No, you're sure. It's just that Q3 is not representative of a whole quarter and not representative of all the expenses. It's only when you have 3, 4 quarters of numbers to look at, can you see movement.

Rajit Aggarwal: But there's no movement in the total headcount, right?

Sandhya J: No, there is no movement in the total headcount, but the booking in Q3 was slightly on the higher side in percentage terms vis-a-vis revenue. The absolute cost has not changed. It is just that the booking, percentage terms, it is different because like I said, it was not even cut at a month. It was cut in the middle of a month. So we really couldn't exactly allocate the costs.

Rajit Aggarwal: Okay. So I guess, I mean, we should just wait it out to understand the absolute and percentage margins as well because it seems a lot of pieces are moving between heads also. Fair enough.

Sandhya J: Yes.

Rajit Aggarwal: So I guess, and in terms of net profit or net loss?

Moderator: Rajit, I request you to join back the queue, please, as we have participants waiting for their turn. Thank you. Next follow-up question is from Prithvi Raj. Please go ahead.

Prithvi Raj: Yes. So I have a couple of questions on Cayman Islands. One, if you look at the insurance business, it's surprising to see the extent of losses. So USD 5 million seems to be quite high. I think over the last couple of quarters, the initial guidance seems to be that maybe by Q1 FY27, we might even reach breakeven. So trying to understand what exactly happened with the insurance business? And how should we look at losses going forward?

Anesh Shetty: Yes hi Prithvi. So I think the first comment is in terms of the losses relative to the scale of the business. So when we started in January 2025, initially selling policies in the open market, we didn't expect to reach by this time around annualized USD 60 million premium revenue rate. So the ramp-up in the

insurance business has happened far quicker than we anticipated. We always knew that it would take a couple of quarters for the initial book to stabilize as well.

I think we've made great progress on growing the number of clients we have, the profile of the clients, most of the premium clients and the higher-paying clients are with us in the market.

Having said that, the quarterly losses are not where we want them to be, and we don't think this is going to be an ongoing thing aside from maybe we may have, I think, another quarter or 2 of losses in this range, but we have price increases kicking in, in June for about 30% to 35% of the accounts. The end of that period also gives us the opportunity to purge certain accounts we no longer want, which have been priced unfavourably. So, we should start seeing these come down significantly over the next 3 quarters or so.

Prithvi Raj: Is it possible for you to give the claims ratio here on a higher trend?

Anesh Shetty: I would say the loss ratio, I mean, we don't disclose it specifically, but if you look at the CIMA statistics, you can find out. So it's approximately about 110% to 112% is the loss ratio, which is essentially claims paid divided by premiums collected net of reinsurance. So for a year 1 insurance book, that's not very bad. I mean it's not great, but it's not horrible. So with the price increases midyear as well as exiting some accounts, we hope that, that does settle in.

Prithvi Raj: Okay. One last question from my side on Cayman again. If you look at the hospital side, the scale-up has been really phenomenal from less than USD 30 million revenue to almost USD 50 million per quarter kind of run rate. Can we assume that the scale-up is largely done and from here on, the growth will slow down to mid-single digits for Cayman hospitals?

Or do you think still there is scope for a few more quarters of double-digit growth before it tapers down? And also, a follow-up, how much of this incremental growth came from the other Caribbean Islands?

Anesh Shetty: Sure. So, before I answer your question, Prithvi, I do want to call out here for all the participants that we request people to analyze the Cayman business as one, and not disaggregate insurance and hospital. The whole idea behind the integrated care model is that the insurance helps drive steerage into the hospital and they work as a whole.

So, if you are going to see earnings, let's say, losses in, say, the insurance business in isolation, but contrast with very good growth in earnings and top line in the hospital business, it does give a bit of a confusing picture. So, it's always helpful to look at it as a consolidated whole because that's what we're trying to achieve.

To your specific question, yes, definitely, I think the significant growth in the hospital top line has been driven by two factors; one, the new campus, which is a little old story now, but also because of One Health and all the benefits and synergies that Integrated Care play has. it will be in that market unsustainable to continue to see quarter-on-quarter double-digit growth in top line. That will be -- that's not physically possible.

