6th August 2024

The Secretary,	The Secretary,
Bombay Stock Exchange Ltd (BSE)	**National Stock Exchange,**
Phiroze Jheejheebhoy Towers,	Exchange Plaza, 5th Floor Plot No.C/1, 'G' Block
Dalal Street,	Bandra - Kurla Complex
Mumbai - 400 001.	Mumbai - 400 051.
Scrip Code - 543308	**Symbol** - KIMS
ISIN: INE967H01017	**ISIN: INE967H01017**

Dear Sirs,

Subject: Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015- Submission of Annual Report for the FY 2023-24.

Pursuant to the provisions of Regulation 34(1) of the Listing Regulations, please find attached a copy of the Integrated Annual Report of the Company for the Financial Year 2023-24, which is being sent only through electronic mode to the Members, who have registered their e-mail addresses with the Company/ Depositories.

The 22nd Annual Report is available on the website of the Company at https://www.kimshospitals.com/investors/ > ***Disclosures under Regulation 46 of SEBI (LODR) Regulations, 2015*** > ***Financial Information*** > ***Annual Report***.

Request you to take the above information on record.

Thanking you,
Yours truly,
For Krishna Institute of Medical Sciences Limited

MANTHA SHANKER UMA
Digitally signed by MANTHA SHANKER UMA
Date: 2024.08.06 17:29:31 +05'30'

Umashankar Mantha
Company Secretary & Compliance Officer

Enc: As Above

Krishna Institute of Medical Sciences Limited
D.No.: 1-8-31/1, Minister Road, Secunderabad - 500 003, Telangana, India
Phone: +91 40 4488 5000/4488 5184 | Fax: +91-40-27840980 | kimshospitals.com
CIN: L55101TG1973PLC040558

Personalised Quality Healthcare

Krishna Institute of Medical Sciences Limited
Integrated Annual Report 2023-24

Navigate through the pages

To know more about the company, log on to
www.kimshospitals.com

Scan the QR Code to view the report online

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

02-63

CORPORATE
OVERVIEW

64-171

STATUTORY
REPORTS

172-309

FINANCIAL
STATEMENTS

Providing Personalised quality healthcare

We are passionate about Promoting health quality and ensuring that every patient who walks through our doors receives the highest quality health care while being treated with concern and courtesy. Caring for patients is more than a job for us. It's our mission – One that is REAL and INVALUABLE to us. We treat everyone with courtesy, care and concern that is genuine and springs from within.

We believe that excellence is not an option nor is it a goal to be achieved at a future date, but a way of life. It's a day-to-day journey to be seen and shown in every step of activity. **A Hospital must exude hospitality and KIMS excels in this.**

20 years is not long in the span of an organisation, but the foundations laid in the formative years, the values nourished from the inception and the culture transmitted from the very birth go a long way. The culture becomes your very nature. It is not a gown you were, but it becomes your ownself. That is the profound impact and influence the two decades had on each of us at KIMS.

Our emphasis is on people, be it our patients and their relatives or doctors and staff. There exists a beautiful bonding and team spirit to give our very best to the patients each time and every time.

With over 40 specialties and super specialties, there is virtually no part of human anatomy that is not treated at KIMS Hospitals and our family of over 10,000 personnel comprising of doctors, nurses and support staff are adept at caring for all those whoever steps into KIMS. We will continue to redouble our efforts and work with renewed vigour in serving the cause of our patients and protecting the interests of our investors and other stakeholders.

Clinical Excellence and Human Values Go Hand in Hand at KIMS

Our values and commitment manifest in every area of functioning - Be it patient care, corporate affairs or investor's interests

INTEGRATED CARE

Our multidisciplinary approach ensures that every aspect of a patient's health is addressed, promoting a overall well-being.

EXPERT TEAM

Our team comprises of dedicated doctors, nurses, and healthcare professionals for providing effective healthcare and wellness.

ETHICAL STANDARDS

Upholding the highest ethical standards in all our practices, ensuring trust and transparency in every interaction.

ADVANCED INFRASTRUCTURE

KIMS is equipped with cutting-edge technology and modern facilities, ensuring patients best possible care in a comfortable environment.

ECO-FRIENDLY PRACTICES

Implementing sustainable practices in our operations to reduce our environmental impact and contribute for a healthier planet.

FUTURE-READY HEALTHCARE

Investing in future healthcare innovations and practices to continually improve the quality of care and patient outcomes.

Growth Trajectory

KIMS mirrors two decades of Dedication, Dynamism and Distinction making it a much sought after destination in healthcare. In 2000, we began our journey as a Single Hospital in a small town called Nellore in Andhra Pradesh. KIMS has now grown into 12 centres of excellence with 4000 beds and 40 specialities and super specialities spread across three states of Telangana, Andhra Pradesh and Maharashtra and poised to step into Karnataka shortly. Driven by a vision to provide exceptional and affordable healthcare, we have steadily grown into a leading multi-disciplinary integrated healthcare provider in South India, with a focus on tertiary and quaternary healthcare at affordable costs. It is Good to be Big, Better to be Good and Best to be Both. KIMS aspires to be both - **BIG AND THE BEST.**

Through a combination of organic expansion and strategic acquisitions, our network has flourished significantly over the years.

We are well-known for our comprehensive range of services spanning across 40+ specialties and super specialties. From cardiology and oncology to neurology and mother & child care and various others, we have a team of highly skilled professionals, equipped to address the diverse and complex healthcare needs of our patients.

Each of our hospitals is a one-stop destination for comprehensive care, featuring advanced equipments and diagnostic facilities.

BUILDING ON A STRONG FOUNDATION

We acknowledge the fact that the healthcare landscape in South India has unique requirements. By focusing on this region, we have gained a deeper understanding of the regional nuances, patient culture, and the requirements of medical professionals. Our local expertise empowers us to deliver exceptional, culturally sensitive care that caters to the specific needs of the communities we serve.

VISION

- To maximise our reach and to be the most preferred healthcare services brand by providing affordable care and best clinical outcomes to patients.
- And to be the best place to Excel for doctors and employees.

MISSION

- Provide affordable quality care to our patients with patient-centric systems and processes.
- Enable clinical outcome-driven excellence by engaging modern medical technology.
- Provide a strong impetus for doctors to pursue academics and medical research.

DRIVING TOGETHER

We believe in building a healthcare ecosystem that benefits everyone involved:

For Patients:

Affordable Quality Care

We prioritise accessibility, offering top-notch medical services at competitive tariff.

Best-in-Class Facilities

Our state-of-the-art hospitals provide a comfortable and technologically advanced environment for our patients' recovery.

Patient-Centric Systems & Processes

We put our patients' needs first, with streamlined processes and a focus on their satisfaction.

For Employees:

Enriching Atmosphere

We cultivate a positive and supportive work environment where your contributions are valued.

Collaborative Culture

We encourage teamwork and open communication, cultivating a spirit of collaboration across departments.

Growth Driven Career Approach

We invest in our employees' professional growth by providing opportunities for advancement and skill development

For Doctors:

Excellence Driven Clinical Outcome

We empower our physicians with the latest equipment and resources to achieve the best possible patient outcomes.

Latest Medical Technology

We invest in cutting-edge technology, ensuring our doctors have access to the latest advancements in medicine.

Strong Academics and Research

We foster a culture of continuous learning and discovery, providing opportunities for professional development through various national and international seminars, workshops and meetings.

For Investors:

Transparent Governance

We uphold the highest ethical standards and maintain a clear and transparent governance structure.

Strong Operational Performance

We are committed to efficient operations and delivering consistent financial results.

Consistent Growth

We have a proven track record of growth and are poised for greater success.

Operational Achievements

Committed to healthcare excellence

Driven by our commitment to patient care and wide spectrum of innovations in healthcare, we have achieved several milestones, which position us as one of the most preferred healthcare services brand.

PIONEERING PROCEDURES, PROVIDING BEST CLINICAL OUTCOMES

First in the World

- "Mammography System" The worlds most advanced 3D mammography system

First in Asia

- Transcatheter Tricuspid Valve Replacement (2018)

First in Hyderabad

- Use of an ECMO machine (2013)
- Neonatal ECMO

First in India

- TOF repair using CorMatrix patch for pulmonary valve reconstruction (2017)
- Robotic spleen-preserving distal pancreatectomy
- COVID Double Lung transplant (2020)
- Breathing Lung transplant (2021)

Largest ECMO Programme

- 18 machines in the country

First in South India

- Introduction of Da Vinci Robotic System
- Total Skin Electron Beam Radiation therapy (2018)

SPECIALISED TREATMENT LEADERSHIP

Number 1 in India

- Organ Transplantation (Heart, Lung, Liver and Kidney)

Number 1 in Andhra Pradesh:

- Nephrology treatments
- Neurosurgery & Poly Trauma treatments
- Cardio-related surgeries and treatments programmes
- Urology (Genito-Urinary) surgeries

ARCH REPAIR IN NEONATES AND INFANTS WITHOUT TCA

Advanced Medical Programmes

Largest in South Asia

- Joint replacement programme

One of the Largest Neuroscience Programmes

- Epilepsy treatment among private hospitals

Milestones

Purposeful and successful journey over the decades

KIMS has achieved remarkable growth and success over the past two decades, marked by consistent excellence. We strive to continue this trajectory, building on the significant milestones achieved over this period.

> *The wood are lovely, dark and deep but I have promises to keep and miles to go before I sleep and miles to go before I sleep*
>
> Robert Frost

2024
Nashik 325 Beds

2022
Begumpet 290 Beds
Gachibowli 237 Beds
Nagpur 334 Beds

2019
Kurnool 200 Beds

2018
Vizag 469 Beds
Anantapur 250 Beds

2017
Ongole 350 Beds

2014
Kondapur 200 Beds

2011
Srikakulam 200 Beds

2004
Secunderabad 1000 Beds

2002
Rajahmundry 195 Beds

2000
Nellore 250 Beds

Business Model

Creating value for stakeholders

INPUTS → VALUE CREATION PROCESS → OUTPUTS → OUTCOMES

INPUTS

FINANCIAL CAPITAL

Investment in state-of-the-art medical equipment

INR 800.28 Mn Equity capital

INR 3262.91 Mn Debt capital

MANUFACTURED CAPITAL*

12 Hospitals

4,000+ Beds

178 Departments

INTELLECTUAL CAPITAL*

INR 18.83 Mn Expenditure on digitisation

HUMAN CAPITAL

5,000+ Total employees

20 Training and awareness programmes

SOCIAL AND RELATIONSHIP CAPITAL

Set up **KIMS Education Society**

INR 63.68 Mn CSR Expenditure

NATURAL CAPITAL

1,79,083 KL Water usage

192 MT Waste generation

79,315 GJ Energy usage

* Consolidated figures

VALUE CREATION PROCESS

HEALTHCARE SERVICES DELIVERY

- Cardiac sciences
- Oncology
- Neurosciences
- Gastroenterology
- Orthopaedics
- Organ transplantation
- Renal sciences
- Mother & child care

- Training programmes for healthcare professionals
- Collaborations with educational institutions

- Online appointments
- Lab report access
- Tele-medicine services

EXPANSION STRATEGY

- Commissioning of new facilities
- Increase bed capacities
- Adding new specialties

INNOVATION AND TECHNOLOGY INTEGRATION

- Introducing the Latest medical technologies
- Enhancing digital services
- Digitisation of operations

FINANCIAL AND OPERATIONAL MANAGEMENT

- Competitive pricing for quality care
- Sustainable debt-equity ratio

OUTPUTS / OUTCOMES

FINANCIAL CAPITAL*

INR 31,916 ARPOB

INR 6,535 Mn EBITDA

INR 3,363 Mn Profit after tax

Stable financial health

Consistent revenue growth

MANUFACTURED CAPITAL*

Multi-specialty services across **40+** specialties

15,88,000 Outpatient volume

1,91,000 Inpatient volume

Increased patient intake capacity

Expansion into new geographies

INTELLECTUAL CAPITAL

180+ Students under DNB program

Innovation in healthcare services

Improved clinical practices

Enhanced knowledge base

HUMAN CAPITAL

400 Employees participated in various events

40 Man hours of L&D

Increased employee satisfaction

Reduced staff turnover

SOCIAL AND RELATIONSHIP CAPITAL

676 Students enrolled

60,000+ CSR beneficiaries

stronger community ties

High patient satisfaction

Improved brand reputation

NATURAL CAPITAL

17.64% Reduction in water consumption

30,270 GJ Renewable energy consumed

Lower environmental impact

Compliance with environmental standards

Stakeholder Engagement

Effective communication with all stakeholders

In our purposeful journey of two decades all our stakeholders have played a pivotal role in accelerating our business growth and value creation, along with empowering our brand reputation and recall. We respond to their concerns and initiate suitable measures.

	PATIENTS	NURSES	DOCTORS
Initiatives:	• Implementation of Feedback forms for in-patient feedback. • Display of contact numbers in all wards for patient concerns. • Post-discharge follow-up calls by third-party for feedback, with concerns addressed by the administrative team.	• Formal academic meetings every Friday. • Regular meetings with the Nursing Director. • Informal WhatsApp group discussions.	• Formal academic meetings every Tuesday. • Regular departmental meetings with CMD/CEO/MD to address requirements and issues. • Informal WhatsApp group discussions.
Value Created:	• Improved patient satisfaction through responsive and proactive communication. • Enhanced quality of care based on feedback.	• Better and effective services. • Improved coordination and support within nursing teams.	• Enhanced communication and collaboration among medical staff. • Timely resolution of issues and continuous professional development.

	MANAGEMENT	REGULATORY BODIES AND GOVERNMENT
Initiatives:	• Regular CMD meetings every Thursday. • Regular meetings with MD and CEO. • Informal WhatsApp and in-person meetings in various hospital committees (CDC, HIC, Safety Committee) continuous follow up and effective monitoring of ATR's (Action Taken Report)	• Monthly updates and statistics on communicable diseases, maternal and child health, births and deaths. • Special information on TB/HIV cases. • Regular renewal and communication regarding licenses (pollution control, MTP, medical establishment, pharmacy). • Reporting adverse drug events to Pharmaco Vigilance Cell and product-related adverse events to Materiovigilance Cell.
Value Created:	• Effective decision-making and strategic planning. • Streamlined management processes and enhanced operational efficiency.	• Compliance with regulatory requirements. • Conforming to high standards of public health and safety. • Transparent communication fostering trust and accountability.

At KIMS

we follow an exploratory growth roadmap - strategically grow in adjacent markets, some of which are ‘natural extensions’.

Map not to scale. Only for representation purpose

CENTRAL & WESTERN INDIA
Mumbai, Nashik, Nagpur, West Maharashtra

KIMS flagship hospital witnesses influx of patients and doctors from Central India. Given scarcity of quality healthcare and existing KIMS Brand awareness in Central India, necessary facilities can be set up there.

KARNATAKA
Bangalore and greater Karnataka

It is observed that many patients travel from the districts of AP bordering Karnataka to Bangalore for medical treatment. Karnataka is a natural growth market since a considerable population of the state speak Telugu - the main language of AP and Telangana.

Strategic Priorities

Our growth is the result of Trust built on our unwavering commitment to serve the patients

Sound strategies and meticulous execution paved way for our growth. Our aim is to make comprehensive, high-quality healthcare accessible and affordable for the patients we serve. Our plan is to penetrate into those markets that are adjacent to the current core markets of Andhra Pradesh and Telangana.

Expansion into New Regions

MAHARASHTRA

Nagpur

Operations commenced 15 months ago

330+ Bed capacity

Nashik

New hospital planned for August, 2024

325 Bed capacity

Thane

New hospital planned for December 2024

300 Bed capacity

KARNATAKA

Bengaluru

Mahadevapura Project planned for March, 2025

400 beds

Educational Society Tie-up

250+ beds

Collaborative project with top medical institutes

CAPACITY EXPANSION IN TELANGANA CLUSTER

Secunderabad

Increasing bed capacity from **1000 to 1500** beds

Kondapur

New hospital adjacent to the existing one to meet the growing demand

Gachibowli

Sunshine Hospital expanded to include additional specialties

Begumpet

In December, 2023 relocated our Hospital at Paradise Centre to our new sprawling premises in heart of the city facilitating increased capacity.

ENHANCING MARKET SHARE

Tier 2 Cities

Leadership in Andhra Pradesh cluster with high occupancy rates balancing lower Revenue Per Occupied Bed (RPOB).

We are also expanding into Maharashtra and Karnataka, leveraging their proximity and our existing operations to enhance our regional presence and growth opportunities.

New Focus Areas

Oncology & Mother & Child Care

Expanded our service offerings to include radiation oncology and Mother and Child Care - CUDDLES

Government schemes

To reach out increased number of beneficiaries under Aarogyasri and Ayushman Bharat.

MANAGING FINANCIAL CAPITAL

Debt Management

Maintaining a debt-equity ratio below 0.75, comfortable up to 1.0

Debt-EBITDA ratio maintained up to 1.75

Funding

75% funding for expansions is from Bank Debt while 25% is met from internal resources.

Utilising favourable moratorium periods on debt repayment

Cost Optimisation

Phased recruitment and leveraging existing facilities to minimise costs

Implementing the Bengaluru model: Long lease on land and buildings, with capital investment focused on medical equipment

CAPITAL ALLOCATION

Regional Variations

Lower costs in Andhra Pradesh and Telangana, compared to Maharashtra and Karnataka.

Capital Cost

Investment per bed proportional to current ARPOB

COST STRUCTURE OPTIMISATION

Doctor Compensation

Fixed salary for salaried doctors

Variable compensation based on procedure revenues

Pharmacy Costs

Pass-through costs recovered from patients

Employee Costs

Fixed salaries for staff, managed through phased recruitment

Operating/Maintenance Costs

Predominantly fixed costs with some variable operational linkage

EBITDA MARGIN MANAGEMENT

New Hospitals

Initial high fixed costs, resulting in lower margins until volumes increase

Overall Margin

Maintaining an EBITDA margin of 25%+ by balancing new hospital costs with profits from mature facilities

Chairman and Managing Director's Statement

Over the years KIMS carved and sculpted an indomitable character of CARE, CONCERN AND COURTESY in dealing with everyone who enters its portals. As we complete two decades of growth from strength to strength we look back with pride and look ahead with confidence.

Dear shareholders,

As always, it gives me great pleasure to welcome you to the Annual General Meeting and present the annual report conveying the performance and also our plans for the future. **This is a landmark year for KIMS as it marks the completion of two decades of successful and purposeful journey since 2004**. I am aware that though it is a moment of celebration, it is more an occasion for introspection and reflection - to look within and look around with a clinical eye. Dedication, Diligence and Dynamism are the hallmarks of this eventful journey. We witnessed so many highs as well as challenges along the long path. The woes of the pandemic are still fresh in memory when our Doctors, Nurses and Staff showed exemplary spirit in saving lives, risking their own in the process.

At 20, we are neither too old nor too young but in the right age and stage to expand our presence and explore new opportunities. This explains our recent surge in expanding our presence and scope of activities. Our hospital at Nagpur is fully functional and showing great promise. We have acquired a running hospital of 200 beds –QUEENS NRI HOSPITAL in Vizag, AP (july2024). This will be our second hospital in Vizag and 9th in AP. The hospital in Nashik is ready and set to open soon. Our Thane hospital with 300 beds is under brisk progress. We will be making our foray into Karnataka this year with a 400 bed hospital at Bangalore. We have also entered into an O&M agreement with a renowned group that will add another 250 beds at Bangalore. KIMS-SUNSHINE is shifted to our spacious new premises in the heart of Hyderabad and is already making its mark. In all, KIMS will be adding another 2000-2500 beds in next two years.

Over the years, our pioneering spirit has propelled us forward. We were the first hospital in Asia to perform a Trans Catheter Tricuspid Valve replacement. Besides, we conduct one of the largest Joint replacement Programs in South Asia and have successfully created a robust neuroscience project for treating epilepsy. Our passion for innovative methods in critical care resulted in development of the largest ECMO programme in the country. We have also remained at the forefront in life-saving transplants, performing India's first COVID Double Lung Transplant and Breathing Lung Transplant. **It is to be noted that 190 lung transplants have been performed in just three years by our experts at KIMS, a record in the country.** The Cost of transplant surgery in other nations ranges between ₹ 2-3 crore, while in India it costs roughly about ₹ 40 lakhs.

Thus, as we complete two decades of growth from strength to strength we look back with pride and look ahead with confidence.

For the nation also, it is an eventful year as we witnessed and participated in the elections for the biggest democracy in the world. The smooth flow of elections across the nation encompassing different regions, languages and cultures is a testimony to the vibrant democratic spirit. The election results have opened doors for coalition government at the centre and change of governments in some states and it is hoped that economic momentum will be carried forward with greater vigour. We are poised for great growth and it is imperative to increase the allocations for the healthcare as people's health is a vital component of national wealth.

In the arena of sports also, India made history by winning the T20 World cup in style to the delight of millions of Cricket lovers.

We believe access to quality healthcare is a fundamental human right, not a privilege. It drives us to fulfil our commitments towards patients.

FINANCIAL & OPERATIONAL HIGHLIGHTS

a. Our consolidated revenue stood at ₹ 25,112 Mn for FY 24 compared to ₹ 22,235 Mn in FY 23, showing a growth of 12.9%.

b. EBIDTA stood at Rs. 6,534 Mn against ₹ 6,299 Mn in FY 23 recording a growth of 3.7%.

c. PAT for the year stood at ₹ 3,360 Mn against ₹ 3,658 Mn in previous year FY 23 recording a decline of 8.15%.

d. IP & OP volumes grew by 7.9% & 9.9% respectively.

e. ARPOB for FY 24 stood at ₹ 31,916 against ₹ 29,946 in FY 23, registering a increase of 6.6%.

SERVICE-OUR PASSION

Over the years KIMS carved and sculpted an indomitable character of CARE, CONCERN AND COURTESY in dealing with everyone who enters its portals. The secret of our success lies in our single minded attention to each and every patient in the minutest way- the empathetic listening and infusing confidence. **Caring for patients is not a job, it's our mission- one that is precious and personal to us.** We aim to support the patients in more personalised and flexible way. Loss of near and dear is a horrifying experience for anyone. Even in the face of such a personal loss when the family member thanks and compliments the hospital, it is a real testimony to the organisational quality and culture. We recently had such a touching experience. A daughter who lost her father after transplantation conveyed her profound sense of gratitude and appreciation to the hospital for the way her father was treated though the life could not be saved. She profusely thanked not just the doctors and nurses but also each and every staff she came across including the security guard for their exemplary service. We are overwhelmed with this somewhat unusual experience of gratitude in the face of utter grief. I am sharing this poignant experience with you as it reveals the in-built spirit of service and inherent standards of your company.

It is values that constitute the lifeblood of an organisation. It is values that sustain us and strengthen our structure. Sans values the organisation becomes shallow. It is our continuous endeavour to nurture the values among all staff so as to ensure luminous legacy.

Howard Schultz, Chairman of Starbucks asked his employees to add an extra ingredient in every cup of Coffee they served- **their heart**. This helped them grow from a single store to the largest Coffee chain on earth. At KIMS too, we pour our heart into the care of each patient.

HUMAN RESOURCES

While Investors are our growth engines, Patients our driving force, the HR constitutes the soul of the organisation. The financial results reflected in the Balance sheet are but a product of HR though HR doesn't appear in the balance sheet. HR is an invaluable asset that contributes in making of other assets. We have created a conducive climate for professional enrichment and personal fulfilment wherein both complement and nourish each other.

Leadership grooming is an essential and continuous part of HR Philosophy. To see that staff are properly charged to align with Character and values of KIMS where in both professional and personal life become enjoyable and drive each other.

TECHNOLOGY

Digital health knowledge resources, electronic medical record, mobile healthcare, electronic health record, hospital information systems are some of the technologies rapidly growing in the sector. We are fully alive to these realities for deriving optimum benefit to the Patients.

The world of technology is ever evolving. What you thought possible a minute ago, has already happened in some corner of the world day before yesterday. At KIMS, advances in medical technologies are harnessed to introduce new solutions and ensure optimum results for the patients. Innovation in healthcare is crucial for addressing current challenges such as rising costs, limited access to care, and increasing prevalence of chronic diseases. By fostering innovation we can improve Patient care, enhance the patient experience and achieve better outcomes.

ACADEMIA

Regular conduct of academic activities is par for the course at KIMS. However, I would like to mention about two outstanding academic conclaves that took place during the year.

First was the conference of the SOCIETY FOR IMAGE GUIDED NEURO INTERVENTIONS (SIGN) participated by 125 neuro-sciences experts from 12 nations to deliberate upon cutting-edge advances in the field including ultrasound breakthrough in tumour treatment, AI and mini robots for brain surgeries. This is the first SIGN conference to be held in INDIA and your KIMS is the proud host.

The second is about the first NON-TECHNICAL COURSE FOR SURGEONS (NOTSS) by the Royal College of Surgeons of Edinburgh (Oldest Surgical College in the World) in partnership with the Association of Surgeons of India. This mega event was also organised and hosted by KIMS HOSPITALS providing invaluable insights to a number of surgeons.

INSURANCE

The pandemic had aroused health awareness among public. Health awareness, however, should also include preparedness to meet the expenditure in case of necessity. Health Insurance is an effective shield that offers protection from the possible hospital expenditure. Otherwise, it can lead to financial turbulence in good number of cases.

We insure our vehicles, houses, jewellery and other items of wealth, ignoring the most important wealth- ie **THE HEALTH**.

Insurance awareness is significant, particularly for the bulging Middle Class who are not rich enough to meet the hospital expenses and not poor enough to take shelter under government schemes. Higher insurance penetration will make the healthcare affordable and accessible.

The 18% GST charged on health insurance adds to the burden and puts further strain the efforts to increase coverage to wider sections. By reducing it, we can definitely increase the health insurance penetration in the country. The decision of the Insurance Regulatory and Development Authority to remove the age restrictions is heartening. It will promote greater financial security and healthcare access for a broader segment of the population.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

It is a concept dear to our heart and we have undertaken various activities in the realm of healthcare, education, skill development, women empowerment and subsidised food for the needy and so on. We have built a fire station for the government of Telangana at Hyderabad. We have pressed into service a mobile screening unit (MSU) to create Cancer awareness and screening of people in rural area for early detection. The community engagement will be carried out by involving government agencies, the state and District level health administrations and frontline health workers.

OTHER MATTERS OF IMPORTANCE

Non- communicable diseases have emerged as the leading cause of death in India. At least 60 percent of all deaths in the country are caused by non-communicable diseases and among them 80 percent are caused by Big Four- Cancer, Cardiovascular disease, Chronic Pulmonary disease and Diabetes. This is mainly caused by unhealthy food habits and inactive lifestyles. A range of diseases – both communicable and non-communicable – can be brought under the scanner if people's predisposition in various regions is profiled by taking into consideration their genetics, immunity, lifestyle, diet, water quality and exposure to air pollution. Disease predisposition mapping would help understanding which sections of the population in which region are more prone to what disease. This would allow for better planning to assign and distribute the health apparatus for quicker treatment protocols. Fostering a robust Research environment will help in understanding India's unique health care needs, challenges and developing localised and low cost solutions.

We believe access to quality healthcare is a fundamental human right, not a privilege it drives us to fulfil our commitment towards the patients. We are committed to championing the theme of MY HEALTH, MY RIGHT by striving to empower the communities where people have access to preventive healthcare, transparency and affordable treatment. Our vision is to become flagship in clinical excellence, standards and human values.

CLIMATE JUSTICE

Two recent court pronouncements – at the Indian Supreme Court and at the Europe's top Human Rights Court – underlined CLIMATE JUSTICE as a FUNDAMENTAL RIGHT. The Supreme Court said that people have a fundamental right to be free from impact of climate change. The European Court of Human Rights ruled that the Swiss government had violated the rights of its citizens by failing to do enough to combat climate change. This shows the increasing importance of climate challenges in our lives as Climate safety is regarded as fundamental right. The key steps include enhancing energy efficiency, reducing waste, adopting renewable energy sources and preventive health measures. We are conscious of the stark reality and have been adopting the necessary measures.

I am sure that our continued good performance, Clinical excellence and elaborate expansions on the anvil will provide a reassuring premise and promise to our investors.

I would like to thank our doctors and staff, the Board of Directors, Investors, Bankers and, of course, our patients for their continuous support.

I would conclude with my favourite quote of Rumi, the great Sufi poet

YOU ARE BORN WITH WINGS

WHY PREFER TO CRAWL THROUGH LIFE?

Let all of us work to realize our full potential and beyond to make the world a still better place to live.

Regards,

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director

CEO's Statement

> Beyond geographical expansion, we are building on our clinical excellence by introducing new speciality segments across our hospitals: oncology (radiation) and mother & child care under the 'Cuddles' brand.

Dear shareholders,

FY2024 is a milestone year in our journey – it marks the completion of two decades of dedicated healthcare delivery. Over the past two decades, we have made affordable healthcare a priority. Our belief in making quality healthcare accessible to a larger majority of the population has driven our growth endeavours and enabled us to reach out to more patients. We believe in being a responsible healthcare service provider, with a strong emphasis on changing lives by promoting good health and significantly transforming clinical outcomes. It is this commitment that has propelled us to fuse technologically advanced procedures with personalised care.

Leveraging the latest medical technology and fostering a culture of strong academics and research, we strive to create an enriching environment where our experts can ensure the highest levels of healthcare delivery.

OPERATIONAL HIGHLIGHTS

The highlight of the year is that it has laid strong tangible foundations for growth in the immediate future.

During the fiscal year 2023-24, we have considerably expanded our operational footprint in terms of launch of additional specialities in our existing hospitals. We have expanded our presence in newer geographies in the neighbouring state. We continue to expand in our existing markets of Telangana and Andhra Pradesh and emerged as dominant player in these markets in terms of scales and volumes. In Kondapur, we are adding a new hospital to serve the booming HITECH City. After the acquisition of Sunshine Hospital in Gachibowli, we are expanding it to accommodate more healthcare specialisations. Additionally, Sunshine Hospital in paradise circle was relocated to Company's own spacious and elegant premises in the heart of the city (Begumpet). These strategic investments highly impact our performance and growth.

Besides, our financial strategy emulates our growth objectives, moving in accordance with sustainable growth parameters. It has enabled us to consistently keep our debt-to-equity ratio below 0.5, with the flexibility to increase it to a comfortable 0.75. Similarly, our debt-to-EBITDA ratio remains well below the industry standard of 2.0.

To achieve this, we have adopted a balanced funding approach. Typically, 75 % of funding of our expansions is through prudent bank debt with the remaining 25% coming from our robust internal accruals.

Our new Bengaluru hospital presents an innovative approach to capital management. By acquiring land and building on a long-term lease, the upfront capital expenditures stands reduced significantly. This allows us to focus our investment on essential medical equipment and drive Return on Capital Employed (ROCE) and Return on Equity (ROE).

In Maharashtra, we commenced operations at Nagpur 15 months ago, and the positive response has encouraged us to further strengthen our presence in the state.

Our upcoming hospital in Nashik will be a significant milestone. Soon we will be commissioning our new hospital at Thane, a high-potential market with substantial demand for medical services. This will position us to capture a higher Average Revenue Per Outpatient Billing (ARPOB) compared to our existing facilities.

Karnataka also presents promising prospects for our future. We are currently developing two new hospitals in Bengaluru, including a 400-bed facility in Mahadevapura and other near electronic city. For this project, we have collaborated with a reputed medical educational society and it has enabled us to optimise capital deployment and focus on delivering exceptional patient care. By strategically expanding into Maharashtra and Karnataka, we are well-positioned to address under served markets, capitalise on the growing demand for healthcare services and deliver superior value to our stakeholders.

GROWING FOR THE FUTURE

Beyond geographical expansion, we are building on our clinical excellence by introducing new specialty segments across our hospitals: oncology (radiation) and mother & child care under the 'Cuddles' brand. There is need and scope for special attention to areas like oncology and we have already initiated the license application process..

By capitalising on our existing infrastructure and leveraging our brand value, we are confident of unlocking promising prospects for patient care in mother and child care and oncology

As we look back on the enduring journey of KIMS Hospitals, we are humbled by the trust and faith reposed in our abilities by multitude of patients. It gives us the strength and the hope to move ahead with confidence and explore new opportunities for making healthcare accessible to those in need. We seek to generate sustainable value for our stakeholders through introduction of futuristic therapies and strategically expansions.

A SUSTAINABLE TOMORROW AWAITS

Highlighting our responsibility towards the environment and society, we have shored up our Environment, Social and Governance (ESG) practices. It has not only enabled us to implement energy conservation initiatives but has also allowed us to increase dependence on solar power. We are also transitioning towards 100% paperless procedures for clinical workflows.

Moving forward, we are mapping our growth path with a thrust on doctor partnerships, modern medical infrastructure, technologically advanced treatment and above all, affordable quality care. With our continuous emphasis on scientific research in healthcare and disease management, we are preparing a future-focused organisation – ready to address emerging healthcare needs with patient care and comfort.

As I look back, I clearly see that the vision and the bristling dynamism of our CMD Dr. B. Bhaskara Rao steered us to the present levels all along the way. His unending quest for newer therapies, avenues and opportunities will continue to keep us in good stead and ahead of others.

In conclusion, I would like to express my heartfelt gratitude towards our people, patients, shareholders and other stakeholders who have been an integral part of our journey so far. With your support, we are now primed to take on new challenges and take the momentum forward.

Regards,

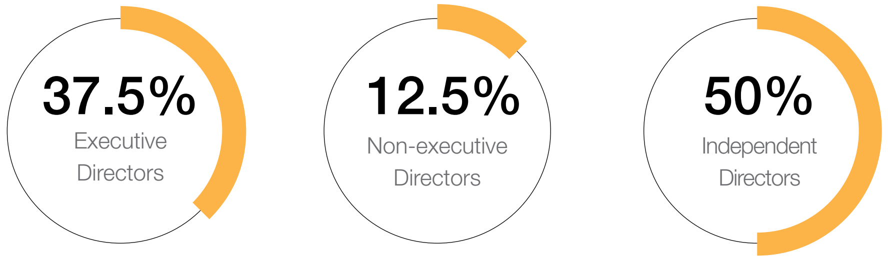
Dr. Abhinay Bollineni
Chief Executive Officer

Governance

Institutionalising transparency and accountability

Our governance framework is designed to deliver high-quality healthcare, while maintaining transparency and accountability. Our governance practices ensure high standards of patient care, operational excellence and community engagement with a deep sense of Responsibly. These efforts help us build trust with patients and stakeholders and promote sustainable growth.

BOARD COMPOSITION



GOVERNANCE POLICIES

Quality and Safety

- KIMS is the first hospital in South India to get American Accreditation Commission International (AACI) and we are also accredited by the National Accreditation Board for Hospitals & Healthcare Providers (NABH) and the National Accreditation Board for Testing and Calibration Laboratories (NABL). Our flagship hospital in Secunderabad also holds ISO 9001:2015 Certification and Food and Safety management systems - ISO 22000:2018 certification for ensuring high quality healthcare practices.
- We implement rigorous safety protocols, utilize advanced medical technologies, and follow strict biomedical waste management procedures to ensure the highest standards of care.

Data Protection and Privacy

Fair Processing Privacy Notice (FPPN):

- We adhere to the Data Protection Act and the General Data Protection Regulation (GDPR), ensuring that data is collected, stored, and used responsibly and transparently.

Ethical Standards

Workforce Race Equality Standard (WRES):

- We promote equality and diversity, promoting an inclusive environment, where every member of our team is treated with respect and dignity.

GOVERNANCE COMMITTEES

Audit Committee

Our Audit Committee oversees financial reporting and disclosure, ensuring that our financial statements are accurate and compliant with regulatory standards.

Quality and Safety Committee

This committee is dedicated to monitoring and improving the quality and safety of our patient care services, implementing strategies to enhance clinical outcomes and patient satisfaction.

Ethics Committee

The Ethics Committee reviews and addresses ethical issues related to patient care and hospital operations, ensuring adherence to established ethical standards and legal requirements.

Remuneration and Nomination Committee

This committee manages the appointment of senior executives and their remuneration, ensuring fair and competitive compensation aligned with our goals.

Corporate Social Responsibility (CSR) Committee

Our CSR Committee oversees initiatives focused on community health programmes and other social welfare activities, aiming to make a positive impact on society and the environment.

POSH Committee

Our POSH (Prevention of Sexual Harassment) Committee ensures a safe and respectful workplace environment. It addresses complaints related to sexual harassment, provides support to victims, and takes necessary actions to prevent and redress such issues, in compliance with legal requirements.

Grievences Committee

Our Grievance Committee is dedicated to addressing employee concerns and grievances promptly and effectively. It provides a structured platform for employees to voice their issues and ensures fair and transparent resolution processes to maintain a harmonious workplace.

ETHICAL PRACTICES

We are committed to an ethical approach in all our operations. Transparency, accountability, and integrity are the cornerstones of our corporate culture. Ethics, Ethos and Excellence manifest in every area of our functioning.

Board of Directors

Visionary guidance

DR. BHASKARA RAO BOLLINENI
Founder and CMD

Dr. Bhaskara Rao Bollineni is a veteran Cardiothoracic surgeon with over 30 years of experience and more than 30,000 surgeries to his credit. He is an entrepreneur par excellence who conceptualized, conceived, and concretized KIMS over the past twenty years. He is fiercely committed to providing affordable and quality healthcare on a large scale. He is one of the chief architects of the Arogyasri Scheme of the Government of Andhra Pradesh in 2007, making corporate healthcare available to millions of poor people. The scheme is considered a role model for other states. He is a team player who puts others' interests ahead of his own, demonstrating that ethics and entrepreneurship can go hand in hand. Under his visionary leadership, KIMS is poised for exponential growth.

DR. ABHINAY BOLLINENI
Executive Director & CEO

Dr. Abhinay Bollineni is the Executive Director and the youngest member of the team, known for his mature temperament and steely determination. He manages administration, financial management, and strategic expansion. He played a key role in setting up new branches and exploring collaborations with new health partners. He was instrumental in establishing the second KIMS branch in Kondapur in 2014 and subsequent branches in Ongole (2017), Vizag (2017), Anantapur (2018), and Kurnool (2019). He led the acquisition of Sunshine hospitals and opened the first KIMS establishment outside the Telugu states in Nagpur and Nashik. He is known for his focus on modernization and innovation and played a dynamic role during the pandemic.

ANITHA DANDAMUDI
Whole-time Director

Anitha Dandamudi holds a diploma in business management from ICFAI University and certifications for auditing quality systems as per ISO 9001-2000 and ISO 9004-2000. She has also completed a training programme on internal quality audit for NABH. She has over 20 years of experience in the hospital industry, having served in various positions within KIMS. She is involved in setting high standards of quality, safety and efficiency in patient care and workplace management.

Key result areas of Anitha Dandamudi include performance improvement of the group, peer review, risk management, regulatory compliance, safety standards, along with patient relations. She received awards for her contribution in conducting workshops on key healthcare issues.

ADWIK BOLLINENI
Non-executive Director

Adwik Bollineni is a member of the governing body of Aditya educational society that runs Great Eastern Medical School (GEMS) and hospital in the backward district of Srikakulam in AP. He is the pillar behind the success of this medical college and hospital that has won many laurels. GEMS is the most sought-after college for medical education in AP State, next only to the age-old Andhra Medical College. GEMS is the first and only medical college in the whole country to obtain formal accreditation from the Royal College of Surgeons of England, one of the oldest and most renowned surgical college in the world. The accreditation is an award of excellence in recognition of outstanding surgery related educational provision by a surgical education centre encompassing surgical education related facilities, faculty, resources, its education portfolio, infrastructure and quality management process.

GEMS received the Chief minister award as the best hospital in AP from the Government of Odisha in 2024 for providing the ultimate patient care in all departments. Mr. Adwik received the award at the hands of Hon'ble CM of Odisha. He is endowed with sharp business acumen and an abiding passion to excel.

SAUMEN CHAKRABORTY
Independent Director

Saumen Chakraborty, an alumnus of IIM Ahmedabad, has over 37 years of corporate experience. He has held vital positions in finance, HR, IT, legal, and business processes at companies like Dr. Reddy's Laboratories, Tecumseh, Eicher, C-DOT, and CMC. As Global CFO at Dr. Reddy's, he built robust financial systems and strong corporate governance, enhancing shareholder value. He has received numerous management excellence awards and is the founder and Managing Director of Samarjita Management Consultancy Private Limited. He is an acclaimed speaker at various global and national conferences.

VENKATA RAMUDU JASTHI IPS (RETD)
Independent Director

Venkata Ramudu Jasthi, a retired IPS officer, served as the Director General of Police (DGP) of erstwhile Andhra Pradesh State. Post-retirement, he enrolled with the Bar Council of India. He holds postgraduate degrees in Economics and Law and a postgraduate certificate in Criminal Justice and Police Management from the University of Leicester. He has a robust understanding of public issues and a practical view of administrative matters.

RATNA KISHORE KAZA
Independent Director

Ratna Kishore Kaza holds a master's degree in Science in nuclear physics from Andhra University. He has served as Principal Secretary (Health Medical and Family Welfare) to the Government of Andhra Pradesh and as an Administrative Member on the Andhra Pradesh Administrative Tribunal. He was also the Managing Director of Godavari Fertilizers and Chemicals Limited. His administrative experience and knowledge on various matters are of great value to the company.

PRAMEELA RANI
Independent Director

Prameela Rani is a veteran banker with 36 years of experience at Andhra Bank, where she retired as General Manager. She has served as a member of the Indian Banks Association sub-committee on Joint Lending Arrangements. She has experience in overseeing governance of diversified industrial companies both as a nominee director and subsequently. Her expertise in credit management and administration is of great benefit to the company.

Key Managerial Personnel

SACHIN ASHOK SALVI
Chief Financial Officer

Sachin Ashok Salvi is a qualified Chartered Accountant with more than 20 years of experience in Finance & Accounts, Financial Reporting & Analysis, and steering the overall accounting operations & audits for the organization; implementing complex business processes and operational improvements.

He has expertise in handling issues with various regulatory bodies such as SEBI, RBI, Tax departments, and other regulatory agencies and is competent to handle preparations and disclosures under the Indian Accounting Standards (IndAS), ICDS disclosures, ICDR Regulations, Goods & Service Tax (GST), TDS, Service Tax, MVAT, Company Law Procedures, CESS, and other tax regulations.

UMASHANKAR MANTHA
Company Secretary & Compliance Officer

Umashankar Mantha is the Company Secretary and General Manager (Legal) of our Company. He has been associated with our Company since July 1, 2015. He holds a bachelor's degree of commerce and a degree of law from Osmania University and has been admitted as an associate with the Institute of Company Secretaries of India. He has over 20 years of experience in the secretarial and legal sectors, having previously been associated with S. Chidambaram (Company Secretary in Practice), Lanco Group, IVRCL Group and Columbia Hospitals.

Clinical Achievements

Our medical team regularly performs numerous complicated procedures, displaying its expertise and dedication to patient care. These accomplishments demonstrate our ability to handle challenging cases with precision and care and also use of latest technologies and equipments. We highlight here some such procedures and the exceptional outcomes that received wide media coverage. The distinct feature of these clinical achievements is that many of them are done at Small towns due to the availability of latest equipments and professional expertise.

Miracle Twins Triumph over Prematurity: 27-Week Delivery Sees Happy Ending

ECMO saves the life of an 11-month-old baby in KIMS Cuddles

KIMS docs treat rare reproductive medical condition with only 300 cases worldwide

A ward in Hyd hosp 'signs' up to save deaf-mute couple's child, successfully

10-DAY 'COURSE' IN SIGN LANGUAGE

An 8-days-old baby gets a renal problem, Dialysis is done for 5 days in Kurnool KIMS Hospital

Successful complex open heart surgery in a preterm baby

Historic Balloon Angioplasty Saves 5-Year-Old in Anantapur

A 3-DAY-OLD NEONATE UNDERGOES COMPLEX CARDIAC SURGERY

Doctors perform double organ transplant successfully

The patient was struggling due to liver cancer and cirrhosis secondary to hepatitis C virus and chronic kidney disease

-old girl from Zambia saves her brother's life

ZAMBIAN FAMILY FINDS HOPE AT KIMS HOSPITAL AS SEVEN-YEAR-OLD SISTER BECOMES LIFESAVER

14-month-old baby's organ donated!

Doctors race with the time

Remarkable Surgery in Rayalaseema: 9 cm Stone Removed from Six-Year-Old's Urinary Tract

Neonate undergoes complex heart surgery within 39 hours of birth at KIM's cuddles hospital

New surgery for ankle pain due to osteochondral injury

Orthopaedic trauma team doctors achieve rare feat at Kim's Sunshine Hospital

A rare honour for the first time in South Asia - Dr. Adarsh Annapareddy

65-year-old woman gets a stent in spine

CITY BUREAU
Hyderabad

The surgeons at Krishna Institute of Medical Sciences (KIMS), Kondapur, on Tuesday reported a vertebral body stenting (VBS) on a 65-year-old woman patient, who suffered a fall.

The VBS, a minimally invasive technique where a metal stent is used to stabilise fractures just like a cardiac stent, was performed by Dr Krishna Chaitanya, senior spine surgeon from the hospital, a press release said.

After the fall, the patient did not recognise the fracture and on conducting a scan, a fracture in her L2 vertebral bone was detected and doctors suggested she undergo VBS to ensure best recovery.

"The patient had severe back pain, was unable to walk and was advised prolonged rest. We diagnosed a fracture in her vertebral bone," shared Dr. Krishna Chaitanya.

"Considering her condition, it was very risky to operate under anaesthesia and the procedure was planned under sedation. Since her bone height was reduced due to the fracture, a stent was sent to fix the bone," he added.

A 9-year-old boy gets the rarest NORSE disease, Kurnool KIMS doctors treat successfully

'Awake bypass surgery' performed at city hosp

Patient was conscious through the procedure

Large Potato size tumor in women's brain, 14-hour long surgery done by doctors at KIMS Kurnool

(Standard Post Bureau)

A 48-year-old woman presented with speech disturbances and progressive headaches. She was diagnosed with a large tumor at KIMS Hospital in Kurnool. Dr. Sumanth Kumar, the consultant neurosurgeon, explained the details of the condition.

"Mrs. M. Eeswaramma, aged 48 developed a large tumor in the brain. Initially, she went to another hospital, and doctors referred her case to us. On evaluation, she was found to have a large tumor (Large Potato) measuring 4.6x4.1x4.8 cm involving the left temporal skull base region with significant surrounding brain edema.

The left temporal region of the brain is responsible for speech and memory.

As this tumor involves this region, it was a difficult scenario for the patient's family to decide on surgery as there are high chances of further worsening of these functions.

But, as Kurnool KIMS hospital has state-of-the-art facilities along with a specialist doctors team, we have decided to take up the surgery.

As the tumor was very large, it took 14 long hours to completely remove this safely without any compromising to her abilities and achieved near total resection. Post-surgery, all her symptoms settled well, and she is living a quite normal life" explained Dr. Sumanth Kumar.

Belly cancer therapy used to treat 72-year-old ovarian cancer patient

Newborn overcomes rare CMV infection after undergoing treatment for 90 days

A 10-days-old baby suffers from multi-organ failure

KIMS Saveera doctors saved her life

10-month-old child undergoes liver transplant in city hospital

Patients Pulse

Patients need a patient hearing, which greatly helps in proper diagnosis and treatment. It cannot be mechanical. Our doctors, nurses and staff consciously listen to the patients.

It is patient feedback that keeps us going and growing, inspires and spurs improvement continuously. Nothing is more gratifying than the smile of a patient. When they come back to thank after long years, it touches the core of the heart. Here are few samples of the Numerous feedbacks that speak about the innate care and culture of KIMS.

EXCEPTIONAL CARE AT USHA LAKSHMI CENTRE FOR BREAST DISEASES

My wife recently had the immense pleasure of being under the care of Dr. Raghu Ram Garu at the Usha Lakshmi Centre for Breast Diseases, KIMS Hospital. The exceptional care she received has left us deeply grateful.

Upon entering Dr. Raghu Ram's office, we were welcomed with warmth and professionalism. He attentively listened to my wife's concerns, demonstrating a genuine interest in her well-being. Under his expert care, my wife successfully underwent surgery and is now recovering well. We are eternally grateful for Dr. Raghu Ram's humble and positive impact on our lives.

A HEART-WARMING TALE OF HOPE AND RESILIENCE

In 2004, a 12-year-old girl, the daughter of an auto driver, was diagnosed with osteosarcoma and advised to undergo amputation. Determined to save her limb, she and her father sought help across various hospitals. They eventually arrived at KIMS, where they requested assistance as they could not afford the treatment.

Dr. R.V. Rao successfully performed a limb salvage surgery on her distal femur, with KIMS bearing the entire cost. She did not have to pay a single rupee for her treatment. Twenty years later, she returned for a review, expressing her gratitude. Now married with two kids, she leads a happy life.

GRATITUDE EVEN IN THE FACE OF GRIEF

On May 1, 2024, a great man, Dr. Attawar, said to his lung transplant patient: "If you're doing fine, I'm doing great. If you're doing bad, then I'm terrible!" These words echoed in our hearts as we navigated the fragile journey of life with my father. father's praise every visit. Their professionalism and empathy made them part of our family during his stay. From surgeons and doctors to physiotherapists, nurses, attendants, and even the ICU security personnel, each member played a pivotal role in extending my father's life. The HLT team's excellence touched not just my father but our entire extended family. Their dedication brought relief from the moment they arrived in Kolkata and continued through my father's transfer to Hyderabad. With family by his side, my father peacefully departed on May 29. While this may seem a loss medically, for us, it was a miraculous extension of precious time spent with him. Thank you all for this miracle.

Accomplishments, Accolades and Awards

ACCOMPLISHMENTS

KIMS Secunderabad

- **AACI international accreditation** – First hospital in south India.
- The **only hospital in South India** to get Pharmacie De Qualite Certification.
- **IVF center Accreditation** by Board of FEQH & ISAR.
- **ISO 9001:2015 Certified.**
- Food and Safety management systems - **ISO 22000:2018 certified.**
- ER Certification – NABH – **First hospital in Telangana.**
- **NABH Accredited.**
- **NABL accredited** Lab.
- The Only Hospital in India to get Occupational Health and Safety Management System(OHSMS) **45001:2018 Certification**

KIMS Kondapur

- KIMS Hospitals Kondapur was awarded with the prestigious NABH Digital Standards Accreditation with Gold Level Status. We are the first in Telangana & Andhra Pradesh and Fifth Hospital in India to achieve this remarkable feat.
- The Hospital has adopted cutting-edge AI technology to enhance patient care, exemplified by our implementation of Dozee. Dozee is India's first AI-powered contactless Remote Patient Monitoring (RPM) and Early Warning System (EWS). This innovative system continuously monitors patients and provides early warning signs of clinical deterioration, enabling timely medical intervention to reduce code blues and adverse events outside the ICU, thereby significantly enhancing patient safety.
- The Hospital secured the prestigious title of "Best Hospital with Remote Monitoring System" at the 2024 Financial Express Healthcare Awards in New Delhi.

KIMS Anantpur

- NABH Accredited
- Accredited with NABH Nursing Excellence

KIMS Nagpur

- Accredited with NABH 5th Edition
- NABL Accredited
- CAHO ACE CSSD AWARD Second place - Large Healthcare Organizations Category

ACCOLADES

Our Doctors have received recognition and appreciation from many quarters including from the highest of the nation for their dedication, passion and contribution to the profession.

Dr. I V Reddy Head orthopaedics and his team set a new world record for a smallest incision for total Knee replacement at 2.2 inches against the existing record of 2.75 inches by the Americans for the smallest incision recorded for a total knee replacement.

Dr. P. Raghuram and his wife Dr. Vijayanthi met the Hon'ble Prime Minister Sri Narendra Modi who congratulated them for their staller contribution to the society in increasing awareness on breast cancer.

Visiting Professor @ MD Anderson Cancer Centre, Houston

Dr. P. Raghu Ram, Founding Director of KIMS-USHALAKSHMI Centre for Breast Diseases at KIMS Hospitals in Hyderabad had the honour of being invited as "Visiting Professor" to the Breast Surgical Oncology Department at the world renowned MD Anderson Cancer Centre in Houston. Discussions about how best to improve Breast Cancer care in USA and India were at the forefront during his interaction with world renowned Breast Surgeons, Breast Radiologists, Breast Pathologists and Breast Medical /Radiation Oncologists during the two fully packed days in the Operating Rooms, Outpatient Clinics & Multidisciplinary Meetings at America's best known Cancer Centres.

There was an overwhelming response to his "Visiting Professor Lecture" for 1 hour, which was transmitted ' Live' to 13 MD Anderson Cancer Centers across America...

KIMS Hospitals Empowers Telangana CID Police with Life-Saving CPR Training; 150 Police Personnel attended

Dr. Hygriv Rao is Consultant Cardiologist & Electrophysiologist at KIMS Hospitals Secunderabad is seen receiving the award.

The honorable President of India Smt Droupadi Murmu was called on by Dr Manas Panigrahi, President elect of NEUROLOGICAL SOCIETY OF INDIA and other members to appraise her about the initiatives taken for increasing public awareness on head injury. Dr Manas (second from the right to the honorable president) is Senior Consultant Neirosurgeon at KIMS. He is also Fellow. Cerebrovascular & skullbase surgery, wane state university, USA.

AWARDS

Academic and Cultural Bonanza at KIMS

WORKSHOPS

Workshops are the LIGHT HOUSES that impart latest knowledge and enable sharing of professional expertise. Following are few of such workshops held at KIMS.

- Basic Pediatric Cardiac Intensive Care CME - 5th Jan, 2024 KIMS Cuddles, Kondapur

- ASI GROIN HERNIA Workshop - 10th May - 2024

- Hernia Repair Liver Surgical Workshop- June 2023, KIMS Hospitals Secunderabad

- POEM Master Class - July 2023, KIMS Hospitals, Secunderabad

- Basic Life Saving for Ambulance Drivers, August 2023, KIMS Hospitals, Secunderabad

- Ultrasound in acute and chronic pain Workshop, August 2023, KIMS Hospitals, Secunderabad

- GI Surgery Workshop , August 2023, KIMS Hospitals, Secunderabad

- Spine Workshop , October 2023, KIMS Hospitals, Secunderabad

- KIMS Cuddles, Healthy Cooking Workshop, March 2023, KIMS Hospitals, Kondapur.