Also, given the claims experience in the insurance business, we are slowing down the new client addition. We do have to balance it out and observe for a few quarters. So, you're not going to be seeing the same pace of growth in the revenue. Of course, the hospital margin has been preserved pre Camana Bay Hospital, post Camana Bay and even now through Integrated Care. So, that is stable. But yes, you won't see the same rate of growth anymore.

To your last question around what percentage is international? I think we don't get into those specifics, but international, especially some of the core markets where we've been investing for quite some time are starting to bear fruit. And we think once Cayman significantly slows down and the opportunity is exhausted, the growth will be driven by international, but we're not there yet, but someday soon.

Prithvi Raj: Thank you. That's all from my side.

Moderator: We have a follow-up question from Aditya. Aditya, please unmute your connection and go ahead with your question, please.

Aditya: Yes, just thank you so much for taking my question again. Just one small question, a bit digression from NH, broader on the health care industry. There are a lot of new health care and opel start-ups like Superhealth Even coming up with standardized pricing, smaller hospitals, lower capex, prepaid, and payvider model, which we are also doing. So, like Viren sir, just wanted to get your view on these models and are they sustainable? And can they scale up?

Viren Shetty: Are they sustainable. I mean that remains -- we'll see. The thing is these are all with a lot of start-ups. They bring very interesting viewpoints, and they are the closest to what we can get as almost a cost-free R&D. And so, it is good that the market is moving towards a direction where payers and providers work together and provide a more unified experience for customers because that's not happened in the Indian industry so far. So, in as much as these things become more popular, it increases the relative attractiveness of what we are trying to do.

Aditya: Got it. Thank you so much.

Moderator: Next follow-up question is from Akshay Thakur. Akshay, please unmute and go ahead with your question please.

Akshay Thakur: Hello, thanks for taking my question My question is on your hospital information system. I believe you also get some revenues from this part of your business, but primarily, it's for your own internal use. Can you throw some light on how important was this in bringing in the efficiency for your Cayman as well as your India business?

Viren Shetty: So, the business that we acquired in the UK runs several interconnected systems, none of which talk to each other very efficiently. So, there is a human layer that has to not just translate and type, but sometimes even print out and retype information between one software stack and another. You will be shocked at the number of hospitals, not just in the UK but across Europe and the US that have these.

In India, we're very lucky to have access to a large group of engineers who are able to take this problem first-hand and be able to tackle it so that we cannot have to worry about silly things about how the hospital runs and how data should be entered. So, the problem that we are solving is data being in a single source of truth is fixed.

But what we do with that data, be able to go through the medical records and find out if patients are suffering from diseases that they don't know they are suffering from or working with the doctors to be able to do research on all the patients who are available. So, these are huge amounts of efficiencies that can be unlocked because of our ATHMA system. And a lot of other hospital groups have seen the benefit of this and want a similar system for themselves.

Akshay Thakur: Can you also share your plans for the clinics? How much do you want to expand? What capex to spend on those and strategy behind them?

Viren Shetty: Yes. The clinics, we are 11 clinics in Bangalore. We will be expanding in Bangalore. And this year, meaning FY27, we will also be expanding to Calcutta. We have a plan to double the number of clinics that we currently have, but the speed at which we do it would be balanced on the other side against the acquisition of those properties, negotiating the rent, doing the fit-outs and also maintaining a steady amount of cash losses in the business so that we don't go overboard. But the clinics are a very important channel for us to be able to be closer to our patients.

Akshay Thakur: Thank you so much.

Moderator: We have a follow-up question from Rajit Aggarwal. Rajit Please go ahead.

Rajit Aggarwal: Yes. So, coming back to the numbers. Now there seems to be a difference of about INR10 crores to INR12 crores in the net loss of UK entity between Slides 21 and 19. So, GBP, it says 1.9 million GBP net loss. And in rupees, if you look at, it's around INR 34 crores.

Sandhya J: Yes. See, the conversion may be the point because what happens is that when you report out, you report a conversion rate for the quarter.

Rajit Aggarwal: So, you would be doing conversion at the RBI reference rate, right?

Sandhya J: No. Actually, what happens is that we -- of course, we may be doing at the RBI reference rate, but we catch up for the year, the conversion rate. So, in quarter 4, you'll also have the catch-up effect of the Q3 conversion.

Rajit Aggarwal: Okay. Maybe I'll just come back to you offline again. My understanding was Q3 would be at RBI reference rate and Q4 at RBI reference rate and whatever the difference would be in.