- Biomedical Waste Management Workshop

- Participants at National Ventilation Workshop

- 1st meeting of POFI- Hyderabad Chapter conducted in KIMS HospitalsWorkshop on Best practices in OT & CSSD

CULTURAL EVENTS

- Onam Festival Celebrations

- Cross section of audience at a cultural event

- Christmas Celebration

- Blood Donation Camp at KIMS CMD, Dr. Bhaskara Rao Bollineni is seen distributing mementos

- Doctor's Day Celebrations

At
KIMS
we prudently deploy and leverage the strengths of our capitals to accelerate the growth and reach a wider spectrum of patients.

FINANCIAL CAPITAL

Our judicious financial management strategy ensures safety, stability and growth. We invest in advanced facilities and continually improve our services, ensuring the delivery of world-class integrated healthcare services to our core markets.

DEBT MANAGEMENT

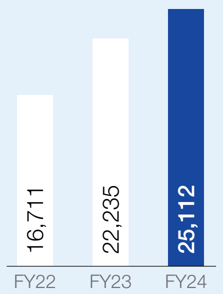
At KIMS Hospitals, we manage our debt conservatively to ensure financial stability. We maintain a debt-to-equity ratio below 0.75, with an upper limit of 1.0, and a comfortable debt-to-EBITDA ratio. To support our cash flows, we negotiate moratorium periods of 1-2 years on debt repayment for new projects. This approach allows us to balance growth with financial prudence.

FINANCIAL STRATEGY

Our financial strategy focuses on optimizing the deployment of capital and managing costs efficiently upto 75% of funding for expansion comes from bank debt and the remaining from internal resources. For new projects such as the Bengaluru hospital, we minimise upfront costs by leasing land and buildings, investing only in medical equipment. This strategy helps improve our returns on capital and equity. By conducting recruitment in phases and leveraging existing facilities, we maintain a high EBITDA margin of 25%, maintaining a sustainable growth trajectory.

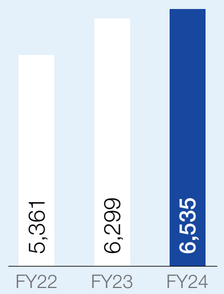
REVENUE
(Rs. in Mn)

25,112



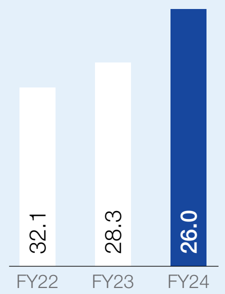
EBITDA
(Rs. in Mn)

6,535



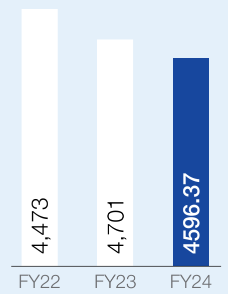
EBITDA MARGIN
(%)

26.0



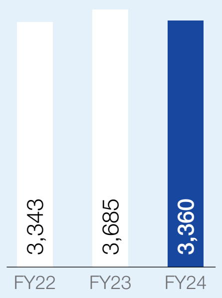
PBT
(Rs. in Mn)

4596.37



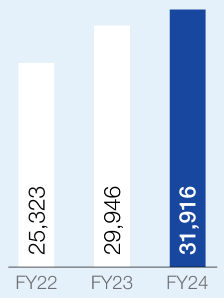
PAT
(Rs. in Mn)

3,360



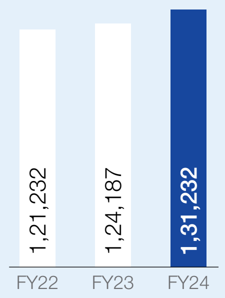
ARPOB
(Rs)

31,916



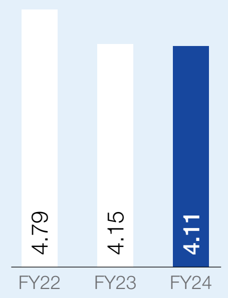
ARPP
(Rs. in Mn)

1,31,232



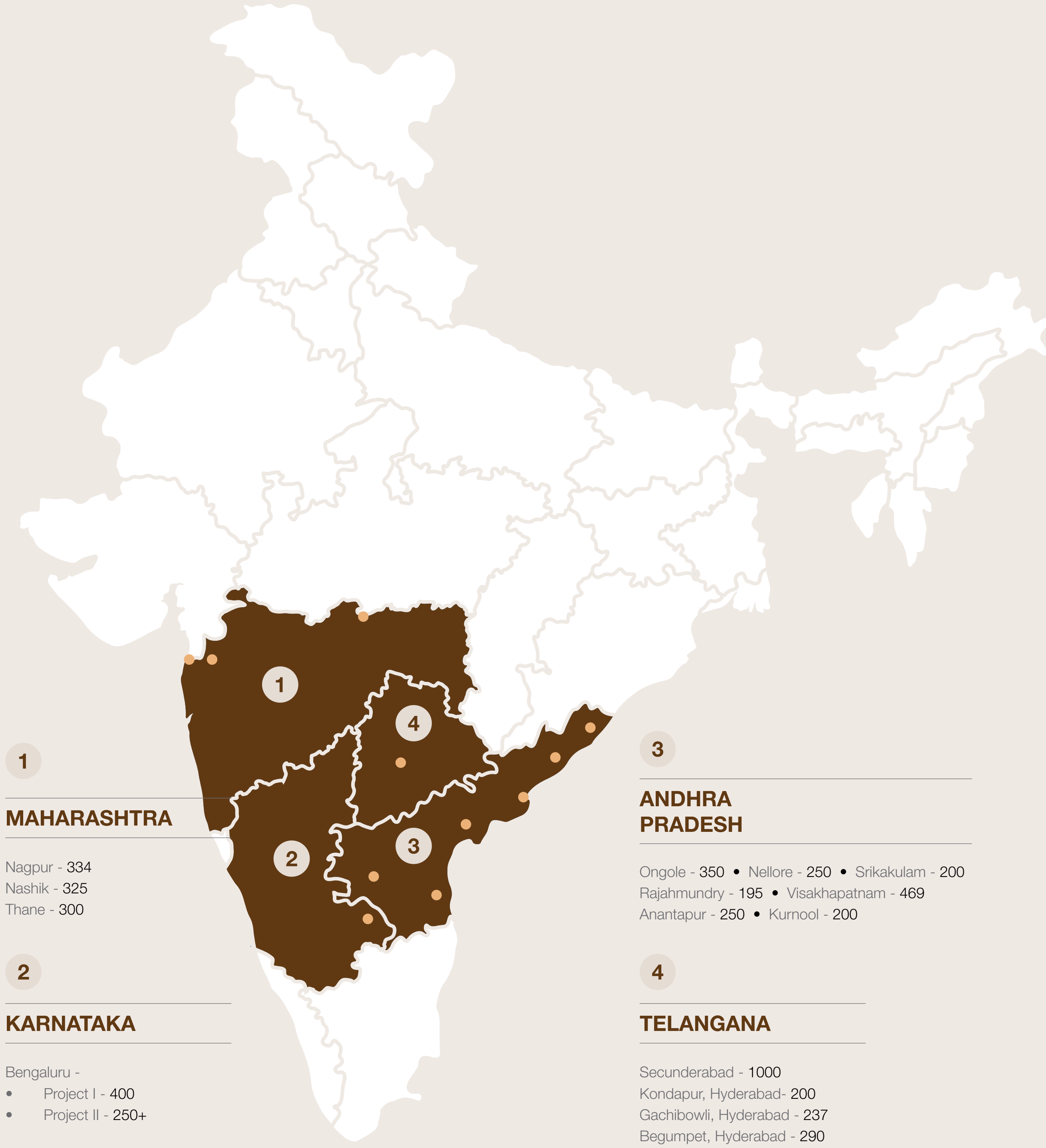
ALOS
(Days)

4.11



MANUFACTURED
CAPITAL

We ensure excellent healthcare outcomes for patients by leveraging our state-of-the-art infrastructure and advanced equipment and technologies. We are further ramping up our capacities and extending our network of hospitals to become more accessible and to cater the diverse healthcare requirements of patients.



1
MAHARASHTRA
Nagpur - 334
Nashik - 325
Thane - 300

2
KARNATAKA
Bengaluru -
- Project I - 400
- Project II - 250+

3
ANDHRA PRADESH
Ongole - 350 • Nellore - 250 • Srikakulam - 200
Rajahmundry - 195 • Visakhapatnam - 469
Anantapur - 250 • Kurnool - 200

4
TELANGANA
Secunderabad - 1000
Kondapur, Hyderabad- 200
Gachibowli, Hyderabad - 237
Begumpet, Hyderabad - 290

DEBT MANAGEMENT

12 Hospitals

3 New hospitals to be commissioned soon

4,000 Bed capacity (existing)

Map not to scale. Only for representation purpose

Manufactured Capital

SPECIALTIES AND SERVICES

We provide a comprehensive range of specialties and services across our network of 12 hospitals located in Telangana, Andhra Pradesh and Maharashtra. Renowned for delivering high-quality patient-centric care, we integrate advanced medical technology and expert clinical personnel to address diverse and complex healthcare needs.

Brain
- Neurology
- Neurosurgery
- Psychiatry
- Neuro Rehabilitation

Eyes
- Ophthalmology

Bones and Spine
- Orthopaedics
- Arthroscopic Surgery
- Spine Surgery
- Ortho Rehabilitation

General Specialties
- Internal Medicine
- General Surgery
- Diabetology & Endocrinology

Paediatrics
- Paediatrics & Paediatric Sub Specialities
- Neonatology

Heart
- Cardiology
- Cardiac Surgery
- Vascular Surgery
- Heart Transplant
- Cardio Rehabilitation

Oncology
- Medical, Surgical, and Radiation Oncology
- Bone Marrow Transplant (BMT) and Hematology

Skin
- Dermatology
- Cosmetology
- Plastic and Reconstructive Surgery

Radiology
- Imaging
- Interventional Radiology

Hospital Infection Control
- Clinical Infectious Diseases

Lung
- Pulmonology
- Interventional Pulmonology
- Thoracic Surgery
- Lung Transplant

Genito Urinary Tract
- Nephrology
- Urology
- Andrology
- Renal Transplant
- Gynecology
- Urogynecology
- IVF and ART
- Fetal Medicine
- Obstetrics

Orthodontics
- Maxillo Facial Surgery

Lab Services
- Pathology
- Microbiology
- Biochemistry
- Molecular Biology
- Clinical Hematology Genetic

ENT (Ear, Nose, Throat)
- Ear
- Nose
- Throat
- Head and Neck Surgery

Gastro Intestinal Tract
- Medical Gastroenterology
- Surgical Gastroenterology
- Hepatobiliary Pancreatic Surgery
- Liver Transplant
- Bariatric Surgery

Anaesthesia
- OT Anaesthesia
- Daycare Anaesthesia
- Pain Medicine

Critical Care Services
- ICU
- CTICU
- SICU
- NICU
- PICU
- Neuro ICU
- ECMO ICU
- Post Transplant ICU

INTELLECTUAL
CAPITAL

Our clinical expertise, advanced technology and dedicated focus on research and development enable us to achieve better clinical outcome and higher levels of quality care. Beyond implementing the latest clinical techniques, we are committed to a multi-disciplinary approach for addressing complex diseases, ensuring comprehensive and effective treatment for patients.

KIMS FOUNDATION AND RESEARCH CENTRE (KFRC)

Established in 2010 under the leadership of Dr. Bhaskar Rao Bollineni, KFRC is a DSIR-recognised advanced research centre dedicated to pioneering healthcare innovations. Led by Dr. V. Bhujanga Rao, a former distinguished Scientist and General Director, DRDO, New Delhi and ISRO Chair professor. The centre collaborates with prestigious institutions such as the University of Hyderabad and the Defence University (DIAT), Pune.

MEMBERS

S.No	Member's Name	Profession
1	Dr. V. Bhujanga Rao	ISRO Chair Professor, National Institute of Advanced Studies, IISc Campus, Visiting Professor, NIAS, IISc Campus, Bangalore, Former Distinguished Scientist & Director General, DRDO, Former Director, Naval Science & Technological Laboratory, Visakhapatnam, India
2	Mr. B. Krishnaiah	An Entrepreneur, Social Worker, Philanthropist & Visionary leader an Organization within himself
3	Dr. Bhaskara Rao Bollineni	CMD, KIMS Hospitals
4	Dr. Krishna Ella	Chairman & MD, Bharat Biotech Leadership, Regulations, Research and Development (R&D), and Strategic Planning. Delivered over 4 billion vaccine doses to the poorest and most underserved in over 150 developing countries through UNICEF, GAVI
5	Dr. Gullapalli Nageswara Rao	Chairman Academia Ophthalmologica Internationalis (AOI) and Founder L. V. Prasad Eye Institute & Padma Shri Awardee
6	Prof. Apparao Podile	Former Vice Chancellor of University of Hyderabad
7	Prof. B S Murthy	Director IIT Hyderabad, specialized in Materials Science And Metallurgical Engineering, Shanti Swarup Bhatnagar Awardee
8	Prof. Rajkumar Roy	Dean School of Mathematics, Computer Science and Engineering. City University of London
9	Prof. Amaresh Chakraborty	Chairman Centre for Product Development and Manufacturing (CPMD), IISC, Bangalore
10	P Ganesham, VSM,	Former Director (Technical/ Production), BDL, Hyderabad & Social Worker
11	Prof. P. Seetaramaiah	Professor Emeritus Computer Science Engineering Academic Excellence Awardee Prime Minister, Andhra University.
12	Dr. Subhash Kaul	Senior Consultant Neurologist, KIMS
13	Dr. D. Radhika Chowdary	Medical Director, KFRC, Consultant Biochemist & Chief of Labs at KIMS Hospitals, Secunderabad

Intellectual Capital

Key Research Activities

Ex Vivo Lung Perfusion

Developed instrumentation for monitoring parameters during lung perfusion, enhancing donor organ suitability and patient outcomes.

Medical-Grade Polyvinyl Alcohol (PVA)

Collaborating with IICT, Hyderabad to develop PVA for treating vascular malformations, aneurysms, uterine myomas, and tumors.

Cancer Biology

Research on diagnostic and prognostic biomarkers for cancer management.

Studies on beneficial mutations in breast cancer and strategies for brain cancer management.

Neurology

Focus on stroke in adults and epilepsy in children to uncover new strategies and biomarkers for better management.

Autism Research

Genomic analysis to identify markers unique to the Indian population, aiming for effective interventions and personalized care.

Ongoing Projects

- Development of organ transport systems
- Smart glasses for the visually impaired
- Novel immunotherapeutic strategies
- National Telemedicine Centre for the hearing impaired

Intellectual Capital

ADVANCED TECHNOLOGY AT KIMS HOSPITALS

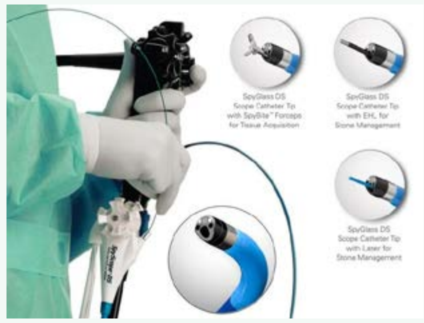
We acknowledge that advanced equipment can make a big difference in patient care. We have invested in a variety of tools to help doctors diagnose and treat conditions effectively. The equipment allows us to offer minimally invasive procedures, leading to faster recovery times for our patients and reduced expenditure.

4-Arm HD da Vinci Robotic Surgical System

Facilitates virtually scarless complex surgeries.

Spy Glass

Allows detailed observation of the biliary duct and pancreatic ducts during ERCP procedures.



Mako Robotic for Knee Replacement

Minimises blood loss and scarring, preserves healthy tissues, and reduces post-operative pain.

O-Arm Scanner

Provides multi-dimensional imaging for spine, orthopaedic, and trauma surgeries.

3 Tesla MRI

Performs faster, non-invasive scans with enhanced diagnostic accuracy.

Stealth Station S8

Offers advanced intra-operative visualization for neurosurgery.

Novalis Tx Linear Accelerator

Used in radio-surgery and radiotherapy for cancer treatment.

Fibroscan

Measures liver fibrosis and steatosis non-invasively using ultrasound.

Cuvis Ortho Robo

Enables precise, 3D pre-planned orthopedic surgeries with virtual surgery capabilities.

EVIS X1 Endoscopy System

Enhances clinical outcomes in endoscopy with advanced tools.

EBUS

Diagnoses lung cancer, infections, and chest lymph node enlargement.

Impella

Provides hemodynamic support with the world's smallest heart pump.

RECENT MEDICAL TECHNOLOGY UPGRADES

MR-Linac (Elekta Unity)

Combines MRI with precise radiation delivery for superior tumour visualisation.

LGK (Gamma Knife)

Provides non-invasive, precise radio-surgery for brain tumours.

Exablate Neuro (Insightec)

Uses focused ultrasound for non-invasive treatment of essential tumour and Parkinson's disease.

ESWL (Dornier)

Breaks up stones in the urinary tract, bile ducts and pancreatic duct using shock waves.

PET-CT Omni Legend (Wipro GE)

Combines PET and CT imaging for detailed metabolic and anatomical information.

SPECT NMCT 850 (Wipro GE)

Provides functional assessment of organs using nuclear medicine imaging.

Intellectual Capital

DIGITISATION AT KIMS HOSPITALS

We have embarked on a comprehensive digitisation initiative to enhance clinical and patient care experiences. This journey began in 2020, focusing on automation and operational excellence to improve outcomes and resource utilisation.

Three-pronged approach

Operational Mapping and KPI Monitoring

- Map business flows and set KPIs.
- Prioritise automation of key processes impacting patient experience

Clinical Excellence

- Equip doctors and nurses with applications for seamless patient care

Revenue and Audit Enhancements

- Implement controls to prevent revenue leaks
- Novel immunotherapeutic strategies

IT VISION 2026

Objective

- Organise and make KIMS's medical information universally useful and available
- Achieve 100% paperless operations through continuous improvement and innovation

Goals

- Clinical Excellence
- Tele-medicine
- Operational Excellence in Patient Experience
- Billing and Audit Controls
- Process Automation (Clinical & Non-Clinical)
- Infrastructure Improvements & Standardization
- Expansion Speed
- Branding
- Lead Management
- Regulatory Compliance
- Data Governance & Security
- Connected Supply Chain

Strategic Initiatives

- Smart Wards
- Partnerships to Enhance Footfalls
- Government Healthcare Digitization (A BDM)
- Data to Diagnosis
- Data Monetisation
- Patient Blockchain for Billing & Data
- Predictive Analytics

Infrastructure targets

- Unified patient data
- Historical patient data lake
- Secure internal and external API infrastructure
- 99.5% service availability through load-balanced services

KIMS IT LANDSCAPE 2024

Health Information Management System (HIMS)

Core System

Utilises HIMS, enhanced in-house applications such as Financial Counselling, Business Intelligence (BI), Feedback App, Customer Relationship Management (CRM), Outpatient Treatment Management (OTM) App, Quality Management System (QMS), and Electronic Medical Records (EMR).

Integrations

Connects with third-party solutions for appointment scheduling, insurance billing, radiology images and laboratory diagnostics.

Deployment

Each unit has a tailored virtual instance, with a central repository (HUB DB) in Secunderabad connecting all sites

Transition Initiatives

Consolidation

Migrating HIMS, Laboratory Information Management System (LIMS), and Picture Archiving and Communication Systems (PACS) databases and storage to AWS cloud infrastructure for automatic backup and disaster recovery.

Unified patient data

Centralising patient data into a single repository with strict data governance.

KIMS Application Programming Interface (KAPI) Upgrade

Transitioning APIs to a consolidated AWS NodeJS-based service for better security and scalability.

Vital Monitoring

Implementing remote monitoring devices for real-time data collection.

HR & Finance Systems

Human Resource (HR) System

Manages HR processes with Adrenalin Max Human Capital Management (HCM), integrated with punching systems and located in Secunderabad.

Finance System

Currently uses Tally across units, with plans to migrate to Systems Applications and Products in Data Processing (SAP) for a unified global instance.

Transition Initiatives

SAP Migration

Moving SAP HANA S/4 to AWS for enhanced availability and performance.

IT Infrastructure Management

Management Tools

Utilises Active Directory, antivirus software, Dynamic Host Configuration Protocol (DHCP), cybersecurity solutions, Domain Name System (DNS) server, Windows Server Update Services (WSUS), ticketing systems, mobile device management (MDM) services, and real-time monitoring tools.

Call Centre

Uses advanced call management systems for efficient call handling.

Transition Initiatives

Consolidation and Optimisation

Migrating applications to AWS cloud infrastructure, maintaining critical systems on-site but moving databases and storage to AWS.

Application Rationalisation

Merging site-specific applications into global ones, integrating clinical and operational aspects with existing systems.

Patient Experience

Engagement Tools

Utilises internal applications like my KIMS for patient engagement, including appointment management and tele-medicine services.

Transition Initiatives

Patient Engagement

Enhancing patient experience through my KIMS, offering tele-medicine and grievance management.

Remote Monitoring

Implementing wearable sensors and Internet of Things (IoT)-enabled devices for real-time monitoring and proactive interventions.

Clinical Excellence

Focus Areas

Regular investment in automation and digitisation of clinical workflows, including comprehensive EMR solutions.

Transition Initiatives

Clinical Workflow Automation

Implementing artificial intelligence (AI) tools for decision support and evaluating additional AI tools for further adoption.

HUMAN CAPITAL

Our commitment to patient care is driven by our human assets. Our team of doctors, nurses and other non-medical personnel who keep the wheels of KIMS moving work together responsibly, demonstrating ownership and trust. Over the years, our people have imbibed the organisation's core values and strive to elevate healthcare standards pro-actively by being noble, able and reliable.

EMPLOYEE ENGAGEMENT

Employee engagement is essential for an organisational success, cultivating a culture of active participation and enthusiasm among employees. By encouraging engagement, we help improve the team's job satisfaction, productivity and retention, resulting in an inspiring workplace, where every individual feels valued and motivated to contribute to the organisation's overarching goals.

Employee Engagements

- IBD Clinic Launch
- Blood Donor Day
- Yoga Day
- Townhall Meetings
- World Arthritis Walk
- Breast Cancer Awareness (Pinktober)
- Rapid Ai Launch
- I-Day Event
- Doctors Day
- Nurses Day
- Womens Day
- onam
- Health Runs
- National festivals
- Christmas

~400

Employee participation in various events

LEARNING AND DEVELOPMENT

We promote continuous learning and development by offering a variety of training activities aimed at enhancing our employees' skills and knowledge. These activities encompass both internal programmes and sessions led by external experts, ensuring comprehensive coverage of essential topics. Training sessions are available across various departments to all relevant employees, guaranteeing that everyone has the opportunity to benefit from these learning initiatives.

External Workshops

- **Excel Training:** Improving data management skills
- **Financial Management:** Insights into effective financial practices
- **Healing and Support:** Emotional and psychological well-being
- **Fire Safety:** Emergency response protocols
- **Medication Storage and Dispensing:** Safe handling of pharmaceuticals
- **Code of Ethics:** Reinforcing ethical standards
- **Yoga Sessions:** Promoting wellness
- **PWC Policies:** Understanding organisational procedure

Internal Training Programs

- **Varicose Veins and Radiation Safety:** Advanced medical practices
- **Hand Hygiene:** Essential safety practices
- **Advanced Nursing:** Enhancing clinical skills
- **Academic Classes:** Education for students

Behavioural and Soft Skills Training

- **Body Language and Grooming:** Personal presentation
- **Teamwork:** Effective collaboration
- **Customer Service:** Empathy, care, and professionalism
- **Time Management:** Efficient use of time
- **Professionalism and Work Ethics:** Ethical workplace behaviour

40

Man hours of L&D

Knowledge-Based Sessions

- **HR Policies:** Understanding human resource procedures
- **NABH and ISO Standards:** Compliance with accreditation standards
- **Safety and Mock Drills:** Emergency preparedness
- **Occupational Hazards:** Risk mitigation
- **Disciplinary Process:** Managing employee relations
- **POSH Training:** Addressing workplace harassment
- **Disaster Management:** Effective response strategies
- **Privileging Process:** Credentialing for healthcare professionals
- **HIMS, LMS, PMS:** Training on management systems

Human Capital

HEALTH AND WELL-BEING

Promoting the health and well-being of employees is essential for creating a supportive and productive work environment. We offer a comprehensive health and wellness programme to support our employees' well-being. This includes regular health screenings and wellness check-ups to monitor and promote overall health.

We provide access to counselling services, mental health workshops, stress management programmes, onsite fitness facilities, yoga sessions and fitness challenges — all aimed at supporting both mental and physical health. Additionally, we promote healthy eating habits through healthy cafeteria options, nutrition workshops and personalised dietary consultations.

To help employees balance their professional and personal responsibilities effectively, we offer flexible working arrangements and support programs. We also provide subsidies such as salary advances, nursing hostel facilities, and a day care facility for employees' children We also provide a health policy under the KWF (Kalyan Welfare Fund) scheme, ensuring that our employees feel valued and supported in all aspects of their lives.

DIVERSITY AND INCLUSION

By embracing diverse perspectives and creating an inclusive environment, we enhance creativity, decision-making, and organisational resilience, ensuring that every employee feels valued and empowered.

D&I Practices

- Implementation of unbiased recruitment processes to attract a diverse pool of candidates.
- Regular training programmes on diversity, equity and inclusion to educate employees and promote a respectful workplace culture.
- Support for ERGs that provide a platform for under-represented groups to connect, share experiences and drive positive change.
- Development of policies that support diversity and inclusion, such as parental leave, flexible working arrangements and anti-discrimination measures.
- The organisation of events and activities that celebrate cultural diversity and promote awareness and understanding among employees.

INCENTIVES & REWARDS

To recognise and encourage meritorious services of employees the organisation provides awards and incentives at specially held functions.

SOCIAL AND RELATIONSHIP

CAPITAL

Our patient-centric approach, enables us to deliver personalised care that meets the unique needs of the patient. We aim to strengthen our relationships with patients, their families, and the communities we serve.

SUPPORTING LOCAL DOCTORS AND BUSINESS PARTNERS

Our commitment to healthcare extends beyond the walls of our hospital. We believe in creating a collaborative network with local doctors and business partners to enhance the overall quality of healthcare in our community. By working closely with these key stakeholders, we aim to provide comprehensive support and foster a culture of continuous improvement and mutual growth.

Working with General Practitioners (GPs)

We ensure that local GPs are well-informed about the services, specialists, and diagnostic facilities available at our hospital.

When a patient is referred to us, we provide detailed feedback on the patient's condition, the treatment administered, and the outcomes. We value the insights of referring GPs, which helps us refine and improve our patient care practices.

Educational Support for Doctors

We regularly organise Continuing Medical Education (CME) sessions and workshops for local doctors. These sessions focus on the latest advancements in treatment protocols and medical technology, enabling our local healthcare providers to remain abreast of current developments.

Partnering with Business and Research Communities

We collaborate with business partners to support and encourage medical research. Together, we undertake research projects and contribute to the publication of insightful white papers, advancing medical knowledge.

Our partnerships extend to reputable institutions such as the Indian Institute of Public Health (IIPH), Indian Council of Medical Research (ICMR), and the University of Hyderabad (UOH). These collaborations involve significant projects, including maintaining patient registries and conducting essential research to enhance healthcare outcomes.

Social and Relationship Capital

KIMS EDUCATIONAL SOCIETY

At KIMS Educational Society, our mission is to deliver high-quality healthcare education and services. By offering a wide range of degrees, diplomas and certificate courses in nursing, physiotherapy, paramedical fields, and hospital management, we meet the growing demand for skilled healthcare professionals. Our focus on skill-based education, including workshops and conferences, ensures that our students are well-prepared for real-world challenges.

Creating value for stakeholders

Students

- We provide access to comprehensive healthcare education.
- Practical training and workshops enhance real-world readiness.
- Partnering with reputed universities enriches learning.

Healthcare Sector

- We supply well-trained professionals to meet industry demands.
- Our graduates contribute to improved healthcare services.

Community

- Health camps and programs enhance community health.
- Initiatives address various health issues.

Affiliated Institutions

- Collaborations strengthen institutional prestige.
- Joint projects drive innovation in healthcare education.

676

Students enrolled in various programs annually

20

Number of community health camps and outreach programs conducted annually

12

Number of workshops, conferences, and continuing education programs held

COMMUNITIES

Our focus is on supporting healthcare initiatives and promoting practices that foster an ecosystem conducive to health and well-being. Through collaborations and various initiatives, we aim to empower individuals and strengthen community relationships. This collaborative approach paves way for the well-being of the communities.

We have also made contribution to following organization for various CSR activities.

We extend our commitment to corporate social responsibility efforts towards reputable organisations. These enable us to deliver impactful and sustainable solutions across healthcare, education, skill development, and women empowerment, ensuring a positive and lasting difference in society.

Swarna Bharat Trust

For conducting healthcare related courses and activities. Donation is also made for a full-fledged ambulance to serve the rural areas.

Child Haven International

For providing quality education and equipment to the needy.

Satya Sadhana Foundation

For promoting skill development courses and programmes to enhance the employability of youth

Mobile Screening Unit (MSU)

Provision of MSU to create Cancer awareness and screening of people in rural area for early detection.

Purpose: The bus facilitated numerous cancer screenings, providing early detection and health guidance to community members.

Fire Station Sponsorship

Sponsorship of a new fire station.

Purpose: The fire station, sponsored by KIMS, was inaugurated and handed over to the government, enhancing local emergency response capabilities.

Hare Krishna Movement - Kitchen

Expansion of a centralised kitchen in Narsingi.

Purpose: To provide highly subsidised or free meals to beneficiaries, including attendants in hospitals, breakfast for government school students, and meals for farmers or labourers in market yards in Hyderabad city.

Prashanth Balamandira Trust (Karnataka)

Support for meritorious students unable to afford medical education.

Purpose: Sponsorship of Meritorious students providing free medical education at Sri Madhusudhan Sai Institute of Medical Sciences, Chikballapur, Karnataka.

Hi-Vision Foundation

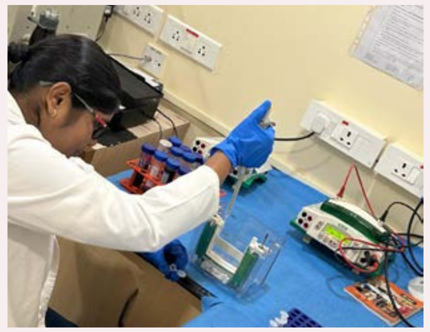
Sponsorship for meritorious students for their Classes 11, 12, and Graduation studies.

Purpose: Financial support for students from families unable to afford higher education, with funds directly paid to educational institutions. The foundation also offers orientation and motivational classes.

KFRC Existing Activities

Ongoing research activities in the medical field.

Purpose: Currently, there are seven ongoing projects and six new projects in progress.



NATURAL CAPITAL

We acknowledge our responsibility towards the environment and the planet and strive to reduce our resource utilisation. This accountability towards the natural environment and ecosystems drives us to adopt energy-efficient measures, reduce waste and optimise water usage.

By making these practices a priority, we aim to reduce our environmental impact and contribute to a sustainable future for generations to come. We believe that by caring for our planet, we can provide a healthier world for our patients and communities.

ENERGY MANAGEMENT

We have implemented and maintained several energy-efficient systems, including solar hot water systems, solar power systems, diesel boilers replacing electric ones, and variable drives for our AC systems. Although no new energy-efficient systems were introduced last year, our existing measures continue to provide significant benefits.

We partnered with a leading energy services company to implement a model that allows us to adopt energy conservation measures without capital investment. This partnership guarantees a substantial reduction in our annual energy consumption. We are also exploring additional renewable energy investments to further enhance our sustainability efforts.

Initiatives

- Solar hot water systems and solar power systems
- Replacement of diesel boilers with electric boilers
- Installation of variable drives for AC systems
- Partnership with an energy services company to implement energy conservation measures without capital investment

Key Performance Indicators

- **11%** reduction in energy consumption
- **1,232 tonnes** of CO_2 emissions reduced

Natural Capital

WASTE MANAGEMENT

Effective waste management is crucial to our operations. We conduct regular awareness sessions for staff to promote waste reduction and proper disposal practices. Our bio-medical waste is handled by authorized treatment facilities, ensuring compliance with regulatory guidelines.

Our waste management approach includes comprehensive policies that cover equipment replacement, identification of unwanted materials, and structured disposal procedures. This framework supports our goal of reducing waste and promoting sustainable practices through the principles of reduce, recycle, and reuse.

Initiatives

- Quarterly awareness sessions for staff on waste reduction
- Strict adherence to bio-medical waste management rules
- Regular inspections and feedback loops with waste treatment facilities
- Training sessions on managing treated bio-medical waste

Key Performance Indicators

- **200 Kg** Reduction in daily waste generation (800 kg to 600 kg)
- Compliance with **bio-medical waste management regulations**

WATER MANAGEMENT

Water conservation is a key priority in our sustainability efforts. We focus on recycling and reusing wastewater, closely monitoring consumption, and addressing any leakages promptly. These measures ensure responsible and efficient water usage.

Initiatives

- Recycling and reusing wastewater
- Close monitoring of water consumption
- Prompt action to address and fix leakages
- Education and awareness programs for staff on water conservation

Key Performance Indicators

- **73,937 KL** Water recycled
- **17.64%** Reduction in water consumption

Management Discussion and Analysis

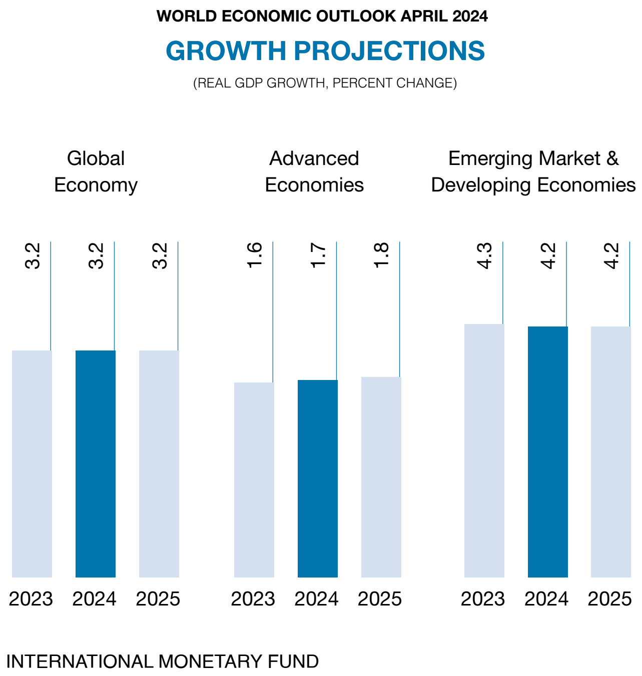
Economic Overview

Global Economy

In 2023, the global economy remained resilient amid various headwinds, including geopolitical tensions especially the Russia-Ukraine war and more recently the conflicts in the Middle East region which led to inflationary pressures across advanced and emerging economies. Global GDP grew by an estimated 3.2%[1], supported by robust government spending and increasing household consumption. Additionally, a remarkable boost in labour force participation also contributed to the economic growth.

To curb inflation, Central Banks worldwide responded by increasing interest rates. Despite the potential for economic slowdown due to these policy adjustments, the global economy managed to maintain steady growth, supported by the effective monetary policies and adaptive financial markets.

Emerging Markets and Developing Economies showed particular adaptability, benefiting from diverse economic strategies and foreign investments, which supported their continued growth despite global challenges.



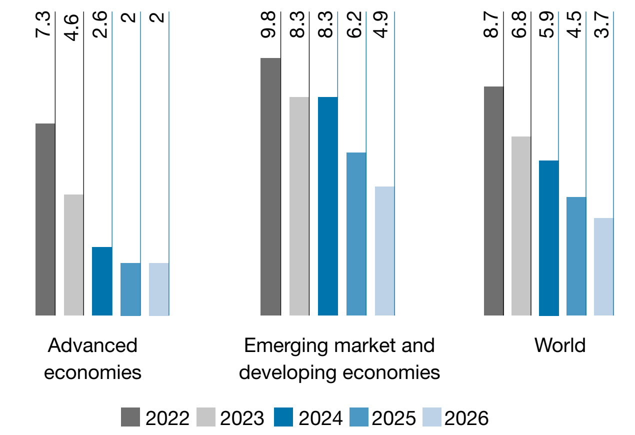
Source: IMF, World Economic Outlook, April 2024

[1]World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence (imf.org)

Outlook

At this point, the global economy is positioned at a critical juncture, demonstrating the possibility of a gradual rebound. Going forward, inflationary pressures are expected to ease and more accommodating monetary policy measures are likely to be implemented by Central banks. The volume of products and services traded globally is expected to surge by 3.3% in CY 2025 and 3% in CY 2024, respectively (Source: IMF). In the coming months, the resilience of economies across the world and the combined policy responses of governments will play a crucial role in determining the trajectory of inclusive and sustainable growth.

Inflation rate, average consumer prices (Annual % change)



Source: IMF, World Economic Outlook, April 2024

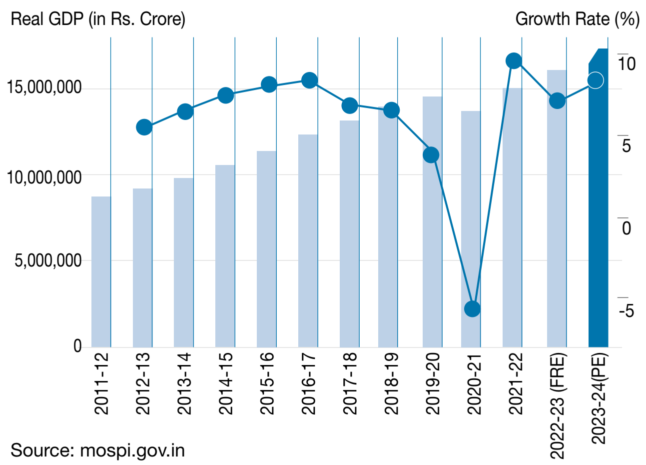
Indian Economy

During the fiscal year 2023-24, India recorded a remarkable GDP growth rate of 8.2%, the highest among major global economies, marking an increase from the previous year's rate of 7%[2]. India has achieved this growth amid global economic challenges, demonstrating remarkable resilience. A significant factor contributing to this growth has been favourable monetary policies, aimed to keep inflation within target levels to support sustained growth over the medium term. This has enhanced economic stability and consumer confidence, bolstering demand across various sectors.

In addition to effective monetary policies, there has been a substantial rise in capital expenditure from ₹10.5 lakh crore in FY23 to ₹ 12.7 lakh crore in FY24[3]. This increase has further enhanced private investment, improving economic activities across the country. The economy also benefited from robust domestic demand, driven largely by increasing private consumption.

The positive economic trajectory can be further evidenced by strong performances in high-frequency economic indicators such as credit growth, GST collections and the Purchasing Managers' Index (PMI) in services and manufacturing. Notably, the PMI for services has consistently exceeded 60 points, signalling robust growth in this sector[4]. These indicators collectively confirm a dynamic economic activity and a sustained recovery, positioning India on a promising path for continued growth and stability in the coming years.

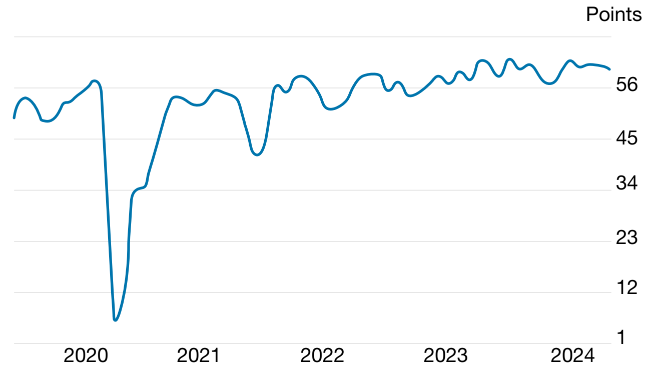
Annual GDP Estimates (in Rs. Crore) and Growth Rates (%) at Constant Prices (Base 2011-12)



Source: mospi.gov.in

https://www.mospi.gov.in/dataviz

India Services PMI



Source: S&P Global

Accurate values can be obtained using this link: https://tradingeconomics.com/india/services-pmi#:~:text=Services%20PMI%20in%20India%20increased,points%20in%20April%20of%202020. This may be shown in a suitable manner graphically

[2]https://pib.gov.in/PressReleseDetailm.aspx?PRID=2022323#:~:text=Annual%20Estimates%20and%20Growth%20Rates&text=Nominal%20GDP%20or%20GDP%20at,a%20growth%20rate%20of%209.6%25.

[3]https://www.indiabudget.gov.in/doc/Budget_at_Glance/budget_at_a_glance.pdf

[4]https://tradingeconomics.com/india/services-pmi#:~:text=Services%20PMI%20in%20India%20increased,points%20in%20April%20of%202020

Outlook

The Indian economy is projected to maintain its robust growth in the forthcoming years[5]. This economic expansion is likely to be driven by significant investments in infrastructure, supported by favourable fiscal policies and continuous policy improvements. Additionally, a growing young workforce and targeted development initiatives in smaller cities are expected to bolster demand across different sectors.

As global economic conditions improve and central banks in developed countries ease monetary policies, India is likely to see an increase in private investments. This is expected to enhance exports and prompt greater investment and consumption, potentially accelerating a reduction in the fiscal deficit. Meanwhile, ongoing challenges with inflation, driven by high demand and rising commodity prices, are expected to be mitigated by improvements in private sector investment, stabilising prices and sustaining the growth momentum.

Industry Overview

Global Healthcare Industry

The global healthcare sector is undergoing a transformation owing to rapid technological advancements, demographic changes and evolving needs of patients. The growing geriatric population, increasing prevalence of chronic diseases and the growth of healthcare markets in emerging economies are driving this shift. Healthcare organisations must not only adapt to new technologies and innovative care models but also address ongoing challenges such as labour shortages and health inequities. Failure to address these challenges, could lead to the cost of health disparities soar to approximately USD 1 trillion by 2040[6].

Emerging technologies-

Artificial intelligence (AI) and machine learning are transforming healthcare by enhancing the efficiency and accuracy of diagnostics and patient care. AI is expected to streamline administrative processes significantly. Predictive analytics, for instance, are being used to automate electronic health records, improving the precision of healthcare delivery. Also, investments in AI have surged in recent years, with billions being funnelled into those healthcare startups, which are focused on developing these technologies.

A shift to more equitable healthcare-

The pandemic has highlighted substantial health inequities, prompting a push for more equitable healthcare solutions. Efforts are underway to address disparities that disproportionately affect underserved populations. The use of technology to bridge these gaps is becoming increasingly important, with initiatives aimed at making quality healthcare more accessible and affordable for all.

Lack of skilled workforce-

The healthcare sector faces an acute shortage of skilled labour, which is further exacerbated by high burnout rates among healthcare workers. According to the estimates by the WHO a projected shortfall of 10 million health care workers by 2030 is anticipated mostly in low- and lower-middle income countries[7]. To address this challenge, new care delivery methods such as telehealth and enhanced nurse practitioner roles are being employed to alleviate the strain on healthcare professionals. Additionally, significant funding is being allocated to support mental health and build resilience among the healthcare workers.

Contactless operations-

The pandemic has led to a surge in the preference for contactless medical services, reshaping patient interactions. Healthcare providers are adopting digital platforms for virtual consultations, online appointment bookings and remote monitoring, aiming to enhance patient convenience and safety.

[5]https://timesofindia.indiatimes.com/business/india-business/rbi-mpc-policy-meeting-april-5-2024-live-updates-shaktikanta-das-repo-rate-monetary-policy-committee-meet-latest-update/liveblog/109049706.cms

[6]https://www.deloitte.com/global/en/Industries/life-sciences-health-care/analysis/global-health-care-outlook.html

[7]https://www.who.int/health-topics/health-workforce#tab=tab_1

Outlook

Looking forward, the healthcare sector is positioned to witness continued innovation and growth. Investments targeted at integrating AI and digital technologies across various aspects of healthcare delivery is likely to surge. Despite a recent slowdown in funding, the overall trend towards digital health solutions suggests indicates a sustained interest in transforming the healthcare landscape.

Notwithstanding, the challenges prevalent in the global healthcare industry, including a complex environment of technological advancements, workforce challenges and a paradigm shift towards equitable and contactless healthcare, ongoing investments in technology and a sharper focus on addressing broader social determinants of health point towards a future where patient outcomes are improved and healthcare systems become more affordable and accessible.

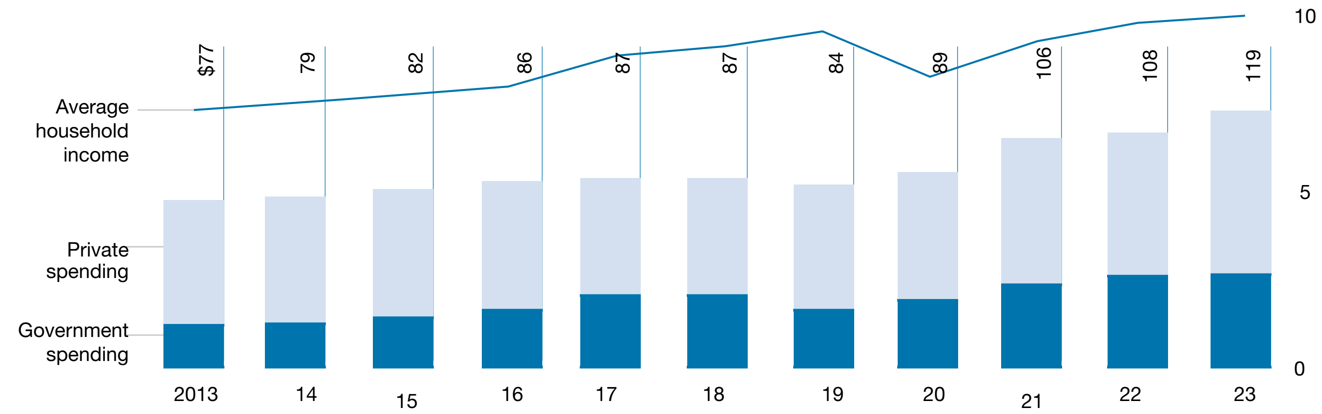
Indian Healthcare Industry

As of FY 2023, the healthcare industry in India was valued at approximately USD 180 billion. It is projected to reach ~USD 320 billion by 2028. This growth, representing a compound annual growth rate (CAGR) of around 12%.[8]

Factors contributing to this expansion include an increase in healthcare spending by both private individuals and the government. The rise in disposable income among India's growing middle class, combined with a greater awareness of health issues following the COVID-19 pandemic, has led to higher demand for quality healthcare services. Moreover, enhancements in insurance technology have made private healthcare more accessible to a larger segment of the population. The sector is also witnessing significant private equity activity, with investments directed towards both multi-specialty and single-specialty hospitals and clinics.

Health spending in India, $ billions

Average household income in India, $ thousands



Annual change

	14	15	16	17	18	19	20	21	22	23
Household income	▲4%	▲3%	▲4%	▲12%	▲3%	▲6%	▼16%	▲14%	▲8%	▲3%
Private spending	▲2%	▲0%	▲2%	▼12%	▲1%	▲7%	▲3%	▲17%	▼4%	▲16%
Government spending	▲4%	▲13%	▲11%	▲27%	▲0%	▼20%	▲13%	▲22%	▲11%	▲3%

Sources: S&P Household Income Projections; Fitch Solutions Health Expenditure

Source: Bain & Company - Global Healthcare Private Equity Report

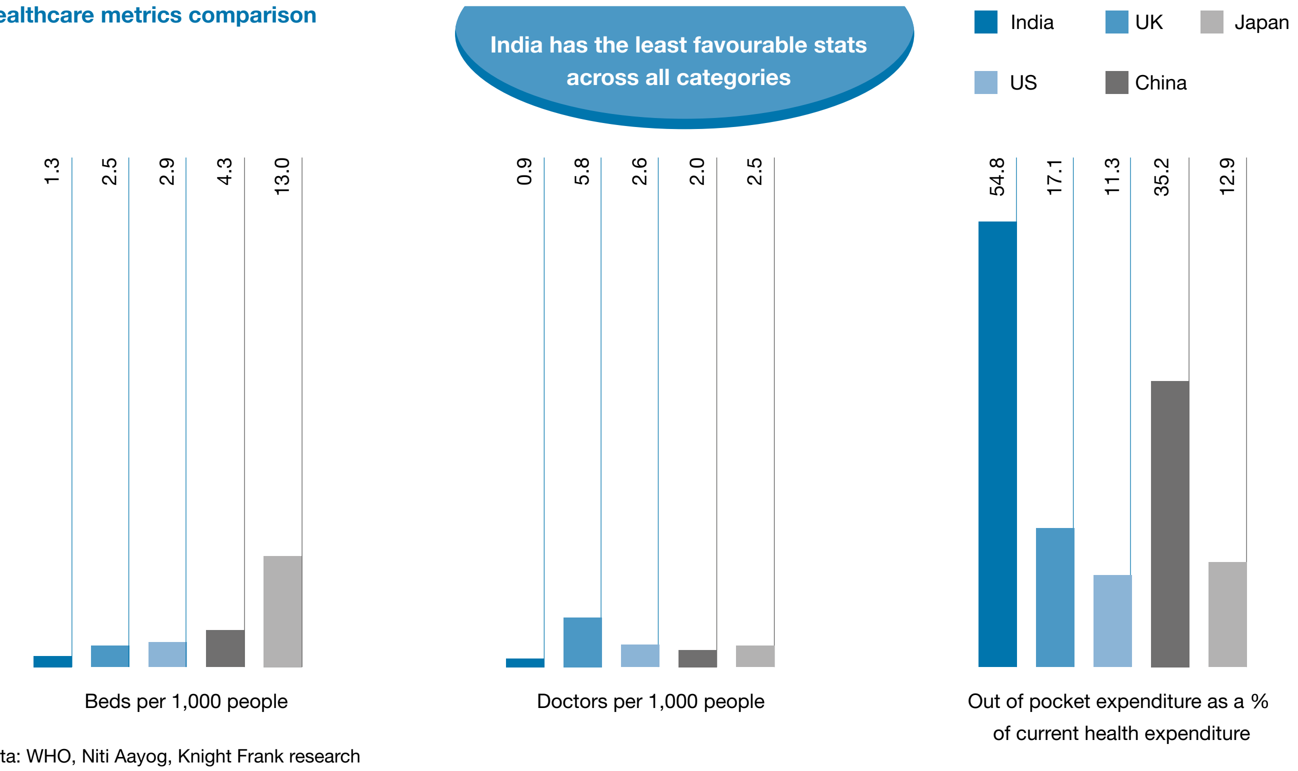
https://www.bain.com/insights/india-global-healthcare-private-equity-report-2024/#

Despite these advancements, India's healthcare infrastructure still lags behind global standards, presenting substantial opportunities for development to achieve more efficient and equitable healthcare. The country has approximately 70,000 operational hospitals, with 63% being privately owned and 37% government owned. However, the current bed-to-population ratio stands at 1.3 beds per 1,000 people, which is below the World Health Organisation's recommendation of three beds per 1,000 people, indicating a significant deficit in healthcare infrastructure [9].

[8]https://www.bain.com/insights/healthcare-innovation-in-india/

[9]https://www.hfsresearch.com/research/indian-hospital-mergers-acquisitions-trends/#:~:text=India's%20bed%2Dto%2Dpopulation%20ratio,as%20depicted%20in%20Exhibit%202.

Healthcare metrics comparison

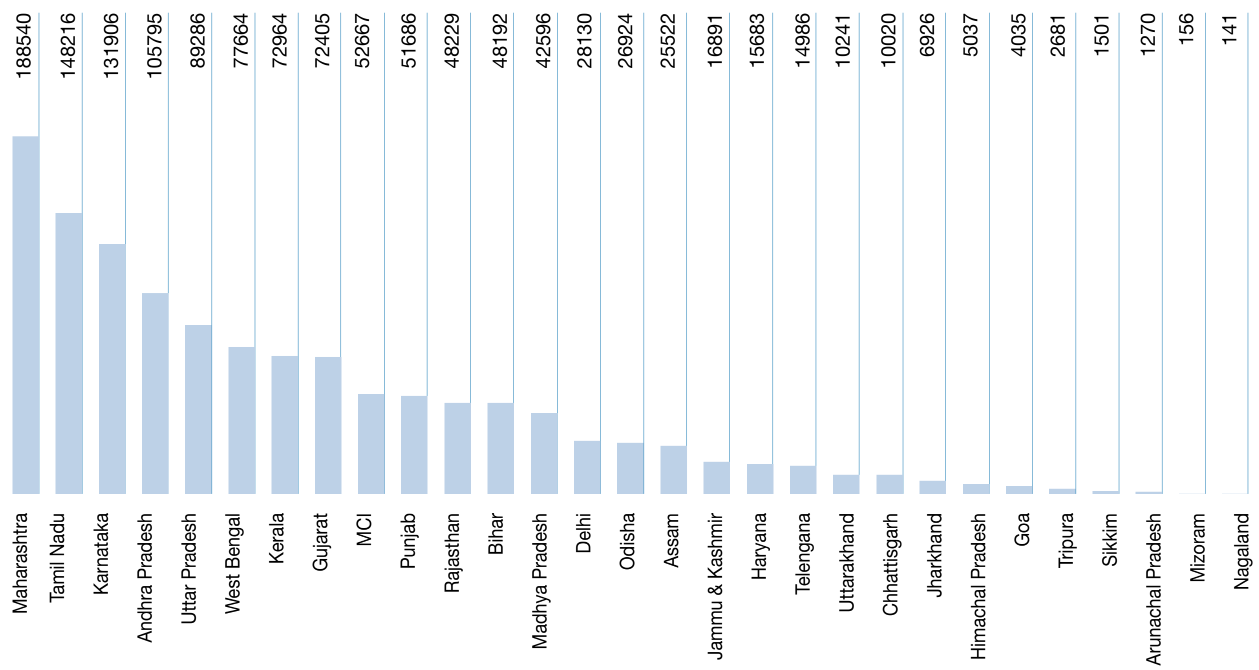


Data: WHO, Niti Aayog, Knight Frank research

Source: HFS Research, 2024

One major challenge facing the Indian healthcare industry is the disparity in infrastructure and personnel between regions. Urban areas typically enjoy better access to facilities, technology and specialists. In contrast, rural and underserved regions face limitations in healthcare access. Additionally, India experiences a national shortage of doctors. This shortage is further compounded by uneven distribution across states, leading to limitations in the quality and accessibility of care in specific areas.