Sandhya J: Yes, it has always caught up YTD actually...

Rajit Aggarwal: All right. I mean that's not such a big thing. And there is a INR10 crores other income in UK entity, around INR 8 crores. Can you explain that other income, please?

Sandhya J: The other income essentially comes from interest on cash that we are holding in the bank, some scrap sale that could have happened. For the size of the UK business, I think it's like a rounding off number. Mostly it will have come from bank interest because we are having cash in the entity, and we'll be placing them in some sort of an instrument and earning interest on that.

Rajit Aggarwal: All right. If I may ask a very quick question on numbers again?

Anesh Shetty: Yes, please go ahead.

Rajit Aggarwal: Yes. On the acquisition cost in the last quarter, about INR 40 crores was booked in UK but that seems to have been now reclassified into ex-UK. Is that correct?

Sandhya J: So, yes, so there are a lot of reclass items, Rajit. I think what we will do is we will set up time with you separately. We can explain the numbers to you so that you are able to see them clearly. You can reach out to us. You have our e-mail ID. Our IR team can actually explain to you all these items on a call because these are like small items, and I think we are holding everybody else on this.

Rajit Aggarwal: Right, ma'am. Understood. I'll come back to you. Thank you.

Moderator: We have a follow-up question from Sajal Kapoor. Sajal, please go ahead.

Sajal Kapoor: Yes, thank you for the opportunity again. Sandhya or anyone, I mean, question is on the UK operations and the overall debt that we have. I mean, what is the current thinking around the free cash? So, you will get operating cash flow. I think it's a wrong idea to compare PAT and think the PAT is paying the loan.

Ultimately, it will be the operating cash -- stroke the free cash, right? Because there will be some cash requirement in the maintenance and making the changes that we want to make to get the operational efficiencies like so, Viren was explaining the paperwork and the manual effort. And he's quite right. I mean this is a problem not just specific to U.K., but wider Europe and U.S. as well.

So, the question is, over the next 5 to 7 years, what is the thought process in terms of reducing the debt or swapping it over and showing the material improvement in the operations and backing it up with the operating cash flow. What is the broad thought process as on today? Of course, that may change tomorrow.

Sandhya J: Yes, Sajal. So, it is a leveraged buyout. So, the entire acquisition debt is on the books of the target. And therefore, the free cash flow that is being generated by the target, a significant portion of it will be used to pay the debt in the books over the next 7 years.

Sajal Kapoor: Okay, that's helpful Thank you so much.

Moderator: Thank you. We'll take one last question from Sashwat Singh.

Moderator: Sashwat, can you please unmute again?

Sashwat Singh: Yes. So, ma'am, NHS pays once every month, that is on 26th, right?

Anesh Shetty: Are you talking about the NHS in the U.K.?

Sashwat Singh: Yes.

Anesh Shetty: No, no. It's -- that may be the payroll date, but we as a contracted vendor, we don't follow that cycle.

Sashwat Singh: And in how many days do they pay us? Is there a cash flow understanding that I can get, please?

Anesh Shetty: Sure. There are 2 kinds of payments. The bulk of payments will come advance quarterly for the anticipated work ahead of that. There's a small percentage of payments that they do after about 30 to 45 days.

Sashwat Singh: Okay. So that help's sir. That is all. Thank you.

Moderator: Thank you. We will now take the text questions. Over to you.

Viren Shetty: Nishant, will read them out.

Nishant Singh: First question is, please share what you think the SG&A would be as a percentage in the FY 2027, given the U.K. Group acquisition?

Sandhya J: Yes. So, in health care, it's not SG&A, but it is more overheads as we would call it. So, U.K. comes in at an overhead structure, which is lower than the group overhead structure. So, we believe that whatever numbers you're seeing right now, so without U.K., we were operating overall, all overheads put together at about 28%. And with U.K., we'll see a 23% number.

Nishant Singh: So, the next question is -- while the PPG acquisition provides a great secondary currency hedge and scale, the baseline EBITDA margin has dropped by over 500 basis points this quarter. What is the precise road map, synergy extraction plan and timeline to bring the U.K. assets OPM closer to our core India trading standard?