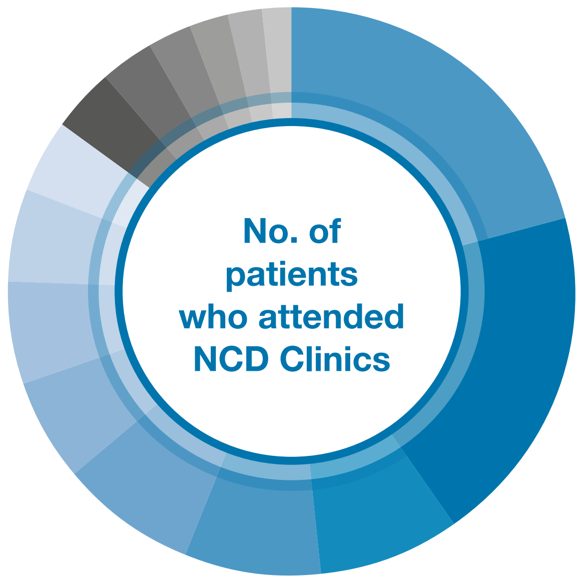
State wise total doctors under I.M.C Act



Source: National Health Profile 2022

Also there has been a change in the disease burden as India sees a significant rise in non-communicable diseases (NCDs) such as heart disease, stroke, diabetes and various cancers. These diseases have emerged as a leading global health threat and are responsible for a staggering 74% of deaths worldwide. India faces a similar challenge with NCDs accounting for 63% of all deaths in the country[10].

State-wise data of No. of patients who attended NCD Clinics in the year 2021



Rajasthan	1,14,92,141
Tamil Nadu	1,06,84,153
Maharashtra	44,54,283
West Bengal	43,09,389
Kerala	42,93,176
Uttar Pradesh	32,01,105
Telangana	31,01,497
Gujarat	29,49,154
Karnataka	23,02,552
Andhra Pradesh	19,54,152
Odisha	17,25,062
Chhattisgarh	13,61,293
Punjab	11,50,494
Madhya Pradesh	10,42,739
Haryana	9,11,022

Source: NHP 2022

[10]https://pib.gov.in/PressReleasePage.aspx?PRID=1958944#:~:text=Accentuating%20the%20impact%20of%20NCDs,for%2063%25%20of%20all%20deaths.

Investments in such regions especially in the south Indian states with higher number NCD patients are crucial for building better healthcare infrastructure, increasing the availability of healthcare professionals and integrating advanced medical technologies. As the population in urban and suburban areas grows, so does the demand for comprehensive healthcare services in major cities adjacent to those areas. Investing in healthcare services in both these urban centres and their surrounding areas will effectively address the long-term health needs of the broader region, driving continued growth in the sector.

Health insurance industry

The health insurance sector in India has undergone significant changes, driven by regulatory reforms, technological advancements, and increased public awareness. Standalone health insurance premiums surged by 26.2% in FY2024, reaching Rs 33,115 crore from Rs 26,243 crore in FY23 [11].

Key Policies and Initiatives

Removal of Age Bar for Health Insurance: The IRDAI's decision to remove the age bar for health insurance purchases has been a game-changer for the industry. This policy change, highlighted in The Hindu, has been welcomed by hospitals and insurers alike, as it allows senior citizens to obtain health coverage without age-related restrictions. This move is expected to improve the overall health insurance penetration in India and provide better healthcare access to older adults.

Technological Innovations: Technological advancements have played a crucial role in transforming the health insurance sector. The introduction of digital platforms and InsurTech solutions has streamlined the insurance process, from policy purchase to claim settlement. The adoption of digital technologies will continue to enhance customer experience, improve operational efficiencies, and enable insurers to offer more personalized products.

Growth Drivers

Economic Growth: India's strong economic growth is a fundamental driver for the health insurance sector. The increasing GDP and rising disposable incomes enable more individuals and families to afford health insurance coverage.

Demographic Changes: The removal of age restrictions for purchasing health insurance has opened new opportunities for insurers to cater to the aging population. This demographic shift is expected to drive significant growth in the sector as more senior citizens seek health coverage.

Rising Healthcare Costs: The escalating costs of healthcare services are prompting more people to invest in health insurance. This trend is driving the demand for comprehensive health insurance plans that cover a wide range of medical expenses.

Regulatory Support: Ongoing regulatory reforms by the IRDAI are creating a conducive environment for the growth of the health insurance sector. These reforms ensure financial stability, compliance, and encourage innovation within the industry.

Outlook

The Indian insurance market is expected to reach USD 222 billion by 202612. The IRDAI's mission of "Insurance for All" by 2047 is anticipated to significantly increase insurance penetration, bolster the ease of doing business, and make the sector more investment-friendly. With continued efforts from regulatory bodies and industry stakeholders, the future of the health insurance sector in India looks promising, poised to achieve greater penetration and improved healthcare access for all segments of the population.

[11]https://economictimes.indiatimes.com/industry/banking/finance/insure/health-insurers-leave-general-insurance-industry-far-behind-in-growth-in-fy24/articleshow/109236803.cms?from=mdr

Opportunities and Threats

Opportunities	Threats
Rising Chronic Diseases: The increasing prevalence of lifestyle-related diseases, such as diabetes and cardiovascular disorders, drive demand for specialised healthcare services.	Regulatory Challenges: The healthcare sector faces complex regulations that frequently fluctuates. This can negatively impact operations and compliance costs.
Government Support: Government initiatives, such as Ayushman Bharat, are expanding health coverage, broadening the customer base for private healthcare by making services accessible to previously uncovered segments.	Intense Competition: The market is becoming increasingly crowded with the emergence of both domestic and international providers. This has been creating a highly competitive environment.
Medical Tourism: India's cost-effective treatments combined with high-quality medical services attract a substantial number of international patients, enhancing revenue opportunities for private hospitals.	Unforeseen Epidemics: Outbreaks of new diseases or pandemics can strain healthcare resources, leading to operational and financial challenges.
Technological Innovations: The adoption of digital health technologies, such as AI, telemedicine and electronic health records, streamlines operations and improves patient care. This offers a competitive edge to India to outperform other emerging economies.	Skilled Workforce Shortage: There is a critical shortage of healthcare professionals that strains service capacity and limits operational scalability.
Growing Middle Class: The expanding middle-economic class with growing health consciousness and rising disposable income is driving the investment in preventive care and higher-quality health services.	Overcapacity in Metropolitan Areas: High concentration of healthcare facilities in urban areas have led to overcapacity, diminishing returns on investment.
Health Insurance Penetration: Improved health insurance coverage is making healthcare services affordable for a larger part of the population, driving demand for diverse medical services.	
Urbanisation: India's rapid urbanisation is facilitating lifestyle changes that increase the demand for healthcare services in urban centres. While healthcare infrastructure is typically stronger in urban areas, the demand for basic healthcare services is growing from the rural areas as well.	
Public-Private Partnerships (PPPs): There is increasing encouragement for PPPs in the healthcare sector, facilitating enhancement of healthcare infrastructure and strengthening capabilities by leveraging private sector efficiencies and public resources.	

Government Initiatives

The Indian government has introduced several initiatives focused on enhancing the efficiency, accessibility and innovation of healthcare services. These efforts leverages digital technology, broadens health insurance coverage and promotes equitable healthcare access for all citizens.

Ayushman Bharat Scheme: One of the world's largest health insurance scheme, Ayushman Bharat promotes accessible and affordable healthcare. As of December 2023, this initiative has successfully created 49.86 crore health accounts .

National Digital Health Mission (NDHM): This mission is designed to consolidate digital health infrastructure across the country, significantly enhancing the efficiency of healthcare delivery systems.

Digital Health and Telemedicine: The Indian telemedicine sector is poised for robust growth, with projections suggesting a

[12]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1990674

market size of $5.4 billion by 2025. The widespread adoption of digital health technologies is playing a crucial role in contributing to this growth[13].

Mission Indradhanush and Universal Immunization Programme (UIP): These programmes focus on immunising children and pregnant women to decrease child mortality and combat vaccine-preventable diseases.

Pradhan Mantri Swasthya Suraksha Yojana (PMSSY): This scheme is aimed at improving tertiary care accessibility and elevating the overall quality of medical education throughout India.

Investment in Medical Education and Health Tech: Since 2014, the Government has invested INR 17,691.08 Cr in the approval and establishment of 157 new medical colleges. Additionally, the health tech sector is supported by over 4,000 startups, with 100% FDI allowed for greenfield projects, fostering further growth and innovation in this sector[14].

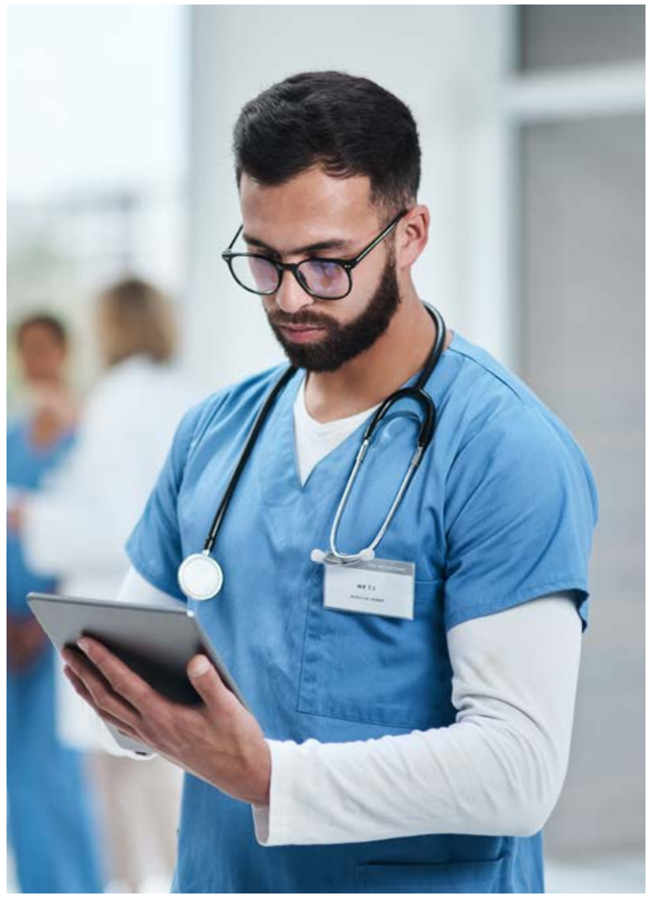
Outlay (In Rs. Crore)	2022-2023 Actual	2023-2024 Revised Estimates	2024-2025 Budget Estimates
National Health Mission	33803	33886	38183
Pradhan Mantri Ayushman Bharat Health Infrastructure Mission	1228	2100	4108

Outlook

India's healthcare industry is set for robust growth, driven by government initiatives, technological advancements and increasing health insurance coverage. Further, enhanced infrastructure and broader accessibility, coupled with the rise of telemedicine, are improving efficiency and increasing reach across urban and rural areas. Simultaneously, demographic shifts and a growing demand for specialised healthcare services are fuelling the expansion of private healthcare facilities. Additionally, medical tourism is gaining momentum as international patients seek cost-effective but high-quality treatments. However, the industry must address challenges in infrastructure and service delivery to fully capitalise on these growth opportunities.

Company Overview

KIMS Hospitals is one of the largest corporate healthcare groups in India, operating hospitals in Telangana, Andhra Pradesh and Maharashtra. The Company provides multidisciplinary



integrated healthcare services, focusing on offering tertiary and quaternary care at an affordable cost. It manages 12 multi-specialty hospitals under the KIMS Hospitals brand, encompassing an aggregate bed capacity of over 4,000 beds. The Company also offers a comprehensive range of healthcare services across more than 40 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother and childcare.

KIMS Foundation and Research Centre (KFRC) - KFRC was established in 2010 by Dr. Bhaskar Rao Bollineni, Chairman & MD of KIMS Hospitals, to conduct advanced scientific research in healthcare and clinical studies. Since its inception, KFRC has reached numerous milestones, including obtaining a DSIR certificate for scientific and academic activities and NAC-SCRT accreditation for stem cell research. KFRC has published numerous articles with practical clinical applications in international journals and has established scientific collaborations with both government and private institutions.

[13]hhttps://www.investindia.gov.in/sector/healthcare#:~:text=The%20hospital%20sector%20in%20India,at%20a%20CAGR%20of%2018.24%25.&text=Over%20the%20next%2010%20years,the%20healthcare%20industry%20in%20India.

[14]https://www.investindia.gov.in/sector/healthcare#:~:text=The%20hospital%20sector%20in%20India,at%20a%20CAGR%20of%2018.24%25.&text=Over%20the%20next%2010%20years,the%20healthcare%20industry%20in%20India.

Medical education programmes - KIMS Hospitals conducts medical education programmes through affiliations with state medical boards and universities, offering a range of broad and super specialties at its hospitals in Secunderabad and Kondapur. These programmes include DNB and post-doctoral fellowships.

KIMS Hospitals also offers post-doctoral fellowship courses, affiliated with Kaloji Narayana Rao University of Health Sciences, in cardiac anaesthesia and urogynaecology. It also conducts undergraduate programmes, including Bachelor of Physiotherapy, B.Sc Nursing, B.Sc Medical Laboratory Technology and Post Basic B.Sc Nursing, the latter affiliated with Indira Gandhi National Open University. Additionally, KIMS Hospitals offers diploma courses affiliated with the Telangana Para Medical Board in 14 disciplines, including Diploma in Medical Lab Technician, Diploma in Ophthalmic Assistant, Diploma in Optometry Technician and Diploma in Dialysis Technician.

Hospital Location	Bed Capacity	Operating Beds	Bed Occupancy Rate	Inpatient Volume	Outpatient Volume	ALOS	ARPOB
Telangana							
Secunderabad	1,000	885	48.68%	45,140	4,25,274	3.95	50,667
Begumpet	290	290	41.55%	13,704	1,38,060	3.22	69,818
Kondapur	200	200	80.31%	15,597	1,63,595	3.77	48,765
Gachibowli	237	237	34.04%	8,390	78,991	3.52	52,978
Andhra Pradesh							
Visakhapatnam	469	385	59.05%	19,703	1,51,216	5.14	12,892
Srikakulam	200	150	56.11%	8,867	35,123	4.63	9,274
Rajahmundry	195	195	88.67%	14,098	53,171	4.49	17,191
Ongole	350	246	47.17%	13,518	1,43,880	4.47	15,686
Kurnool	200	200	81.25%	12,547	98,012	4.74	13,597
Nellore	250	250	37.06%	9,887	1,09,828	3.43	34,131
Anantapur	250	215	68.66%	14,952	78,781	4.20	16,970
Maharashtra							
Nagpur	334	250	43.44%	14,764	1,12,066	3.60	33,782

Financial Overview

During the year under review, KIMS Hospitals has clocked a robust performance, posting a consolidated net income of ₹ 2,511.20 Crores in FY24, which represents a year-on-year growth of 12.94%. EBITDA for the same period grew by approximately 3.75% as opposed to FY23, indicating the Company's effective operational management and financial health.

Particulars	For The Year Ended 31st March 2024	For The Year Ended 31st March 2023
Income		
Operating Revenue	24,981.44	21,976.78
Other Income	130.56	258.72
Total Income	**25,112.00**	**22,235.50**
Expenses		
Purchase of medical drugs	5,368.71	4,744.87
Changes in inventories of medical drugs	(65.79)	61.60
Employee benefits expenses	4,223.66	3,464.36
Other expenses	9,050.60	7,665.84
Depreciation and Amortisation expense	1,465.48	1,292.60
Share of loss from associate, net of tax	(2.71)	-
Fair value gain on acquisition of control	-	148.29
Finance costs	470.26	305.45
Operating Profit / PBT	**4,596.37**	**4,997.36**
Operating Profit Margin (%)	18.30	21.80
EBITDA	**6,534.82**	**6,298.83**
EBITDA Margin (%)	26.02	28.33

Human Resources

The Company acknowledges the critical role of effective human resource management in delivering quality healthcare. It has a dedicated HR department which implements progressive, people-centric policies and cultivates a conducive work culture—all with an objective of attracting and retaining top talent.

KIMS Hospitals also supports ongoing professional development, empowering its personnel to excel professionally. The HR department is tasked with arranging training programmes and resources, enabling the team to continuously enhance their skills and knowledge.

KIMS Hospitals effectively leverages the collective strength of a diverse workforce. The Company prioritises creating a workplace where everyone feels valued and respected. It encourages cultural integration, ensuring a unified focus on patient-centred care is maintained across the Company's operations.

Risk Management

Risks	Mitigation measures
Volatile interest rates and changes in tax laws as well as credit risks have the potential to impact the Company's financial stability.	KIMS Hospitals implements strict financial controls, conducts regular risk assessments and proactively manages debt to maintain financial stability.
Medical errors, surgical site infections and procedural mistakes can compromise patient safety and care quality. These risks can potentially tarnish the Company's reputation.	KIMS Hospitals follows enhanced training programmes, stringent quality control measures and regular safety audits to minimise clinical risks.
Errors in medication management and challenges with medication availability and quality can adversely affect patient care.	The Company enforces strict pharmaceutical protocols, providing regular training to its personnel and maintaining rigorous inventory controls to ensure medication safety and availability.
Negative media coverage, unauthorised responses and perceived negligence can damage a hospital's reputation.	KIMS Hospital leverages proactive public relations strategies, alongside maintaining open communication channels and prioritising patient safety, to protect and enhance the hospital's reputation.
Delays in project executions and cost overruns can affect the timely availability of facilities and services, impacting hospital operations.	The Company implements efficient project management practices and maintains operational flexibility to ensure timely project completion and cost control.
Dependence on key personnel and potential talent loss can disrupt operations and affect service quality.	The Company has a structured succession planning and offers competitive compensation and development opportunities to retain and attract key staff, ensuring continuity and service quality.
Hospitals must navigate a complex regulatory environment where non-compliance can lead to legal penalties and financial losses.	Compliance with healthcare regulations is ensured through continuous monitoring and updating of practices.
As business operations are becoming increasingly reliant on technology and data management systems, it increases the risk of breaches in patient confidentiality and system failures, impacting the Company's image.	The Company invests in robust IT security measures, implements comprehensive data management systems and maintains effective disaster recovery protocols.

Internal Control Systems and their adequacy

The Company adheres to the principles of fair representation and full disclosure in all its dealings and communications. Its annual report, results, presentations, and other forms of corporate and financial communications are designed to provide extensive details and convey important information on a timely basis. The Company's philosophy on corporate governance is committed to the highest levels of transparency, accountability, and fairness in every aspect of its operations and in all its interactions with stakeholders, employees, government entities, and lenders. The Company is dedicated to ensuring that all its operations and actions consistently aim to enhance shareholder value over a sustained period. The core principles of the Company's Corporate Governance code are to ensure:

Fair and transparent business practices;

Accountability for performance;

Compliance with applicable statutes;

Transparent and timely disclosure of financial and management information;

Effective management control and monitoring of executive performance by the Board; and

Adequate representation of promoters, executive, and independent directors on the Board.

This approach ensures the Company always maintains a balance between enhancing shareholder wealth and upholding the interests of other stakeholders.

For additional details, please refer to KIMS's corporate governance report.

Cautionary Statement

Certain statements in this Management Discussion and Analysis regarding KIMS Hospitals' objectives, projections, estimates, expectations, and predictions may constitute "forward-looking statements" as defined by applicable laws and regulations. These statements and forecasts involve inherent risks and uncertainties as they are based on future events and circumstances. Various factors may cause actual events or trends to significantly differ from the expectations expressed or implied in these forward-looking statements and predictions. Key developments that could affect the company's performance include rising material costs, advancements in technology, substantial shifts in the political and economic landscape, changes in tax regulations, and fluctuations in labour relations.

Krishna Institute of Medical Sciences Limited

Register Office : D. No. 1-8-31/1, Minister Road, Secunderabad - 500 003, Telangana, India

Phone: +91 40 4488 5000 / 4488 5184 | Fax: +91-40-27840980

Website: www.kimshospitals.com, Email id : cs@kimshospitals.com

CIN: L55101TG1973PLC040558

Notice of the 22nd Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting (AGM) of the Members of Krishna Institute of Medical Sciences Limited will be held on Thursday, 29th August 2024 at 4.00 p.m. through video conference ("VC") / other audio visual means ("OAVM") to transact the following business:

A. ORDINARY BUSINESS:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2024, and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

   a) "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

   b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2024, and the report of Auditors thereon, as circulated to the Members.

2. **To appoint Dr. Bhaskara Rao Bollineni, (DIN No. 00008985), who retires by rotation and, being eligible, offers himself for re-appointment as a Director.**

   Explanation: Based on the terms of the appointment, executive directors of the company are subject to retirement by rotation. Dr. Bhaskara Rao Bollineni was previously appointed as Director through postal ballot notice dated 29.04.2022 and who is liable to retire by rotation, being eligible seeks re-appointment.

   In this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act 2013, the approval of the members be and is hereby accorded to reappoint Dr. Bhaskara Rao Bollineni, (DIN No. 00008985) as a Director, who is liable to retire by rotation."

3. **To re-appoint M/s. S.R. Batliboi & Associates, Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the Twenty-Seventh Annual General Meeting:**

   To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

   " **RESOLVED THAT** pursuant to Sections 139 and 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004), be and is hereby re-appointed as the Statutory Auditors of the Company for a further consecutive term of five years, from the conclusion of this Annual General Meeting till the conclusion of Twenty Seventh Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to reimbursement of applicable taxes and actual out of pocket and traveling expenses incurred in connection with the audit and billed progressively.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

B. SPECIAL BUSINESS:

4. **To ratify the remuneration payable to the Cost Auditors, M/s. Sagar & Associates, for the financial year 2024-25:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), the remuneration of Rs. 6.00 Lakhs excluding applicable taxes, payable to M/s. Sagar & Associates, Cost Accountants appointed as the Cost Auditors, to conduct the audit of the Company's cost records for the financial year 2024-25, as approved by the Board of Directors, be and is hereby ratified.

   RESOLVED FURTHER THAT the Company's Board of Directors be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

5. **Approval of Re-classification of persons from "Promoter Group Category" to "Public Category".**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and subject to approval from BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and such other authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), consent of the members of the Company be and is hereby accorded to re-classify the following person(s) from "Promoter Group Category" to "Public Category" and/or remove their names from "Promoter Group Category" of the Company (hereinafter individually and jointly referred to as the "Applicants"):

Name	Category	No. of Shares	percentage
Mr. Krishnaiah Bollineni	Promoter group	1,73,944	0.22%
Mr. Bollineni Seenaiah Naidu	Promoter group	34,18,618	4.27%
Ms. Bollineni Aishwarya	Promoter group	1,41,490	0.18%
Ms. Sujatha Bollineni	Promoter group	34,386	0.04%

   RESOLVED FURTHER THAT the above applicants confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that post re-classification from "**Promoter Group" to "Public**", shall continue to comply with conditions mentioned Regulation 31A of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements)Regulations,2015.

   RESOLVED FURTHER THAT on approval of the SEBI/Stock Exchanges upon application for re-classification of the aforementioned Applicants, the Company shall effect such reclassification in the Statement of Shareholding Pattern from immediate succeeding quarter under Regulation 31 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in compliance to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable provisions, if any.

   RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all applications, documents, writings and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect this resolution."

6. **Sub-division/split of existing 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten Only) each fully paid up into 5 (Five) Equity Shares of the face value of Rs. 2/- (Rupees Two Only) each fully paid up.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in terms of the Articles of Association of the Company, the approval of the Members be and is hereby accorded for the sub-division of 1 (One) Equity Share of the Company of the face value of Rs. 10/- (Rupees Ten Only) each fully paid into 5 (Five) Equity Shares of the Company of face value of Rs. 2/- (Rupees Two Only) each fully paid up.

   RESOLVED FURTHER THAT pursuant to the sub-division of the Equity Shares of the Company, all the issued, subscribed, and paid-up equity shares of face value of Rs. 10/- (Rupees Ten Only) each shall stand sub-divided into 5 (Five) Equity Shares of face value of Rs. 2/- (Rupees Two Only) each, from the record date as may be fixed by the Board of Directors of the Company or such other person authorized by the Board and will be intimated to the Exchanges in due course in this behalf and which shall rank pari-passu in all respects with and carry the same rights as the existing fully paid Equity Shares of Rs. 10/- (Rupees Ten Only) each of the Company.

RESOLVED FURTHER THAT upon sub-division of the Equity Shares as aforesaid, the existing Share Certificate(s) in relation to the existing Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date of the sub-division and the Company shall without requiring to surrender the existing Share Certificate(s), directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing issued Share Certificate(s) subject to provisions of Companies (Share Capital and Debentures) Rules, 2014 under the signatures of any two Directors and the Company Secretary and the Common Seal of the Company be affixed thereto in terms of the Articles of Association of the Company/ Companies Act, 2013 and in the case of the Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company, before subdivision.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (which expression shall also include a Committee thereof) and/or the Chairman and Managing Director and/or the Chief Financial Officer and/or the Company Secretary of the Company be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to incur expenditure thereon and to settle all matters arising out of and incidental thereto and to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the subdivision of equity shares and to give such directions as may be necessary or desirable, to settle any question, difficulty or doubt that may arise in this regard and to execute all deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation/ consequential to the sub-division of Equity Shares including execution and filing of all the relevant applications, writings, deeds and documents with the Stock Exchange(s) where the shares of the Company are listed, Depositories, Ministry of Corporate Affairs and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

7. Alteration of Capital Clause (Clause V) of the Memorandum of Association of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for substituting the existing Clause V of the Memorandum of Association of the Company with the following:

V. The Authorised Share Capital of the Company is Rs.95,00,00,000 (Rupees Ninety Five Crore only) divided into 47,50,00,000 (Rupees Fourty Seven Crore Fifty Lakhs) Equity Shares of Rs. 2/- (Rupee Two Only) each. The Company has from time to time powers to increase or reduce its capital and also to cancel any uncalled capital.

RESOLVED FURTHER THAT the Chairman and Managing Director and/ or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, proper, or expedient to give effect to the above resolution, including but not limited to filing necessary e-forms with the Registrar of Companies and incorporation of amendments/ suggestions/ observations, if any, made by the Registrar of Companies to the extent applicable, without seeking any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

Date: 28.06.2024
Place: Hyderabad

By order of the Board of Directors
For Krishna Institute Of Medical Sciences Limited

Uma Shankar Mantha
Company Secretary & Compliance Officer
M.No:A21035

Notes:

1. The Ministry of Corporate Affairs ("MCA") vide its circulars dated General Circular Nos. 14/ 2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, latest being 09/ 2023 dated September 25, 2023 and all other relevant circulars issued from time to time ("hereinafter referred as MCA Circulars"), read with Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as "the Circulars"), permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 to 7 of the Notice, is annexed hereto.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip, and route map of AGM are not annexed to this Notice.

4. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2023-2024 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Depositary Participants.

6. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the respective Depository Participants, in case the shares are held by them in electronic form and with the Registrar and Share Transfer Agent, in case the shares are held by them in physical form. The registered e-mail addresses will be used for sending future communications, electronically.

7. As per Regulation 40 of the SEBI Listing Regulations as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings into dematerialized form.

8. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to krishna@ikrassociates.com, Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

9. Members desiring any information, as regards the financials, are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information available.

10. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an email to cs@kimshospitals.com

11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in the requisite Form as the case may be.

12. SEBI vide its Master Circular SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 20, 2023, has introduced Online Dispute Resolution (ODR), which is in addition to the existing SCORES platform which can be utilized by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform.

13. The process for initiation of Dispute Resolution process is enumerated below:

    An investor/ client shall first take up his/ her grievance with the Market Participant by lodging a complaint directly with the concerned Market Participant;

    - If the grievance is not redressed satisfactorily the investor/shareholder may escalate the same through the SCORES Portal (www.scores.gov.in) in accordance with SCORES Guidelines;
    - If the investor/client is still not satisfied with the outcome, he/she can initiate dispute resolution through the ODR Portal. Alternatively, the investor/client can initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned Market Participant was not satisfactorily resolved or at any stage of the subsequent escalations (prior to or at the end of such escalation/s). For more information shareholders are requested to visit the weblink https://smartodr.in/login.

14. The Notice of the AGM along with the Annual Report for the financial year 2023-2024, is available on the website of the Company at www.kimshospitals.com, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

15. **Voting Through Electronic Means**

    Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (as amended) (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS - 2), the Company is providing its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by Link Intime India Private Ltd ('LIIPL'), for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting. The instructions to e-voting, as given below, explain the process and manner for casting of vote(s) in a secure manner.

    I. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of Annual General Meeting Notice and holding shares as on 22.08.2024, may refer to this Notice of the Annual General Meeting, posted on the Company's website https://www.kimshospitals.com/investors/ for detailed procedure with regard to remote e-voting. Any person who ceases to be a member of the Company as of the cut-off date and is in receipt of this Notice shall treat this Notice for information purposes only.

    II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

    III. The voting period begins on 26.08.2024 at 9.00 AM (IST) and ends on 28.08.2024 at 5.00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.08.2024 may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter.

16. **The instructions for members for voting electronically are as under: -**

    Remote e-Voting Instructions for shareholders:

    As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

    Login method for Individual shareholders holding securities in demat mode is given below:

    Individual Shareholders holding securities in demat mode with NSDL:

    METHOD 1 - If registered with NSDL IDeAS facility

    Users who have registered for NSDL IDeAS facility:

    a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

    b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

    c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

    OR

    User who have not registered for NSDL IDeAS facility:

    a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp "

    b) Proceed with updating the required fields.

    c) Post registration, user will be provided with Login ID and password.

    d) After successful login, click on "Access to e-voting".

    e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

    METHOD 2 - By directly visiting the e-voting website of NSDL:

    a) Visit URL: https://www.evoting.nsdl.com/

    b) Click on the "Login" tab available under 'Shareholder/Member' section.

    c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

    d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

    e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

    Individual Shareholders holding securities in demat mode with CDSL:

    METHOD 1 – If registered with CDSL Easi/Easiest facility

    Users who have registered for CDSL Easi/Easiest facility.

    a) Visit URL: https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com.

    b) Click on New System Myeasi

    c) Login with user id and password

    d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

    e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

    OR

    Users who have not registered for CDSL Easi/Easiest facility.

    a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration

    b) Proceed with updating the required fields.

    c) Post registration, user will be provided Login ID and password.

    d) After successful login, user able to see e-voting menu.

    e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

    METHOD 2 - By directly visiting the e-voting website of CDSL.

    a) Visit URL: https://www.cdslindia.com/

    b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in

2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

*Shareholders holding shares in **NSDL form**, shall provide 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.

4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. 'Investor ID' -

i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

b. 'Investor's Name - Enter full name of the entity.

c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number** '. E-voting page will appear.

d) Download sample vote file from '**Download Sample Vote File**' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

<u>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate):</u> Your User ID is Event No + Folio Number registered with the Company

<u>User ID for Shareholders holding shares in NSDL demat account</u> is 8 Character DP ID followed by 8 Digit Client ID

<u>User ID for Shareholders holding shares in CDSL demat account</u> is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on '**Login**' under '**Corporate Body/ Custodian/Mutual Fund**' tab and further Click '**forgot password?**'

o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

InstaVote Support Desk

Link Intime India Private Limited

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & click on "**Login**".

- Select the "**Company**" and '**Event Date**' and register with your following details: -

  A. Demat Account No. or Folio No: Enter your 16-digit Demat Account No. or Folio No

  - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

  B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

  Company shall use the sequence number provided to you, if applicable.

  C. Mobile No.: Enter your mobile number.

  D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet, and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.

3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”.
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk

Link Intime India Private Limited

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

In conformity with the provisions of Section 102 of the Companies Act, 2013 and Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Explanatory Statement sets out material facts relating to the Item No.3 to 7 of the notice.

Item No.3 :

The Members at the Seventeenth Annual General Meeting of the Company held on 8th August 2019, had approved the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004), as the Statutory Auditors of the Company to hold office from the conclusion of the Seventeenth Annual General Meeting till the conclusion of the Twenty Second Annual General Meeting. Consequently, S. R. Batliboi & Associates LLP will complete their term of five consecutive years as - the Statutory Auditors of the Company at the conclusion of this Annual General Meeting.

The Board of Directors of the Company (“Board”), based on the recommendation of the Audit Committee, in its meeting held on 16th May 2024, unanimously approved the re-appointment of M/s. S. R. Batliboi & Associates LLP, as the Statutory Auditors of the Company, for a further consecutive term of five years from the conclusion of Twenty-Second Annual General Meeting till the conclusion of Twenty-Seventh Annual General Meeting, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors and recommended the same for approval of the shareholders. The Board has considered factors such as qualifications, industry experience, competency of the audit team, efficiency in the conduct of audit, independence, pending proceedings relating to professional matters of conduct against M/s. S. R. Batliboi & Associates LLP before the Institute of Chartered Accountants of India and before the Courts and were of the view that the qualification and experience of M/s. S. R. Batliboi & Associates LLP is commensurate with the size and requirements of the Company.

The Board, in consultation with the Audit Committee will approve the remuneration of the Statutory Auditors. The Letter of Engagement specifying the detailed terms of appointment shall be finalized by the Audit Committee of the Board or any officer of the Company pursuant to the authority given by the Board of Directors of the Company and such terms shall specifically include the conditions as mentioned in para 6(A) and 6(B) of the SEBI circular dated 18 October 2019 bearing reference no.CIR/CFD/CMD1/114/2019 and such other conditions as may be specified by applicable law in force. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

M/s. S. R. Batliboi & Associates LLP have consented to their re-appointment as the Statutory Auditors and have confirmed that the re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified to be re-appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Companies Act, 2013 and the Rules framed thereunder.

None of the directors/key managerial personnel of the Company/their relatives is in any way, concerned or interested, financially or otherwise, directly or indirectly in the proposed resolution.

Brief profile of the M/s. S. R. Batliboi & Associates LLP:

S.R. Batliboi & Associates LLP (FRN 101049W/E300004), (“the Audit Firm”), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 1965 and is a limited liability partnership firm (“LLP”) incorporated in India. It has its registered office at 22, Camac Street, Kolkata and has 11 branch offices in various cities in India. The Audit Firm has valid Peer Review certificate and is part of S.R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.

Approval of the members is sought by passing the resolution as set out in the Item No 3 for re-appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004) as the Statutory Auditors of the Company and delegate the authority to the Audit Committee and Board of Directors to fix their remuneration by means of ordinary resolution.

Item No 4 :

The Board of Directors, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Sagar & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2024-25 at a fee of Rs. 6.00 Lakhs, exclusive of applicable taxes.

In accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration so payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is being sought by passing an ordinary resolution as set out under Item No.4 of the Notice, for ratification of the remuneration payable to the cost auditors for the financial year ending 2024-25.

None of the directors/key managerial personnel of the Company/their relatives is in any way, concerned or interested, financially or otherwise, directly or indirectly in the proposed resolution.

Item No. 5:

The Company had received request letters from the following persons mentioned below belonging to the promoter group of the Company for reclassifying them from the 'promoter group' category to 'public' category in accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), hereinafter individually and jointly referred to as the "**Applicants**":

Name	Category	No. of Shares	percentage
Mr. Krishnaiah Bollineni	Promoter group	1,73,944	0.22%
Mr. Bollineni Seenaiah Naidu	Promoter group	34,18,618	4.27%
Ms. Sujatha Bollineni	Promoter group	34,386	0.04%
Ms. Bollineni Aishwarya	Promoter group	1,41,490	0.18%

Pursuant to the provisions of Regulation 31A(3)(b) of the Listing Regulations, the aforesaid promoters, have confirmed that each of them along with the persons related to them:

a. do not, together, hold more than 10% of the voting rights in the Company;

b. do not exercise control over the affairs of the Company directly or indirectly;

c. do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

d. are not representing on the Board (including as a nominee director) of the Company;

e. are not acting as Key Managerial Personnel in the Company;

f. are not 'wilful defaulter' as per the Reserve Bank of India Guidelines; and

g. are not fugitive economic offenders.

Further, the Applicants seeking re-classification have also affirmed to comply with the conditions prescribed in Regulation 31A of Listing Regulations, at all times.

In view of the explanations given by the Applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, the Board of Directors of the Company had analysed each requests in accordance with Regulation 31A of Listing Regulations. Accordingly, after detailed discussion and on the basis of the rationale and the confirmation provided by Applicants in their respective request letters, the Board of Directors of the Company in their meeting held on 28th June, 2024, have given their views and approved the applications to re-classify the applicants from "Promoter Group Category" to "Public Category" and/or remove the names from "Promoter Group Category" of the Company based on request letters received from applicants, subject to the approval of members of the Company, SEBI, Stock Exchanges and such other appropriate statutory authorities approvals as may be necessary in this regard.

As on date of this Notice, the Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations, does not have trading in its shares suspended by the Stock Exchange(s) and does not have any outstanding dues to the Securities and Exchange Board of India, the Stock Exchange(s) or the depositories(s).

In accordance with Regulation 31A(3) of the Listing Regulations, the reclassification of more than one percent of the total voting rights in the Company, from the 'Promoter Group' category to the 'Public' category, inter alia requires approval of the members of the Company by way of an ordinary resolution. Therefore, The Board of Directors of the Company recommends the resolution as set out in the Notice for the approval of the members of the Company as an ordinary resolution.

Further, the Applicants seeking reclassification and persons related to them shall not vote to approve such reclassification request.

Except Dr. B. Bhaskara Rao Bollineni, Dr. Abhinay Bollineni, Mr. Adwik Bollineni, Mr. Krishnaiah Bollineni, Mr. Bollineni Seenaiah Naidu, Ms. Sujatha Bollineni and Ms. Bollineni Aishwarya none of the directors or key managerial personnel of the Company or their relatives are in anyway concerned or interested in the proposed resolution as set out in the Item No. 5 of the Notice.

Item No. 6 & 7:

The Board of Directors at its Meeting held on 28th June 2024 approved, subject to the approval of members of the Company and statutory authority(ies), if any, the sub-division/ split of equity shares of the Company, such that 1 (one) equity share having face value of Rs. 10/- (Rupees ten only) each, fully paid-up, be sub-divided into 5 (Five) equity shares having face value of Re. 2/- (Rupees Two only) each, fully paid- -up, ranking pari-passu in all respects with effect from such date as may be fixed for this purpose by the Board ("Record Date").

In the opinion of the Board of Directors, the proposed sub-division/split will make the equity shares of the Company more affordable and is expected to encourage the participation of investors at large therefore it is in the best interest of the investors and the Company. The Board of Directors, therefore, recommends an Ordinary Resolution as set out in the accompanying Notice for the approval of the members of the Company in accordance with the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The sub-division/split of equity shares of the Company as aforesaid will require alteration to the existing Capital Clause i.e., Clause 5 of the Memorandum of Association of the Company. There will not be any change in the amount of authorised, subscribed, issued and paid-up share capital of the Company on account of sub-division/split of the equity shares. Further, such sub-division/ split shall not be construed as a reduction in share capital of the Company, in accordance with the applicable provisions of the Companies Act, 2013.

The authorized, issued, paid-up and subscribed share capital of the Company pre and post-the proposed sub-division/ split is given below:

Description	Pre sub-division/ split			Post sub-division/ split		
	Face Value (Rs.)	No. of equity shares	Total Amount (Rs.)	Face Value (Rs.)	No. of equity shares	Total Amount (Rs.)
Authorized Share Capital	10	9,50,00,000	95,00,00,000	2	47,50,00,000	95,00,00,000
Issued, paid-up and subscribed Share Capital	10	8,00,27,787	80,02,77,870	2	40,01,38,935	80,02,77,870

Draft copy of the altered Memorandum of Association of the Company and other documents would be available for inspection without any fee by the members at the Registered Office of the Company during business hours on any working day, excluding Saturday, upto the date of closure of remote e-Voting period i.e., 28.08.2024.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution at Items nos. 6 & 7 of this AGM Notice except to the extent of their shareholding in the Company, if any.

Date: 28.06.2024
Place: Hyderabad

By order of the Board of Directors
For Krishna Institute Of Medical Sciences Limited

Uma Shankar Mantha
Company Secretary & Compliance Officer
M.No:A2103

Board's Report

To,
The Members,

Your Directors have pleasure in presenting the 22nd Annual Report on the business and operations of the Company along with the audited financial statements (Consolidated as well as Standalone) for the financial year ended March 31, 2024.

1. Financial Summary of the Company

Particulars	Standalone ₹ In Million		Consolidated ₹ In Million	
	2023-24	2022-23	2023-24	2022-23
Total Revenue	12375.86	11555.20	25112.00	22235.50
Profit/(Loss) Before Interest and Depreciation	3799.39	3837.80	6534.82	6298.83
Less: Finance Cost	36.57	11.52	470.26	305.45
Less: Depreciation and amortization expenses	581.11	452.95	1465.48	1292.60
Profit before share of profit of Joint Venture and Tax	3181.71	3373.33	4599.08	4700.78
Add: Share of (Loss) from Associates			(2.71)	0.00
Profit before Tax	3181.71	3373.33	4596.37	4700.78
Fair value gain on acquisition of control			-	148.29
Less: Income Tax				
- Current Tax	816.91	837.62	1161.82	1183.91
- Deferred Tax Charge	(6.42)	10.82	40.25	24.84
- Tax Pertaining to earlier years	17.81	0	34.23	(17.81)
Profit After Tax	2353.41	2524.89	3360.07	3658.13
Add: Other Comprehensive Income	2.51	8.23	3.26	8.51
Total Comprehensive Income	2355.92	2533.12	3363.33	3666.64

2. Results of operations/state of company's affair

During the year under review, the total revenue on standalone basis increased to ₹ 12,375.86 million in FY24 compared to ₹ 11,555.20 million in the previous year, an increase by 7.10%. The profit after tax for the year decreased to ₹ 2,353.41 million in FY24 compared to ₹ 2,524.89 million in the previous year, a decrease by 6.79%.

During the year under review, the consolidated total revenue of the Company increased to ₹ 25,112.00 million in FY24 compared to ₹ 22,235.50 million, an increase of 12.94% Profit after tax for the group decreased to ₹ 3,360.07 million in FY24 compared to ₹ 3,658.13 million in the previous year, a decrease by 8.15%.

3. Consolidated Financial Statements

In accordance with Companies Act, 2013 ("the Act") and Ind AS 110 - Consolidated Financial Statements read with Ind AS 28 - Investment in Associates and Joint ventures, the audited consolidated financial statements form part of the Annual Report.

In terms of provision to sub section (3) of Section 129 of the Act, the salient features of the financial statements of the Subsidiaries and Associates are set out in the prescribed **Form AOC-1**, which forms a part of the Annual Report.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements of the Company and audited accounts of the subsidiaries are available at the Company's website: https://www.kimshospitals.com/investors/ . The documents will also be available for inspection during business hours at the registered office of the Company.

4. Change in the nature of the business, if any:

There was no change in the nature of Business during the year.

5. Dividend

As the Company, is undertaking multiple semi-brownfield projects (i.e. Nashik, Bangalore, Mumbai etc), for better long-term value creation to shareholders, the Company is not declaring any dividend for the Financial Year 2023-24.

6. Transfer of Reserves

The Company has recorded a profit of ₹ 2,353.41 million (Standalone) for the period 2023-24 and the same was transferred to the head of other Equity.

7. Share Capital

The paid-up share capital as of March 31, 2024, is ₹ 80,02,77,870.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As of March 31, 2024, the details of shareholding in the Company held by the Directors are set out in the Corporate Governance Report forming part of the Board's Report and none of the directors hold convertible instruments of the Company.

8. Directors and Key Managerial Personnel

Composition of the Board: The Board of Directors ("**the Board**") of the Company consists of an optimal combination of Executive, Non-Executive and Independent Directors which represent a mix of professionalism, knowledge and experience.

The Board brings in guidance, leadership, and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that management adheres to the ethics, transparency, and disclosure norms.

As of the date of this report, the Board comprises of 8 (Eight) Directors, of whom, 3 (Three) are Executive Director and 5 (Five) are Non-Executive Directors. Amongst the Non-Executive Directors, 4 (Four) are Independent Directors and 1 (one) is Non- Independent Director. The Non-Executive Directors bring an external and wider perspective in Board's deliberations and decisions. The size and composition of the Board conforms to the requirements of the Companies Act, 2013.

Independent Directors

Your Independent Directors fulfill all the conditions for being Independent to the Company, as stipulated under the Companies Act, 2013. All Independent Directors have given the declaration that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013.

The Board is of the opinion that the above Independent Directors possess requisite integrity, experience and expertise (including the proficiency).

Key Managerial Personnel and Change in Directors during the year

a) Mr. Shantanu Rastogi (DIN: 06732021), Non-Executive Director has resigned from the board on 7th November 2023.

b) Mr. Adwik Bollineni was appointed as Non-Executive Director by the Board in its meeting held on 28th November 2023, Subsequently obtained the Shareholder's approval for his appointment through Postal ballot on 30th December, 2023.

c) The 1st Term of 3 years of Mr. Saumen Chakraborty as Independent Director of the Company expired on 7th December 2023. He was reappointed as Independent Director for a further period of 5 years (8th January 2024 to 7th January 2029) by the Board in its meeting held on 28th November 2023, subsequently obtained the Shareholder's approval for his re-appointment through Postal ballot on 30th December 2023.

d) The 1st Term of 3 years of Mr. Kaza Ratna Kishore as Independent Director of the Company expired on 7th December 2023. He was reappointed as Independent Director for a further period of 5 years (8th January 2024 to 7th January 2029) by the Board in its meeting held on 28th November 2023, subsequently obtained the Shareholder's approval for his re-appointment through Postal ballot on 30th December 2023.

e) The 1st Term of 3 years of Mr. J V Ramudu as Independent Director of the Company expired on 7th December 2023. He was reappointed as Independent Director for a further period of 5 years (8th January 2024 to 7th January 2029) by the Board in its meeting held on 28th November 2023, subsequently obtained the Shareholder's approval for his re-appointment through Postal ballot on 30th December 2023.

f) Mr. Pankaj Vaish ceased to be Independent Director of the Company w.e.f 8th January 2024 after completion of his 1st term.

g) Mr. G. Rajeswara Rao ceased to be Independent Director of the Company w.e.f 25th January, 2024 after completion of his 2nd term.

Retirement by Rotation

Pursuant to Section 152 of the Companies Act 2013, Dr. Bhaskara Rao Bollineni, Chairman & Managing Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

9. Board Functioning & Meetings

The Board and Committee meetings are pre-scheduled and a tentative calendar of the meetings is finalized in consultation with the Directors to facilitate them to plan their schedule. However, in case of urgent business needs, approval is taken by passing resolutions through circulation. During the year under review, 10 (Ten) board meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of the meetings including the composition of various committees are provided in the Corporate Governance Report.

10. Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, approved a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

11. Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, Annual Return is uploaded on the website of the Company at https://www.kimshospitals.com/investors/.

12. Details of Subsidiary/Joint Ventures/Associate Companies

a. **Arunodaya Hospitals Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹383.33 million during the financial year 2023-24.

b. **KIMS Hospital Enterprises Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of Rs. 2902.28 million during the financial year 2023-24.

c. **Iconkrishi Institute of Medical Sciences Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 1314.78 million during the financial year 2023-24.

d. **Saveera Institute of Medical Sciences Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 1068.85 million during the financial year 2023-24.

e. **KIMS Hospital Kurnool Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 811.60 million during the financial year 2023-24.

f. **Sarvejana Healthcare Private Limited (Subsidiary Company):** The Subsidiary company has recorded a total revenue of ₹ 3090.87 million during the financial year 2023-24.

g. **Rajyalakshmi Healthcare Private Limited (Step down Subsidiary):** It has recorded a total revenue of ₹ 1568.91 million during the financial year 2023-24.

h. **SPANV Medisearch Lifesciences Private Limited (Subsidiary Company):** The Subsidiary company has recorded a total revenue of ₹ 1795.95 million during the financial year 2023-24.

i. **KIMS Hospitals Private Limited., KIMS Swastha Private Limited. and KIMS Hospital Bengaluru Private Limited (formerly known as KIMS Hospital (Bhubaneswar) Private Limited, KIMS Manavata Hospitals Private Limited.**

This are the subsidiaries of your Company, which are still under the process of setting up its infrastructure to run the hospital.

The information on subsidiary Companies pursuant to Section 129(3) of the Act read with rule 5 of the Companies (Accounts) Rules, 2014 is annexed herewith as **ANNEXURE - I** in Form AOC - 1.

13. Particulars of contracts or arrangements with related parties.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties that could be considered material in accordance with the policy of the Company on the materiality of related party transactions. The disclosure pursuant to Clause (h) of Sub Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014) as required is enclosed as **ANNEXURE-II.**

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website https://www.kimshospitals.com/investors/ . Your Directors draw the attention of the members to the Notes to the financial statements which sets out related party disclosures.

None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company except Dr. Bhaskara Rao Bollineni, Chairman & Managing Director who has drawn a professional fee of ₹ 14.98 million for the Financial year 2023- 24.

14. Statutory Auditors

The members at the 17th Annual General Meeting held on 8th August 2019, approved appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004), as the Statutory Auditors to hold office from the conclusion of the 17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting.

Consequently S. R. Batliboi & Associates LLP will complete their term of five consecutive years as the statutory auditors of the Company at the conclusion of this Annual General Meeting. The Board of Directors of the Company ('Board'), based on the recommendation of the Audit Committee, in its meeting held on 16th May 2024, unanimously approved the re-appointment of S. R. Batliboi & Associates LLP, as the Statutory Auditors of the Company, for a further consecutive term of five years from the conclusion of 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors and recommended the same for approval of the shareholders.

S. R. Batliboi & Associates LLP have consented to their re-appointment as the Statutory Auditors and have confirmed that the re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified to be re-appointed as the Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Companies Act, 2013 and the Rules made thereunder. As required under the Companies Act, 2013, approval of the members is being sought for re-appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004) as the Statutory Auditors of the Company by means of an Ordinary Resolution. The Board recommends the re-appointment of S. R. Batliboi & Associates LLP for approval of the members and delegate the authority to the Audit Committee and Board of Directors to fix their remuneration in this Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their audit reports on the financial statements for the year ended 31 March 2024.

15. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Directors on the recommendation of the Audit Committee, appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN 000118) to audit the cost accounts of the Company for the financial year 2024-2025 on a remuneration of ₹ 6.00 Lakhs.

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN 000118) will be part of the Notice convening the 22nd Annual General Meeting.

The Company has maintained cost records in accordance with the provisions of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 in respect of healthcare services.

16. Adequacy of Internal Financial Controls:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The details of the internal control system and its terms of reference are set out in the Management Discussion and Analysis Report forming part of the Board's Report.

The Board of Directors has laid down internal financial controls to be followed by the Company and the policies and procedures to be adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control systems periodically.

17. Secretarial Auditors Report

The Board had in its meeting held on 18th May, 2023 appointed M/s. IKR & Associates (a Peer-Reviewed Firm), as the Secretarial Auditor for the financial ended 31st March, 2024. In addition, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secretarial audit of KIMS Hospital Enterprises Private Limited and Sarvejana Healthcare Private Limited, the material subsidiaries, has also been carried out.

As required under Section 204 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secretarial audit report of the Company and its material subsidiaries are enclosed as **ANNEXURE-III** and **ANNEXURE-IV** respectively, which forms part of this report. The audit reports do not contain any qualifications, reservations, or adverse remarks.

18. Vigil Mechanism/Whistle Blower Policy

KIMS Code of Conduct requires directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The Company has a Whistleblower Policy to enable persons who observe unethical practice (whether or not a violation of law), or violation of the Code of Business Conduct, other than matters covered by the POSH Policy to approach the Whistleblower Custodian without revealing their identity, if they choose to do so. Further the complaint can be reported to the Ombudsperson (Chairman of the Audit Committee) where the Complainant feels that the complaint has not been addressed or actioned in a timely and appropriate manner. Also, if the complaint is against any member of the Whistleblower Committee or the Executive Council, the same would be made to the Ombudsperson. This Policy governs reporting and investigation of allegations that are breach of Code of Business Conduct and violation under code for prevention of Insider Trading.

The policy on Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company https://www.kimshospitals.com/investors/.

19. Dividend Distribution Policy:

The said Dividend Distribution policy is placed on the website of the Company https:// www.kimshospitals.com/investors/.

20. Performance Evaluation of the Board and the Directors

Pursuant to the provisions of the Companies Act, 2013 and in terms of Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out an annual performance evaluation of the directors individually, Board, Chairperson and Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

21. Risk Assessment and Minimization

The Board of Directors had constituted a Risk Management Committee to identify elements of risk in different areas of operations and to develop a policy for actions associated with mitigating the risks. The Committee on a timely basis informed the members of the Board of Directors about risk assessment and minimization procedures and in the opinion of the Committee there was no risk that may threaten the existence of the Company. The details of the Risk Management Committee are included in the Corporate Governance Report.

22. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report i.e. between March 31, 2023, to March 31, 2024.

23. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operations in the future.

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company operations in the future.

24. The details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

There are no applications made or pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

25. The details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof :

Not Applicable, as the Company has not done any one-time settlement during the year under review.

26. Deposits

Your Company has not accepted any deposits from the public covered under Chapter V of the Act, during the year under review.

27. Particulars of loans, guarantees, or investments under section 186

The details of loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

28. Particulars of employees and related disclosures

The information under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report, which forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of Section 136(1) read with the relevant provisions of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished free of cost.

29. Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on corporate governance as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter Listing Regulations), forms an integral part of this report. The requisite certificate from M/s IKR & Associates, Practicing Company Secretaries confirming the compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

30. Management Discussion and Analysis

Management Discussion and Analysis for the year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of the Annual Report.

31. Business Responsibility and Sustainability Report (BRSR)

As stipulated under the Listing Regulations, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of the Annual Report.

32. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

Particulars required under section 134(3) of the Companies Act, 2013 read with Companies (accounts) Rules, 2014 is not applicable as the Company is not energy conservative; however your company is taking necessary steps to save the energy.

b) Technology Absorption

Over the years, your Company has brought into the country the best that the world has to offer in terms of technology. In its continuous endeavor to serve the patients better and to bring healthcare of international standards, your Company has introduced the latest technology in its hospitals.

c) Foreign exchange earnings and Outgo

Your Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Your Company does not have any unhedged foreign currency exposure as at March 31, 2024.

Foreign Exchange Earnings: ₹ 44.58 Million Foreign Exchange Outgo: ₹ 69.00 Million

33. Corporate Social Responsibility (CSR)

As per the Provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility (CSR) committee has been formed by the company. The Committee has approved the CSR which is stated in the Corporate Governance Report.

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Rural Development, Healthcare, Education & Skill Development and Research in Healthcare. These projects are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR activities for the financial year 2023-2024 is annexed herewith as **ANNEXURE-V**.

34. Human Resources

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attracting, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway.

35. Compliance with Secretarial Standards

During the year under review, the Company has duly complied with the applicable provisions of the Revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

36. Obligation of company under the Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013.

In order to prevent sexual harassment of women at work place a new act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The company has adopted a policy for the prevention of Sexual Harassment of Women at the workplace and has set up a Committee for the implementation of said policy. During the year the Company not received any complaints.

37. Directors’ Responsibility Statement

The Directors’ Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:

a) In preparation of the annual financial statement for the year ended March 31, 2024, applicable accounting standards had been followed along with proper explanation relating to material departures if any;

b) Such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of March 31, 2024, and of the profit of the Company for the year ended on that date;

c) Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on a going-concern basis;

e) Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, including the Audit, Risk Management Committee, the Board is of the opinion that proper internal financial controls are in place and such internal financial controls are adequate and are operating effectively.

f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively;

38. Transfer of Amounts to Investor Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds that were required to be transferred to the Investor Education and Protection Fund (IEPF).

39. Acknowledgment

Your Directors place on record their gratitude to the Central Government, State Governments and all other Government agencies for the assistance, co-operation and encouragement they have extended to the Company.

Your Directors also take this opportunity to extend a special thanks to the medical fraternity and patients for their continued cooperation, patronage and trust reposed in the Company. Your Directors also greatly appreciate the commitment and dedication of all the employees at all levels, that has contributed to the growth and success of the Company.

Your Directors also thank all the strategic partners, business associates, Banks, financial institutions and other stakeholders including the shareholders for their assistance, co-operation and encouragement to the Company during the year.

For and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

Place: Hyderabad
Date: 16.05.2024

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN No.00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN No.01681273)

ANNEXURE INDEX

Annexure	Content
I	AOC-1 Details of Subsidiary/Joint Ventures/Associate Companies
II	AOC-2 Particulars of contracts or arrangements with related parties
III	MR-3 Secretarial Audit Report
IV	MR-3 Secretarial Audit Report of Material Subsidiary Companies
V	Report on CSR Activity

Annexure – I

Form No. AOC - 1

(Pursuant to the first provision to sub-section 3 of Section 129, read with Rule 5 of Companies (Accounts) Rules, 2014);
Salient Features of Financial Statements of Subsidiary/associate companies/joint ventures as per Companies Act, 2013

Part "A": Subsidiaries

Amount in ₹ million

1.	Name of Subsidiary	Arunodaya Hospitals Private Limited	KIMS Hospital Enterprises Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospital Kurnool Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
4.	Share Capital	20.27	245.45	95.10	310.00	60.00
5.	Other Equity	261.76	1818.70	206.25	103.83	(187.69)
6.	Total Assets	577.17	3217.92	731.13	1375.93	659.48
7.	Total Liabilities	295.14	1153.77	429.78	962.10	787.17
8.	Investments	-	-	-	-	-
9.	Turnover	383.33	2902.28	1314.79	1068.85	811.60
10.	Profit/(Loss) Before Taxation	18.02	680.02	57.82	111.44	19.11
11.	Provision for Tax Expenses	4.64	177.25	16.15	37.43	(0.12)
12.	Profit after Taxation	13.38	502.77	41.67	74.01	19.23
13.	Proposed Dividend	-	-	-	-	-
14.	% of Shareholding	67.66	90.74	51.00	76.50	55.00

1.	Name of Subsidiary	Sarvejana Healthcare Private Limited	Rajyalakshmi Healthcare Private Limited (Step down Subsidiary)	Spanv Medisearch Lifesciences Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable
4.	Share Capital	365.16	540.1	17.49
5.	Other Equity	3678.08	175.76	1539.09
6.	Total Assets	6943.70	1385.76	3852.59
7.	Total Liabilities	2900.46	669.90	2296.00
8.	Investments	540.10	-	-
9.	Turnover	3090.87	1568.91	1795.95
10.	Profit/(Loss) Before Taxation	546.30	226.27	(83.19)
11.	Provision for Tax Expenses	152.86	58.25	(0.29)
12.	Profit after Taxation	393.44	168.02	(82.90)
13.	Proposed Dividend	-	-	-
14.	% of Shareholding	64.22	64.22	69.30

Additional Information:

1	Names of subsidiaries which are yet to commence operations	1. KIMS Hospitals Private Limited. 2. KIMS Swastha Private Limited. 3. KIMS Hospital Bengaluru Private Limited. 4. KIMS Manavata Hospitals Private Limited
2.	Names of subsidiaries which have been liquidated or sold during the year.	Nil

Additional Information:

1	Names of associates or joint ventures which are yet to commence operations	Kondapur Healthcare Limited (formerly known as M/s. RVM Healthcare Limited)
2.	Names of associates or joint ventures which have been liquidated or sold during the year	Nil

For and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

Place: Hyderabad
Date: 16.05.2024

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN No.00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN No.01681273)

Annexure – II

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.- **NIL**
2. Details of **material** contracts or arrangement or transactions at arm's length basis: - **NIL**

For and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

Place: Hyderabad
Date: 16.05.2024

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN No.00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN No.01681273)

Annexure – III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
D.No.1-8-31/1,Minister's Road,
Secunderabad-3, Telangana – 500003, IN.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Krishna Institute of Medical Sciences Limited** (hereinafter called the 'Company') for the financial year from 1st April, 2023 to 31st March, 2024 (the 'Audit Period').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

1.1 We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2024, according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India;

(iii) The Securities Contract (Regulation) Act, 1956 and the Rules made thereunder as amended from time to time;

(iv) The Depositories Act, 1996 and the Regulations and bye-laws framed there under as amended from time to time;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as amended from time to time to the extent of Foreign Direct Investment;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time ;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client ;

d. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 amended from time to time;

(vii) The following laws are specifically applicable to the Company;

(a) The Indian Medical Council Act, 1956

(b) Clinical Establishments (Registration and Regulation) Act, 2010

(c) Drugs and Cosmetics Act, 1940

(d) Biomedical Waste Management Handling Rules, 2016

(e) The Medical Termination of Pregnancy Act, 1971

(f) Pre-natal Diagnostic Techniques Act, 1994

(g) Transplantation of Human Organ Act, 1994

(h) The Pharmacy Act, 1961

(i) Atomic Energy Act, 1962

(j) Food Safety and Standards Act, 2006

(k) Indian Boilers Act, 1923.

1.2 In relation to the period under review, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, complied with the laws mentioned in clause (i) to (vi) of paragraph 1.1. Further the Company in general has reasonably complied with the laws specifically applicable to the Company mentioned in subparagraph (vii) of paragraph 1.1 and we have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws and regulations applicable to the Company as mentioned in subparagraph (vii) of paragraph 1.1.

1.3 We are informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under:

a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009.

b. The Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018.

c. The Securities and Exchange Board of India (Share Based Employee Benefits), 2014;

2. Board Processes

We further report that:

2.1 The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

2.2 There were changes in the composition of the Board of Directors and it has been carried out in compliance with the provisions of the Act during the period under review.

2.3 Adequate notice is given to all directors to schedule the Board Meetings atleast seven days in advance and few meetings at short notice complying the Secretarial Standard (SS-1), agenda and detailed notes on agenda were also circulated to the Board members prior to the meetings.

2.4 A system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings; and

2.5 All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

3. Compliance mechanism

We further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

3.2 The compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals engaged by the Company.

4. Some of Major events/ actions

We further report that during the audit period the following Major events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc took place:

4.1 The Company has obtained approval for setting up of a hospital in Thane, Mumbai with the total capex plan up to ₹500 Cr vide Adjourned Board of Directors Meeting held on 14th February, 2024.

4.2 Mr. Vikas Maheshwari, CFO (KMP) of the Company has resigned for his position with effect from the closure of business hours on May 31, 2023, which was taken on record in the Board Meeting held on 18th May, 2023 and Mr. Sachin Ashok Salvi was appointed as CFO, (KMP) with effect from 01st August, 2023 vide Board Meeting dated 26th July, 2023.

4.3 The Company has obtained approval for additional Investments up to ₹ 98 Crores in M/s. Spanv Medisearch Lifesciences Private Limited, a Subsidiary company to increase the equity stake from 51% to 76% vide Board of Directors Meeting held on 11th October, 2023.

4.4 Mr. Shantanu Rastogi (DIN: 06732021), Non-Executive Director has resigned from the board on 7th November 2023, which was taken on record by the board in its meeting held on 7th November 2023.

4.5 The Board in its meeting held on 28th November, 2023 has approved for the continuation of holding the office of Chairman & Managing Director by Dr. Bhaskara Rao Bollineni (DIN: 00008985) upon attaining the age of 70 years on 01st January 2024 till the expiry of his current term i.e. 31.03.2027, subsequently obtained the shareholders' approval vide postal ballot notice dated 28th November, 2023.

4.6 The Company has appointed Mr. Adwik Bollineni (DIN: 06549059) as an Additional Director (Non-Executive & Non-Independent) with effect from w.e.f. 28.11.2023 vide board meeting dated 28th November, 2023, subsequently obtained the shareholders' approval vide postal ballot notice dated 28th November, 2023.

4.7 The Company has re- appointed Mr. Saumen Chakraborty (DIN: 06471520), as an Independent Director of the Company for further period of 5 years with effect from w.e.f. 08.01.2024 vide board meeting dated 28th November, 2023, subsequently obtained the shareholders' approval vide postal ballot notice dated 28th November, 2023.

4.8 The Company has re- appointed Mr. Venkata Ramudu Jasthi (DIN: 03055480), as an Independent Director of the Company for further period of 5 years with effect from w.e.f. 08.01.2024 vide board meeting dated 28th November, 2023, subsequently obtained the shareholders' approval vide postal ballot notice dated 28th November, 2023.

4.9 The Company has re- appointed Mr. Ratna Kishore Kaza (DIN: 01152107), as an Independent Director of the Company for further period of 5 years with effect from w.e.f. 08.01.2024 vide board meeting dated 28th November, 2023, subsequently obtained the shareholders' approval vide postal ballot notice dated 28th November, 2023.

4.10 Mr. Pankaj Vaish ceased to be Independent Director of the Company w.e.f 8th January 2024 as his 1st Term ended on 7th January 2024 and was not re-appointed for the 2nd Term.

4.11 Mr. G. Rajeswara Rao ceased to be Independent Director of the Company w.e.f 25th January, 2024 as his 2nd Term was completed on 24th January 2024.

4.12 The Company has obtained approval for further Investments up to ₹50 Crores in M/s. KIMS Hospitals Private Limited, a wholly owned Subsidiary company vide Board Meeting dated 03rd February, 2024.

4.13 The Board in its meeting held on 28th March, 2024 has approved for 100% acquisition of M/s. Chalasani Hospitals Private Limited, a 200-bed hospital located at Vizag, Andhra Pradesh.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000339343

Place: Hyderabad
Date: 09.05.2024

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE (QUALIFIED/NON-QUALIFIED)

To,
The Members
Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
D.No.1-8-31/1,Minister's Road,
Secunderabad-3, Telangana – 500003, IN

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000339343

Place: Hyderabad
Date: 09.05.2024

Annexure – IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
&
[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of,
KIMS Hospital Enterprises Private Limited
CIN: U85191TG2013PTC085793
Building No.1-112/86,
Survey No.55/EE, Kondapur Village,
Serilingampally Mandal, Hyderabad TG 500084 IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KIMS Hospital Enterprises Private Limited** (hereinafter called the 'Company') for the financial year from 1st April, 2023 to 31st March, 2024 (the 'Audit Period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and based on the Management representations and undertakings, We hereby report that in our opinion, the Company has, during the audit period ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Audit period ended 31st March 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under read with the Companies (Amendment) Act, 2017;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to Board Meetings and General Meetings.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws, and regulations applicable to the Company as mentioned above.

We further report that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b. Subject to the table given bellow, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and few meeting at short notice complying the Secretarial Standard (SS-1) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c. Decisions at the meetings of the Board of Directors of the Company and its committees thereof were carried through on the basis of majority. There were no dissenting views by any members of the Board of Directors during the audit period.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have been verified on limited review basis in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Some of Major events/ actions

We further report that during the audit period the following Major events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc took place:

1. The Company has obtained approval for making an investment for acquiring a 49% equity stake in M/s. Kondapur Healthcare Limited (formerly known as M/s. RVM Healthcare Limited) vide Board of Directors Meeting held on 19th June, 2023.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000339387

Place: Hyderabad
Date: 09.05.2024

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE (QUALIFIED/NON-QUALIFIED)

To,
The Members
KIMS Hospital Enterprises Private Limited
CIN: U85191TG2013PTC085793
Building No.1-112/86,
Survey No.55/EE, Kondapur Village,
Serilingampally Mandal, Hyderabad TG 500084 IN

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000339387

Place: Hyderabad
Date: 09.05.2024

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
&
[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of,
SARVEJANA HEALTHCARE PRIVATE LIMITED
CIN: U85100TG2008PTC062090
Survey No-194/11, H. No 1-8-411 to 415, Prakash Nagar,
Begumpet Metro Pillar No C1327, Begumpet,
Hyderabad, Secunderabad, Telangana, India, 500016.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SARVEJANA HEALTHCARE PRIVATE LIMITED** (hereinafter called the 'Company') for the financial year from 1st April, 2023 to 31st March, 2024 (the 'Audit Period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and based on the Management representations and undertakings, We hereby report that in our opinion, the Company has, during the audit period ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Audit period ended 31st March 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under read with the Companies (Amendment) Act, 2017;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to Board Meetings and General Meetings.

We have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws, and regulations applicable to the Company, other than those mentioned above.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b. Adequate notices were given to all directors to schedule the Board Meetings, agendas and detailed notes on agendas were sent at least seven days in advance and few meetings at short notice complying the Secretarial Standard (SS-1) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c. Decisions at the meetings of the Board of Directors of the Company and its committees thereof were carried through on the basis of majority. There were no dissenting views by any members of the Board of Directors during the audit period.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have been verified on limited review basis in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Some of Major events/ actions

We further report that during the audit period the following Major events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc took place:

1. Mr. Vikas Maheshwari has resigned from the Board with effect from 18th May, 2023, which was taken on record by the board vide Circular resolution dated 24th May, 2023.
2. Dr. Venkata Gurava Reddy Annapareddy, Managing Director (KMP) has resigned for his position with effect from 15th September, 2023, which was taken on record by the Board in its meeting held on 04th November, 2023.
3. Dr. Bhavani Annapareddy, Whole-time Director has resigned for her position with effect from 15th September, 2023, which was taken on record by the Board in its meeting held on 04th November, 2023.
4. Mr. Adwik Bollineni has been appointed as Chief Executive Officer (CEO) of the Company with effective from 04th November, 2023 vide Board of Directors Meeting held on same day.
5. Registered Office of the Company has been shifted **from** 1-7-186 to 189 and 1-7-201 to 205, Paradise Centre Prendergast Road, Opposite to Parsi Dharamshala, Hyderabad, Secunderabad, Telangana, India, 500003 to Survey No. 194/11, H. NO. 1-8-411 To 415, Prakash Nagar, Begumpet, Metro Pillar No. C1327, Hyderabad, Telangana 500016 with effect from 02nd February, 2024, which was approved by the Board in its meeting held on same day.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000339442

Place: Hyderabad
Date: 09.05.2024

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE (QUALIFIED/NON-QUALIFIED)

To,
The Members
SARVEJANA HEALTHCARE PRIVATE LIMITED
CIN: U85100TG2008PTC062090
Survey No-194/11, H.No 1-8-411 to 415, Prakash Nagar
Begumpet Metro Pillar No C1327, Begumpet, Hyderabad,
Secunderabad, Telangana, India, 500016.
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000339442

Place: Hyderabad
Date: 09.05.2024

Annexure – V

ANNUAL REPORT ON CSR ACTIVITIES

1) **Brief outline on CSR Policy of the Company:** KIMS CSR policy intends to embrace responsibility for the company's action and encourage a positive impact through its activities on education, clean environmental living, Genetic Research and new drug discovery initiatives, in primary and secondary health-care.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Bhaskara Rao Bollineni	Chairman	1	1
2	Ms. Dandamudi Anitha	Director	0	0
3	Mr. Kaza. Ratna Kishore	Director	0	0

Note: During the year under review, one meeting was held on 20.06.2023 in which Dr. Bhaskara Rao Bollineni and Mr. Venkata Ramudu Jasthi attended the meeting.

Further, on 18.11.2023 the CSR Committee was re-constituted, post which no meeting was convened.

3. Provide the web link where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the company: https://www.kimshospitals.com/investors/.

4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and the amount required for set off for the financial year, if any – NIL

6. Average net profit of the company as per section 135(5) - ₹ 3182.90 Million

7. (a) Two percent of the average net profit of the company as per section 135(5) - ₹ 63.66 Million

(a) Surplus arising out of the CSR projects or programs or activities of the previous financial years – Nil

(b) The amount required to be set off for the financial year, if any – Nil

(c) Total CSR obligation for the financial year (7a+7b-7c) - ₹ 63.66 Million

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Millions)	Amount Unspent (in Millions)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 63.68	Nil			Nil	

(b) Details of CSR amount spent against ongoing projects for the financial year:(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

₹ In Million

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project. State	District	(6) Project duration	(7) The amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in ₹).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	(10) Mode of Implementation - Direct (Yes/ No).	(11) Mode of Implementation - By implementing the Agency: Name	CSR Registration number.
1	Prashanth Balamandira Trust	Promoting Education	NA	Karnataka		Ongoing	5.00	5.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
2	Hi-Vision foundation	Promoting Education	NA	Telangana		Ongoing	4.50	4.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
3	Swarna Bharat Trust	Skill Development	NA	Andhra Pradesh		Ongoing	3.12	3.12	Nil	No	KIMS Foundation & Research Center	CSR00001177
3	KFRC Trust	Promoting Education	NA	Telangana		Ongoing	32.26	32.26	Nil	No	KIMS Foundation & Research Center	CSR00001177
4	KRFC Existing Research	Promoting Healthcare	NA	Telangana		Ongoing	1.09	1.09	Nil	No	KIMS Foundation & Research Center	CSR00001177
5	Hare Krishna Movement	Eradicating Hunger	NA	Telangana		Ongoing	4.18	4.18	Nil	No	KIMS Foundation & Research Center	CSR00001177
6	Child Haven International	Promoting Healthcare	NA	Telangana		Ongoing	12.00	12.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
7	Satya Sadhana Foundation		NA			Ongoing	1.53	1.53	Nil	No	KIMS Foundation & Research Center	CSR00001177
	Total						63.68	63.68				

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Nil

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project. State	District	(6) Amount spent for the project (in ₹).	(7) Mode of Implementation - Direct (Yes/No).	(8) Mode of Implementation - Through Implementing Agency: Name	CSR Registration number.
				Total					

(d) Amount spent on Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) = ₹ 63.68 Million

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of the average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	The amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to (in ₹)
				Name of the Fund	be spent in succeeding financial years. Amount (in ₹)	Date of transfer.	
			Nil				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
				Nil				

10. In case of the creation or acquisition of a capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). : NA

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5). : NA

Dr. Abhinay Bollineni
Director & CEO

Dr. Bhaskara Rao Bollineni
Chairman of CSR Committee

Corporate Governance Report

In accordance with Regulation 34(3) read with Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the report is set out below which contains the details of Corporate Governance systems and processes at KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED (the Company).

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company follows the principles of fair representation and full disclosure in all its dealings and communications. The Company's annual report, results, presentations and other forms of corporate and financial communications provide extensive details and convey important information on a timely basis. Your company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders, employees, government and lenders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value, over a sustained period of time. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executive and independent directors on the Board.

Hence it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

2. BOARD OF DIRECTORS

The Company has an Executive Chairman. As per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), in the case of an Executive Chairman, at least half of the Board should comprise Independent Directors. To this requirement, half of the Board is Independent Directors of your Company.

Your Board has a blend of executive and non-executive directors and consequently ensures the desired level of independence in the functioning and decision-making process. All the non-executive directors are professionals of repute and bring the wealth of their professional expertise and experience to the management of the Company.

a) Composition and category of the Board of Directors, the relationship between Directors' inter-se, the shareholding of Directors in the Company and Memberships in other Boards.

Name of Director	DIN	Category	Designation	Relationship with other Director	Shareholding in the Company
Dr. Bhaskara Rao Bollineni	00008985	Promoter & Executive	Chairman & Managing Director	Father of Dr. Abhinay Bollineni and Mr. Adwik Bollineni	2,10,19,929
Dr. Abhinay Bollineni	01681273	Promoter & Executive	Director & CEO	Son of Dr. Bhaskara Rao Bollineni	47,299
Ms. Dandamudi Anitha	00025480	Executive	Whole-time Director	-	-
Mr. Adwik Bollineni	06549059	Promoter & Non-Executive	Director	Son of Dr. Bhaskara Rao Bollineni	8,128
Mr. Saumen Chakraborty	06471520	Independent	Director	-	-

Name of Director	DIN	Category	Designation	Relationship with other Director	Shareholding in the Company
Mr. Kaza Ratna Kishore	01152107	Independent	Director	-	-
Mr. Venkata Ramudu Jasthi	03055480	Independent	Director	-	-
Mrs. Y. Prameela Rani	03270909	Independent	Director	-	-

Name of Director	No of Directorship in listed entities including this listed entity (Refer Regulation 17A of Listing Regulations)	Number of memberships / chairmanship in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)		Name of other listed companies where he/she is a Director excluding this listed Company	
		Chairman	Member	Name of Company	Category
Dr. Bhaskara Rao Bollineni	2	0	1	Nil	NA
Dr. Abhinay Bollineni	1	0	5	Nil	NA
Ms. Dandamudi Anitha	1	0	0	Nil	NA
Mr. Adwik Bollineni	1	0	0	Nil	NA
Mr. Saumen Chakraborty	2	2	2	Granules India Limited	Independent Director
Mr. Kaza Ratna Kishore	1	0	5	Nil	Nil
Mr. Venkata Ramudu Jasthi	3	0	3	• Avanti Feeds Limited • IIRM Holdings India Limited	Independent Director Independent Director
Mrs. Y. Prameela Rani	2	5	10	Vimta Labs Limited	Independent Director

As on 31st March, 2024, none of the Directors on the Board hold the office of Director in more than 10 Public Limited Companies, or Membership of Committees of the Board in more than 10 Committees and Chairmanship of more than 5 Committees, across all companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as a whole-time director in any listed company, such Director does not serve as an Independent Director in more than three listed companies.

b) Skills/expertise/competence of the Board of Directors

The Company has identified the core skills/expertise/competence of the Board of Directors in the context of its business for it to function effectively.

Name of the Director	Nature of Skills/Expertise					
	Strategy	Healthcare Industry	Financial Acumen	Governance	Human Resources	Information Technology
Dr. Bhaskara Rao Bollineni	✓	✓	✓	✓	✓	
Dr. Abhinay Bollineni	✓	✓	✓	✓	✓	✓
Ms. Dandamudi Anitha		✓	✓	✓	✓	
Mr.Adwik Bollineni		✓	✓	✓	✓	✓
Mr. Saumen Chakraborty	✓	✓	✓	✓	✓	✓
Mr. Kaza Ratna Kishore		✓	✓	✓	✓	
Mr. Venkata Ramudu Jasthi	✓		✓	✓	✓	
Mrs. Y. Prameela Rani	✓		✓	✓	✓	

c) Declaration of Independence

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations and are independent of the Management.

d) Board Meetings and Attendance of Directors

Ten Board meetings were held during the financial year from 1st April 2023 to 31st March 2024. The dates on which the meetings were held are as follows:

(i) 25th April 2023 (ii) 18th May 2023 (iii) 26th July 2023 (iv) 7th August 2023 (v) 11th October 2023 (vi) 7th November 2023 (vii) 28th November 2023 (viii) 3rd February 2024 (ix) 9th February 2024 (x) 28th March, 2024. Attendance details of each Director at the Board Meetings and at the last AGM.

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Last AGM Attendance (Yes/No)
Dr. Bhaskara Rao Bollineni	10	10	Yes
Dr. Abhinay Bollineni	10	10	Yes
Ms. Dandamudi Anitha	10	10	No
Mr. Adwik Bollineni[1]	3	3	NA
Mr. Saumen Chakraborty	10	9	Yes
Mr. Kaza Ratna Kishore	10	8	No
Mr. Venkata Ramudu Jasthi	10	9	Yes
Mrs. Y. Prameela Rani	10	10	Yes

[1]Was not a Director on the date on Annual General Meeting.

e) Availability of Information to Board Members

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half-yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, and progress of major projects and reviews such other items which require the Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The agenda for the Board Meeting covers items as prescribed under Part A of Schedule-II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to make informed decisions.

f) The Board reviews periodically the compliance reports of all laws applicable to the Company.

g) Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct.

The Company has in place a comprehensive Code of Conduct applicable to all employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

A declaration regarding the compliance by Board members and senior management with the Company's Code of Conduct has been enclosed as **Annexure I** at the end of the Corporate Governance Report.

h) Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

The Company Secretary is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price-sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

i) The details of familiarization programs imparted to independent directors:

Your Company follows a structured orientation and familiarization program through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarization programme has been posted in the website of the Company. The details of familiarization program is available on the website: https://www.kimshospitals.com/investors/.

j) Independent Directors' Meeting:

The Company's Independent Directors are required to meet at least once in every Calendar Year in compliance with the provisions of the Companies Act, 2013. Such meetings are conducted to enable Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views. Further, Independent Directors also review the performance of the Non-Independent Directors, Chairman (after considering the views of Executive and Non-Executive Directors of the Company) and the Board as a whole. During the year under review, the Independent Directors met on 28.03.2024 and all the Independent Directors attended the meeting.