Sandhya J: Yes. Just one -- just quickly on the 500 bps, almost 200 bps dilution has come because of the costs relating to the acquisition itself. Those are one-timers in nature, and those will not repeat. So, the effective dilution is about 300 bps. So normalized margin around 22%.

And Anesh, I think, spoke about the various plans that we have to improve the payer mix and improve the mix. U.K. will not come to the levels of India or Cayman. Each market has its own profit profile. And U.K., we will try to catch up more closer to where the market is than where the group is.

Nishant Singh: Next question is ARPOB. Question is about ARPOB in Q4 FY '26 and full year FY '26. What is the occupancy level in quarter 4 and the full year?

Sandhya J: See, we don't report out occupancy, but we typically operate between 60% to 65% in terms of occupancy. We do not believe that either ARPOB or occupancy is a correct measure of performance.

The right measure is ARPIP, which we report and also throughput, which is evident from the way we are able to do incremental volumes through the same facility.

Nishant Singh: And the other part of the question is asking about EBITDA margins for Cayman business?

Sandhya J: We don't specifically report out EBITDA margin for Cayman business, but I think all the numbers are available. India EBITDA -- overall group EBITDA is available. India is available, U.K. is available. I think it is possible for you to work that number if it's interesting for you to understand.

Nishant Singh: The next question is the other income stand-alone for Q4 is INR127 crores. What is it comprise of? And how does that translate to INR25 crores at the consol level?

Sandhya J: That INR127 crores has INR 94 crores of dividend that has been received from Cayman to India. So, because of that, you are seeing that number not coming in consol -- consol that intercompany gets eliminated. The rest of it is the real other income for the group.

Nishant Singh: On Slide number 15 of the IR deck, India ops for FY '26, in spite of a 10.2% Y-o-Y growth, the other expenses in percent stays at 18% of revenue, why is operating leverage not showing up here?

Sandhya J: See, actually, with the 10% revenue growth, our overheads has gone up by about 8%. There are a few factors to this. There is a certain part of the overheads, which is purely variable in nature, and therefore, that moves in tandem with the revenue. Now in addition, it is a very high inflationary situation that we are working with. Power costs have gone up across the board and minimum wages have gone up across the board.

So, there are a lot of underlying cost inflation, which we are absorbing in our overheads with the leverage that is being created with the revenue growth. In addition, there are some one-time costs in there because we are going through a certain merger process. So, there are legal stamp duty and other costs in them, which will normalize in the next year. But largely, we are seeing a very high inflationary situation, which is taking away the operating leverage we otherwise would have been able to generate in the current environment.

Nishant Singh: The next question is what will be the capex for next 2 years for Narayana, bifurcated and maintenance plus growth? Is there any capex requirement for international assets for Cayman and U.K. PPG? If yes, the quantum, please?

Sandhya J: So, for the India capex, I think it's part of the IR deck itself. We have split out the capex and shown the details. There is no additional capex planned in Cayman. It is too early for us to talk about U.K. So, when we have greater information about our capex plan for U.K., we will share.

Nishant Singh: FY '26 reasons for hospital discharges across regions and IP volume footfall drop, but ARPP is still showing Y-o-Y growth.

Sandhya J: Venkatesh, do you want to take that question?

R. Venkatesh: Yes, yes. So, we have been kind of prioritizing on our case mix and also working on a few things to focus on more advanced procedures, which we already discussed a while back. So, what has happened is this has led to a good increase in realizations and revenue. And as a result of which, the ARPP is still growing. But these are done keeping the volumes intact.

Obviously, the volumes have stagnated, but because of the optimization of case mix and doing advanced procedure, we've been able to increase on the realizations and the revenue. Also, we had to play a fine balance between serving customers across payers and also trying to manage the receivables with certain payers. But going forward, we will also, through our continued investments in clinics, digital marketing, insurances, we will start seeing gains in volumes too in the coming quarters as we keep building on our realizations and revenues on and on in subsequent quarters.

Sandhya J: Thank you, Venkatesh.

Nishant Singh: The other part of the question was -- private pay was 7% of PPG revenue at acquisition. Where is it now? And what is the realistic 2-year target? Maybe Anesh can take this.

Anesh Shetty: Yes, sure. It's still early days, but we have seen an increase in absolute terms of private revenue. We are making a lot of progress with our relationship with the private insurers as well as visiting consultants. We hope the benefits will play in over the next 3 to 6 quarters or so. Realistic 2-year target, still early days to see. We may have a figure to share in a couple of quarters.

Nishant Singh: Yes. So, the next is on clinics. Could you provide some color around how insurance and clinic business and the concept of providing integrated health care has helped us to drive growth for our business as a whole? Like if you could quantify or provide some metrics that have significantly improved.

Viren Shetty: Ever since we took a call on improving our domestic focus and deemphasizing on growing international revenues, the clinic business has been the sole driver of the increased referrals to our hospitals from the cities in which we operate. So the entire replacement of international business with domestic business would have been a lot harder if we didn't have the clinics to be a place where patients will be the first point of contact to see an NH doctor. And should they require any procedure, we refer to a hospital for treatment.

We do expect the growth to come in line. In fact, going forward, the vast amount of patient preference for being treated will move away from the hospital towards the clinic. And so a large part of our expansion in the cities where we operate will be underpinned by first running clinics, gauging what the doctor engagement model will be there, getting good sense of the patients and their clinical requirements, and then building a hospital to service that.

The clinic will be a very important part of our business going forward to accommodate changing patient preferences. But going forward, it will be harder for us to say what is attributable to clinic alone and what is not simply because a huge amount of the manpower and expenses and doctor talent will be shared between the two.

So, doctors will be splitting time between the hospital -- between the multiple hospitals in the city and the multiple clinics that we run. So the attributability will become harder and harder as we go forward. So, from this year onwards, FY27, the clinic business will be rolled in with the overall hospital business because that is its best reflection of the contribution to the performance of those hospitals.

Nishant Singh: Next question is Kolkata being one of the core geography with 26% revenue share that has grown only at 5%, 6%. Is it because of the lower international patient? If yes, how much is the international patient share in Kolkata geography? Do we expect the growth to kind of come in line with the Bangalore growth?

Sandhya J: Venkatesh?

R. Venkatesh: See, when it comes to international marketing, we are not doing any active marketing around international patients and neither do we have any type of price differentiation. But we welcome any patient in the system coming into the system. It's basically because of the uncertainties around international marketing, which actually made us focus more on the domestic patients and convert focus more on domestic and get the numbers replaced for sick patients.

This journey has been a very fruitful and successful journey where we have more or less compensated for these numbers without any dent in the revenue and the EBITDA levels. Then again, a little bit of prioritization on case mix was also a journey which was well addressed without again any dent in the volumes and revenue. So we have set up a very strong base and consistent -- strong and consistent base as we speak.

Now with the investment in the digital marketing with, as Viren had mentioned earlier also, with the integrated care and the clinics coming in with the insurance and also trying to strengthen the clinical team across the region in quaternary care and tertiary care, we will start seeing the volumes grow up in the future. So with this base and incremental volumes, I'm sure we will be able to cover up this growth deficit, which we have seen over the last few quarters successfully in the coming 2 to 3 quarters here in Eastern region.

Nishant Singh: The next question is on plans to expand our footprint and patient volumes for the North and Western clusters.

Viren Shetty: No plans as of now. We have the existing cluster in the North and West. We will start expanding in SRCC Hospital in Mumbai and adding the adult programs in FY27. So there is sufficient headroom within the existing setup to be able to add patients. Infrastructure for either geography is not the priority for now, we're focusing on South and East.

Nishant Singh: Next question is, in which areas of specialty profile do you see AI/ML help you going forward to replicate what we have done with ATHMA and Medha?

Viren Shetty: Our radiology department is completely powered by AI. A lot of the radiologists use software that implements image guidance AI for helping them make the diagnosis. So this is something that's been very standard in the medical field for a long time. There are a lot of efforts that our Medha team is

putting in to use AI to improve a lot of the patient services, to detect anomalies in clinical data, provide risk score for our doctors to help choose which patients in the ICU are having trouble or not. So this will just become part and parcel of the overall way in which a hospital functions. AI is not to be considered separate from all the transformation efforts. It is an integral part of it.

Nishant Singh: The next question is FY26 greenfield capex is only INR 109 crores against INR 424 crores planned, 75% to 74% miss. What specifically caused the slippage? And does the FY28 commissioning timeline for Rajarhat, HSR, Raipur, Bangalore still hold?

Viren Shetty: Lot of the project has started. The miss was due to a lot of the election-related issues in that it was impossible to get construction workers to come for a large amount of time. A few delays in commissioning the project for not getting permissions and so on. The FY '28 goal still remains the case, and a lot of this work can pick up now that things have normalized.

Nishant Singh: The other question is the -- I think it means that when you say EBITDA maintained, does it mean you'll maintain margin of 20%? This is at the consol level?

Sandhya J: Yes, we are not giving any guidance, but what we have explained is that the 20% margin, which has come at a consol level has one-timer impact on it because of the acquisition costs relating to U.K., which normalizes to slightly over 22%. So that is the base at which we are starting, and we have to work with improving on that.

Nishant Singh: The next is based on the disclosures in Slide 22 of the deck, the total capex for projects proposed INR 3,000 crores. Same slide also mentions greenfield organic capex is INR 460 crores. All projects are expected to be commissioned by FY '28, '29. Does it mean FY '28, '29, we'll have INR 1,000 crores each?

Viren Shetty: That's correct.

Nishant Singh: The next question is, what is the long-term target of top line growth for 2, 3 years?

Viren Shetty: Again, we're not giving guidance, but we're trying to maintain the pace of growth in our business. There will be a jump when new hospitals get added.

Viren Shetty: The next question, Northern cluster grew 7%, 5% in FY '26. With the NCR competitive intensity, is there a rethink on the North strategy or do you expect organic recovery in how soon?

Viren Shetty: So yes, it is no surprise to us and to the investors that North has been extremely challenging region for us. We are one of the latest entrants to latest entrants to this market, and it is extremely competitive. We have carved a fair niche for ourselves, both as Dharamshila as a very leading cancer hospital doing a large amount of bone marrow transplants and robotic surgeries and Gurgaon being a very domestically community-focused hospital doing high-end work, but it is not sufficient because the other hospitals have much more aggressive ramp-up strategies.

As of now, we will continue the way we are, keep our cost advantage there, add more patients and be able to offer good services for the customers who come to us.

Viren Shetty: So the question is on what is the status of Mumbai on EBITDA profitability? Sandhya.

Sandhya J: So, Mumbai has broken even in Quarter 4. We are working towards the adult program starting in Mumbai. We are in stages of discussion with the trust for approval, and it's in advanced stages of conversation. We do believe that we will be able to turn around the profitability profile of the Mumbai hospital once the adult program comes in.

As far as the next question, which is looking at the FY '26 consolidated PAT, it is been diluted by U.K. So return on equity and return on capital are being diluted as well. So you want to understand the 3-year IRR or acquisition case.

So when we did our acquisition call, we had given a very detailed rationale and the business case for the acquisition, the valuation metrics and what levers we think are available for us to be able to create value with this acquisition. So, I would request you to refer to the transcript of that call in which a very detailed explanation is available.

At a very broad level, we are going through an expansion phase right now. We have put in USD 100 million capex and came in for expansion. We're putting in INR 3,000 crores in India. So overall, we are going through a phase where we will be diluting ROCE for growth. And eventually, this will come back because the mode of acquisition which we have chosen, mode of investment which we have chosen are longer-term ROCE accretive.

Most of them are greenfield in nature and most of them bet on the underlying business -- the cost of the business coming in with operating leverage. So we do believe that eventually the ROCE and ROE will recover on all 3 businesses put together, but we have to go through that phase to fuel growth and fuel expansion.

Viren Shetty: Next question -- impact of oncology revenue due to -- I assume by OPD, he means diganosis

Viren Shetty: Outpatient department coming down 5% to 6%. Okay. So, this is a pure impact. Were we impacted by the same? No, we did not see any impact on oncology outpatient volumes.

Sandhya J: Why is the EBITDA margin coming down for the quarter has been answered in detail earlier also. How do you plan to expand in Kolkata has also been explained as part of our IR deck. We have given our Kolkata expansion plans.

Viren Shetty: Yes. So I think we've answered all the questions on the chat. If the Chorus team can conclude.

Moderator: Thank you, everyone, for joining the call and for your continued interest in Narayana Health. We appreciate your participation and support. Should you have any further queries, please feel free to reach out to the Investor Relations team. Thank you, and have a good day.