3. Committees of the Board

The committee of Directors has been constituted by the Board of Directors of the Company. The composition and terms of reference of these committees are approved by the Board and are in line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The following committees were established by the Board:

(i) Audit Committee
(ii) Nomination and Remuneration Committee
(iii) Stakeholders Relationship Committee
(iv) Corporate Social Responsibility Committee
(v) Risk Management Committee
(vi) Finance & Investment Committee
(vii) IT Steering Committee

Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

I. Audit Committee

a) Composition of Audit Committee

i. Mr. Saumen Chakraborty
ii. Mrs. Y. Prameela Rani
iii. Mr. Kaza Ratna Kishore

b) Meetings of the Audit Committee

The Audit Committee met eight times during the financial year from 1st April 2023 to 31st March 2024. The dates on which the meetings were held are as follows:

(i) 18th May 2023 (ii) 26th July 2023 (iii) 7th August 2023 (iv) 11th October 2023 (v) 7th November 2023 (vi) 3rd February 2024 (vii) 9th February, 2024 and (viii) 28th March, 2024.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Saumen Chakraborty	Chairman	8	8
2	Mr. Pankaj Vaish(1)	Member	5	5
3	Mr. Rajeswara Rao Gandu(1)	Member	5	5
4	Mr. Shantanu Rastogi(2)	Member	5	3
5	Mrs. Y. Prameela Rani(3)	Member	3	3
6	Mr. Kaza Ratna Kishore(3)	Member	3	3

(1) Ceased to be Member from 18th November, 2023
(2) Ceased to be Member from 7th November, 2023
(3) Appointed as Member from 18th November, 2023.

c) Terms of reference of the Committee inter alia include the following:

i. Recommend appointment, remuneration and terms of appointment of auditors.

ii. Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.

iii. Review with the management, the quarterly financial statements before submission to the Board for approval.

iv. Review with the management, the statement of uses / application of funds.

v. Review and monitor the auditor's independence, performance and effectiveness of the audit process.

vi. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.

vii. Review the functioning of the Whistle-blower mechanism / oversee the vigil mechanism.

viii. Review financial statements, in particular the investments made by the Company's unlisted subsidiaries.

d) Mr. Saumen Chakraborty was present in the 21st Annual General Meeting held on 30.08.2023

II. Nomination & Remuneration Committee

a) Composition of Nomination & Remuneration Committee

i. Mr. Kaza Ratna Kishore

ii. Mr. Venkata Ramudu Jasthi

iii. Mrs. Y. Prameela Rani

b) Meetings of the Nomination & Remuneration Committee

The Nomination & Remuneration Committee met thrice during the financial year from 1st April 2023 to 31st March 2024. The meeting was held on (i) 18th May 2023, (ii) 26th July, 2023 and (iii) 28th November, 2023.

Sl. No.	Name of member	Designation	Number of meetings attended
1	Mr. Pankaj Vaish (1)	Chairman	2
2	Mr. Rajeswara Rao Gandu (2)	Member	2
3	Mr. Venkata Ramudu Jasthi	Member	3
4	Mr. Shantanu Rastogi (3)	Member	1
5	Mr. Kaza Ratna Kishore (4)	Chairman	1
6	Mrs. Y. Prameela Rani (5)	Member	1

(1) Ceased to be Chairman and Member from 18th November, 2023
(2) Ceased to be Member from 18th November, 2023
(3) Ceased to be Member from 7th November, 2023
(4) Appointed as Chairman and Member from 18th November, 2023.
(5) Appointed as Member from 18th November, 2023.

c) Terms of reference for the Nomination & Remuneration Committee:

i. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

ii. Formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors.

iii. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.

iv. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The detailed terms of reference of the Committee is available on the website of the Company.

The Chairman of the Committee was not present at the last Annual General Meeting of the Company held on 30th August 2023.

d) Remuneration of the Directors

The details of the remuneration paid to the Directors for the year ended 31st March 2024 is given below:

Rs. In Millions

Name of Director	Remuneration		Commission	Total (including all applicable taxes)
	Fixed	Variable		
Dr. Bhaskara Rao Bollineni	38.67	-	-	38.67
Dr. Abhinay Bollineni	17.00	5.00	-	22.00
Ms. Dandamudi Anitha	5.80	-	-	5.80
Mr. Adwik Bollineni	-	-	-	-
Mr. Saumen Chakraborty	-	-	3.52	3.52
Mr. Kaza Ratna Kishore	-	-	1.06	1.06
Mr. Venkata Ramudu Jasthi	-	-	1.06	1.06
Mrs. Y. Prameela Rani	-	-	1.06	1.06

Rs. In Millions

Name of Director	Remuneration		Commission	Total (including all applicable taxes)
	Fixed	Variable		
Mr. Pankaj Vaish [1]	-	-	1.32	1.32
Mr. Rajeswara Rao Gandu [2]	-	-	0.62	0.62
Mr. Shantanu Rastogi [3]	-	-	-	-

[1] Ceased to be Independent Director from 8th Janaury, 2024 due to end of 1st Term

[2] Ceased to be Independent Director from 25th January, 2024 due to end of 2nd Term

[3] Resigned as Non-Executive Director of Company from 7th November 2023 due to personal reasons.

e) Pecuniary relationships or transactions of Non-Executive directors vis-à-vis the Company

The Company does not have any pecuniary relationship/transaction with any of its Non-Executive Directors.

f) Performance Evaluation of the Board and the Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, Annual Performance Evaluation was conducted for all the Board Members, functioning of Board, Committees and Chairperson.

Evaluation of the Board and the Directors was based on the criteria such as:

1. composition and role of the Board,
2. Board communication and relationships,
3. functioning of Board Committees,
4. review of performance and compensation to Executive Directors,
5. succession planning,
6. strategic planning,
7. participation and contribution in Board and Committee meetings,
8. representation of shareholder interests and enhancing shareholder value,
9. experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk,
10. understanding of the organization's strategy, risk and environment, etc.

III. Stakeholders Relationship Committee

a) Composition of Stakeholders Relationship Committee

i. Mrs. Y. Prameela Rani
ii. Mr. Kaja Ratna Kishore
iii. Dr. Bhaskara Rao Bollineni

b) Meetings of the Stakeholders Relationship Committee

The Stakeholders Relationship Committee met only once during the financial year from 1st April 2023 to 31st March 2024. The meeting was held on 30th March 2024.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mrs. Y. Prameela Rani	Chairman	1	1
2	Mr. Kaja Ratna Kishore	Member	1	1
3	Dr. Bhaskara Rao Bollineni	Member	1	Nil

c) Terms of Reference for the Stakeholders Relationship Committee:

i) Consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non- receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

ii) Review of measures taken for effective exercise of voting rights by shareholders;

iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

v) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

vi) To approve, register, refuse to register transfer or transmission of shares and other securities;

vii) To subdivide, consolidate and or replace any share or other securities certificate(s) of the Company;

viii) Allotment and listing of shares;

ix) Approval of transfer or transmission of shares, debentures or any other securities;

x) To authorize affixation of common seal of the Company;

xi) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

xii) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

xiii) To dematerialize or rematerialize the issued shares;

xiv) Ensure proper and timely attendance and redressal of investor queries and grievances;

xv) Carrying out any other functions contained in the Companies Act, 2013 and the rules notified thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended and/ or equity listing agreements (if applicable), as and when amended from time to time; and

xvi) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s)

d) The Company did not receive any complaints during the year 2023-24.

e) Mr. Uma Shankar Mantha, Company Secretary and Compliance officer of the Company.

IV. Corporate Social Responsibility Committee

a) Composition of Corporate Social Responsibility Committee

i. Dr. Bhaskara Rao Bollineni
ii. Ms. Dandamudi Anitha
iii. Mr. Kaja Ratna Kishore

b) Meetings of the Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee met only once during the financial year from 1st April 2023 to 31st March 2024. The meeting was held on 20th June, 2023.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Dr. Bhaskara Rao Bollineni	Chairman	1	1
2	Dr. Abhinay Bollineni[1]	Member	1	Nil
3	Mr. Venkata Ramudu Jasthi[1]	Member	1	1
4	Ms. Dandamudi Anitha[2]	Member	Nil	Nil
5	Mr. Kaja Ratna Kishore[2]	Member	Nil	Nil

[1] Ceased to be Member from 18th November, 2023
[2] Appointed as Member from 18th November, 2023
[3] Appointed as Member from 18th November, 2023

c) The CSR committee's primary functions are to:

- Formulate, review and recommend to the board, a CSR policy indicating the activities to be undertaken by the company as specified in schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the initiatives as per the CSR policy;
- Provide guidance on various CSR initiatives undertaken by the company and monitor implementation and adherence to the CSR programs and policy of the company from time to time;
- Recommend to the board an annual CSR action plan delineating the CSR projects or programmes to be undertaken during the financial year; and
- Appoint an independent agency/firm to carry out impact assessment study, if any.

V. Risk Management Committee

To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities, it has constituted a Risk Management Committee to review the internal financial controls amongst other matters. The said Committee has also within its scope, the evaluation of significant risk exposures of the Company and to assess Management's actions to mitigate the exposures in a timely manner. The Committee considers activities at all levels of the organization, i.e. Enterprise level, Division level, Business Unit level and Subsidiary level in the risk management framework. The components are interrelated and ensure complete coverage of the entire enterprise from the Risk management angle with focus on three key elements i.e. Risk Assessment, Risk Management and Risk Monitoring.

The Company has constituted a Risk Management Committee, under the SEBI (LODR) Regulations, 2015.

Composition of the Risk Management committee

1. Mrs. Y. Prameela Rani
2. Mr. Saumen Chakraborty
3. Dr. Abhinay Bollineni
4. Ms. Dandamudi Anitha

During the year the Committee met twice on (i) 15th September, 2023 and (ii) 5th March, 2024.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Rajeswara Rao Gandu (1)	Chairman	1	1
2	Mr. Saumen Chakraborty	Member	2	2
3	Dr. Abhinay Bollineni	Member	2	1
4	Mrs. Dandamudi Anitha	Member	2	2
5	Mrs. Y. Prameela Rani (2)	Chairman	1	1

(1) Ceased to be Chairman & Member from 18th November, 2023

(2) Appointed as Chairman & Member from 18th November, 2023

VI. Finance and Investment Committee

The Finance and Investment Committee is the sub-committee of the Board and the composition of the committee is as follows:

1. Mr. Saumen Chakraborty
2. Dr. Bhaskara Rao Bollineni
3. Mrs. Y Prameela Rani

During the year four meetings were held i.e. on 31st August 2023, 31st January 2024, 9th February 2024, and 21st March 2024.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Saumen Chakraborty	Chairman	4	4
2	Dr. Bhaskara Rao Bollineni	Member	4	4
3	Mr. Shantanu Rastogi (1)	Member	1	1
4	Mrs. Y Prameela Rani (2)	Member	3	3

(1) Ceased to be Member from 7th November, 2023.

(2) Appointed as Member from 18th November, 2023

VII. IT Steering Committee

The IT steering committee has been constituted to oversee the requirement of Information Technology for the entire organization. The composition of the committee is a mix of Executive, Non-Executive Directors who have hands-on experience in implementing the technology. The committee focuses on automation of processes in the organization.

The members of the committee are:

1. Mr. Saumen Chakraborty
2. Dr. Abhinay Bollineni
3. Mr. Kaja Ratna Kishore

4. Particulars of Senior Management

The senior management of the Company are as follows

a) Mr. Sachin Ashok Salvi – Chief Financial officer

b) Mr. Uma Shankar Mantha – Company Secretary & Compliance officer

During the financial year Mr. Vikas Maheshwari, Chief Financial officer resigned due to personal reasons and Mr. Sachin Ashok Salvi was appointed as Chief Financial officer of the Company.

5. GENERAL BODY MEETINGS

Details of the location, date and time of the Annual General Meetings held during the preceding three years are given below:

Year	Date	Venue	Time	Special Resolutions passed
2020-21	29th May,2021	KIMS Hospitals # 1-8-31/1, Minister's Road, Secunderabad - 500003	11.00 AM	No Special Resolutions were passed in the meeting
2021-22	11th August, 2022	Through Video Conferencing and Other Audio-Visual Means	4.00 PM	a) Appointment of Mrs. Y. Prameela Rani Yalamanchili (DIN: 03270909) as an Independent Director. b) Reinstatement of pre-existing IPO rights, in favor of M/s. General Atlantic Singapore KH Pte. Ltd by ratifying "Article 74" of the Articles of Association (AOA) of the Company.
2022-23	30th August, 2023	Through Video Conferencing and Other Audio-Visual Means	4.00 PM	No Special Resolutions were passed in the meeting

Details of Postal Ballots

The Company had sought the approval of shareholders through postal ballot for the following resolution(s):

Date of Postal ballot Notice	Description of Resolutions	Type of Resolution	No. of Votes polled	Votes cast in favour	Votes cast Against
28.11.2023	Approve the continuation of Dr. Bhaskara Rao Bollineni (Din: 00008985) as a Managing Director beyond the age of 70 Years	Special	4,50,14,929	4,47,88,447	2,26,482
28.11.2023	1. Appointment of Mr. Adwik Bollineni (DIN: 06549059) as Non-Executive Director of the Company, liable to retire by rotation.	Ordinary	4,49,42,444	4,29,14,685	20,27,759
28.11.2023	2. Re-appointment of Mr. Saumen Chakraborty (DIN: 06471520) as an Independent Director of the Company.	Special	6,56,10,526	6,53,09,331	3,01,195
28.11.2023	3. Re-appointment of Mr. Venkata Ramudu Jasthi (DIN: 03055480) as an Independent Director of the Company.	Special	6,56,10,527	6,00,58,115	55,52,412
28.11.2023	4. Re-appointment of Mr. Ratna Kishore Kaza (DIN: 01152107) as an Independent Director of the Company.	Special	6,56,10,528	6,56,10,236	292
28.11.2023	5. Approval of fixed remuneration in terms of commission of Rs. 15.00 Lakhs per annum to Smt. Prameela Rani Yalamanchili (DIN: 03270909), Independent Director.	Ordinary	6,56,82,311	6,45,27,252	11,55,059

IKR & Associates, Practicing Company Secretaries were appointed as scrutinizer for the above postal ballots. After receiving the approval of the Board of Directors, Notice of the Postal Ballot is sent to the shareholders to enable them to consider and vote "For" or "Against" the proposal within a period of 30 days from the date of dispatch.

Procedure for postal ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with various circulars, issued by the Ministry of Corporate Affairs.

E-voting facility is made available to all the shareholders and instructions for the same were specified under instructions for voting in the Postal Ballot Notice. E-mails were sent to shareholders whose e-mail id's were available with the depositories. After the last day of receipt of ballots (e-voting), the Scrutinizer, after due verification, submited the results to the Company Secretary & Compliance officer. Thereafter, the Company Secretary & Compliance officer declared the result of the Postal Ballot as authorized by the Board of the Directors. The same was published in the Newspapers and displayed on the Company Website and submitted to Stock Exchanges.

6. Means of Communication:

The quarterly reports, along with additional information and official news releases, are posted on our website https://www.kimshospitals.com/investors/. Moreover, the quarterly/annual results and official news releases are generally published in Financial Express (English) and Nava Telangana (Telugu) newspapers.

Earnings calls with analysts and investors and their transcripts are also posted on the website. Further, all material information which has any impact on the operations of the Company is sent to the Stock Exchanges and also the same shall be placed on the Company's website.

NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre: The NEAPS, and BSE's listing center is a web-based application, designed for corporates. All periodic compliance-related filings and other material information is filed electronically on the designated portals.

7. Other Disclosures

a) Related Party Transactions:

All transactions with related parties are placed before the audit committee and the board for review and approval, as appropriate. All details relating to financial and commercial transactions, where directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussions, nor do they vote on such matters. Transactions entered into with related parties during the financial year were at arm's length pricing and generally in the ordinary course of business.

The details of transactions are disclosed in the notes forming part of the Accounts as required under Indian Accounting Standard (IND AS) 24 notified by the Ministry of Corporate Affairs.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website https://www.kimshospitals.com/investors/.

b) Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, https://www.kimshospitals.com/investors/. during the financial year under review, no Complaints were received.

c) Subsidiaries

Your Company has two material Non-Listed Subsidiary i.e M/s. KIMS Hospital Enterprises Private Limited and Sarvejana Healthcare Private Limited whose turnover or net worth exceeded 10% of the consolidated turnover or net worth respectively of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the same has been posted on the website https://www.kimshospitals.com/investors/.

d) Acceptance of recommendations made by the Committees.

During the financial year 2023-2024, the Board has accepted all the recommendations of its Committees.

e) Accounting Treatment

The Financial Statement of the Company for FY 2023-2024 have been prepared in accordance with the applicable accounting principles in India and the Indian accounting standards (Ind As) prescribed under section 133 of the Companies Act, 2013 read with the rules made thereunder.

f) Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

g) Risk Management

Business Risk Evaluation and management of such risks is an ongoing process within the organization.

The Board has constituted a Risk Management Committee headed by the Independent Director which reviews the probability of risk events that adversely affect the operations and profitability of the Company and suggests suitable measures to mitigate such risks.

A Risk Management Framework is already in place and the Executive Management reports to the Board periodically on the assessment and minimization of risks

h) Proceeds of Public, Rights and Preferential Issues

During the year, the Company has not allotted any shares.

i) Management discussion and Analysis

The Management Discussion and Analysis Report is appended to this report.

j) Certificate from Practicing Company Secretary

A Certificate has been received from Krishna Rao Inturi, Partner of M/s. IKR & Associates, Practicing Company Secretaries annexure as **Annexure II**, that none of the Directors on the Board have been debarred or disqualified from being appointed or re-appointed as directors for the year ended 31st March 2024 by SEBI/Ministry of Corporate Affairs or any such statutory body.

k) Total Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Type of service	Amount in Million
Audit fees	18.34
Other Services	15.00
Total	**33.34**

Note: All non-audit services are reviewed and approved after a detailed evaluation and ensuring that necessary safeguards are in place. Such services are fully compliant with the law.

l) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Nos.
Number of complaints filed during the financial year 2023-2024	Nil
Number of complaints disposed off during the financial year 2023-2024	Nil
Number of complaints pending as on end of the financial year 2023-2024	Nil

m) Details of Non-Compliances

There are no non-compliances by the Company and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the financial year.

n) Compliance with Corporate Governance Norms

i. Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in the Listing Regulations. The requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent applicable to the Company have been complied with as disclosed in this report.

ii. Discretionary Requirements

The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations.

- **The Board**

  There is no Non-Executive Chairman of the Company.

- **Shareholder Rights**

  The Company communicates with investors regularly through emails, telephone calls and face-to-face meetings. The Company publishes the quarterly/half-yearly/annual financial results in leading business newspaper(s) as well as on the Company's website.

- **Modified opinion(s) in Audit Report**

  During the year under review, there was no audit qualification in the Company's financial statements.

- **Reporting of the Internal Auditor**

  The Internal Auditors' report to the Audit Committee of the Board of Directors and are requested to be present as invitees at the Audit Committee meetings held every quarter.

8. Certificate on Corporate Governance

The certificate issued by the Practicing Company Secretary on compliance of Corporate Governance norms is annexed to this Report **Annexure III.**

9. CEO/CFO Certification

The Chief Executive Officer and the Chief Financial Officer have issued a certificate pursuant to Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate from Dr. Abhinay Bollineni, Director & CEO and Mr. Sachin Ashok Salvi, Chief Financial Officer (CFO) was placed before the Board of Directors at its meeting held on 16.05.2024.The certificate is annexed as **Annexure IV.**

10. General Shareholder Information:

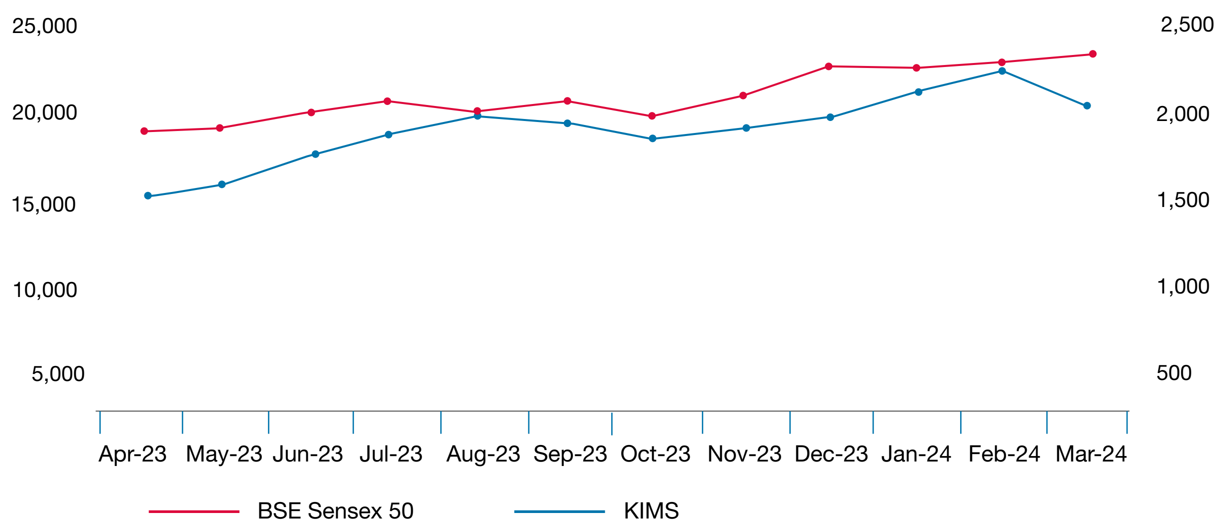
Annual General Meeting	Date : 29th August, 2024 Time : 4:00 PM. Venue : KIMS Hospitals, 15th Floor, D.No. 1-8-31/1, Minister Road, Secunderabad - 500003
Financial Year	April 1, 2023 to March 31, 2024
Date of Book Closure	Not Applicable
Dividend Payment Date	Not Applicable
Name and address of the Stock Exchange where the Company is listed	i) BSE Ltd (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel :91-22-2272 1234, 1233 Fax : 91-22-2272 3353/3355 Website : www.bseindia.com ii) National Stock Exchange of India (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Tel : 91-22-2659 8100 – 8114 Fax : 91-22-26598237/38 Website : www.nseindia.com
Listing on Stock Exchanges BSE Ltd & NSE Ltd	June 28, 2021
Scrip/Stock Code	BSE Scrip Code: 543308 NSE Scrip Id: KIMS
ISIN Number for NSDL & CDSL	INE967H01017

11. The listing fees have been paid to the above stock exchanges viz., BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

(a) Market Price Data: BSE Limited (BSE)

Sl. no.	Month	High during the month	Low during the month
1	April 2023	1538.05	1380.05
2	May 2023	1650.00	1452.60
3	June 2023	1853.50	1520.00
4	July 2023	2075.60	1723.00
5	August 2023	2046.95	1806.95
6	September 2023	2225.30	1929.95
7	October 2023	1998.95	1625.05
8	November 2023	1976.00	1845.00
9	December 2023	2051.95	1871.05
10	January 2024	2156.05	1933.3
11	February 2024	2357.00	2064.75
12	March 2024	2265.90	1890.00

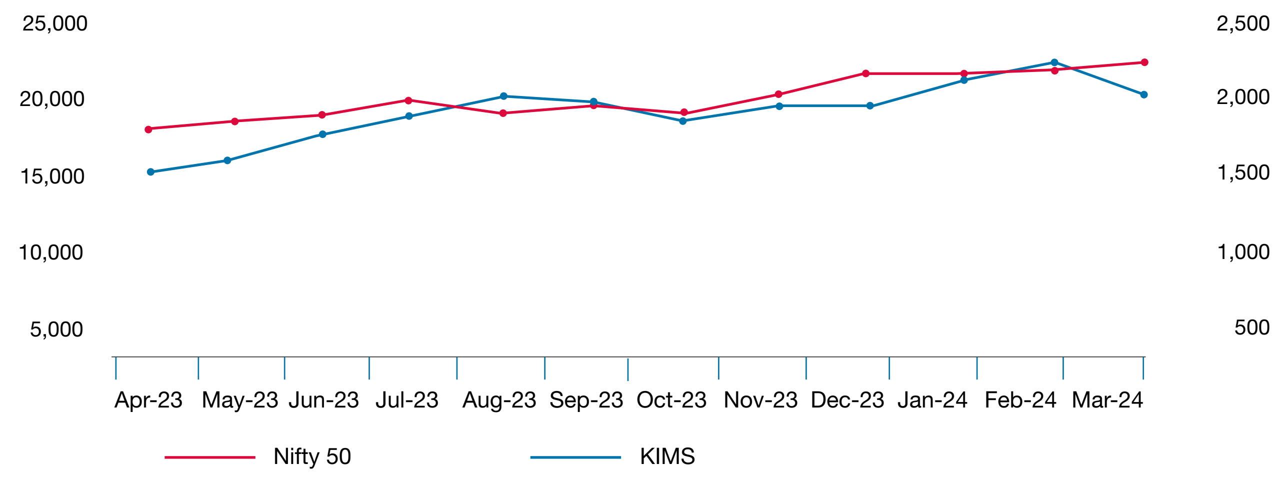
Performance in comparison to broad based indices of BSE SENSEX 50:



(b) Market Price Data: (National Stock Exchange of India Limited (NSE))

Sl. no.	Month	High during the month	Low during the month
1	April 2023	1539.50	1383.00
2	May 2023	1650.00	1457.05
3	June 2023	1857.75	1518.95
4	July 2023	2075.00	1720.00
5	August 2023	2020.00	1806.30
6	September 2023	2229.90	1926.50
7	October 2023	1998.55	1772.05
8	November 2023	1989.00	1843.55
9	December 2023	2052.95	1870.00
10	January 2024	2156.55	1903.25
11	February 2024	2356.40	2062.00
12	March 2024	2270.00	1885.55

Performance in comparison to broad-based indices of NIFTY 50:



(b) Market Price Data: (National Stock Exchange of India Limited (NSE))

Sl. no.	Month	High during the month	Low during the month
1	April 2023	1539.50	1383.00
2	May 2023	1650.00	1457.05
3	June 2023	1857.75	1518.95
4	July 2023	2075.00	1720.00
5	August 2023	2020.00	1806.30
6	September 2023	2229.90	1926.50
7	October 2023	1998.55	1772.05
8	November 2023	1989.00	1843.55
9	December 2023	2052.95	1870.00
10	January 2024	2156.55	1903.25
11	February 2024	2356.40	2062.00
12	March 2024	2270.00	1885.55

Performance in comparison to broad-based indices of NIFTY 50:

12. Registrar to an issue & Share Transfer Agents:

Registrar to an issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:
Link Intime India Private Limited
Surya 35, Mayflower Avenue
Behind Senthil Nagar
Sowripalayam Road Coimbatore - 641028
Tel : 0422-2314792 / 2315792
E-mail: coimbatore@linkintime.co.in
Website : www.linkintime.co.in

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Share Transfer Agents.

Share Transfer Committee is authorized to approve transfer of shares in the physical segment. Such transfers take place on fortnightly basis.All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

In compliance with the SEBI Listing Regulations, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

13. Distribution of shareholding as on 31st March, 2024.

Slab	No. of Shareholder	No. of Shares	% of total shares
1 - 500	69,027	15,73,700	1.97
501 - 1000	288	2,09,581	0.26
1001 - 2000	122	1,80,955	0.23
2001 - 3000	62	1,56,010	0.19
3001 - 4000	37	1,33,380	0.17
4001 - 5000	27	1,28,296	0.16
5001 – 10000	69	5,18,979	0.65
10001 & Above	252	7,71,26,886	96.38
Total	**69,884**	**8,00,27,787**	**100.00**

14. Dematerialization of Shares and Liquidity.

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.96 percent of the Company's equity share capital are dematerialized as on March 31, 2024.

15. Reconciliation of Share Capital Audit Report

As stipulated by the Securities and Exchange Board of India, a qualified Practicing Company Secretary carries out an Audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total listed and paid up capital.

This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, interalia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

16. Address for correspondence:

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/ Consolidation/ Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	Link Intime India Pvt. Ltd Surya 35, Mayflower Avenue Behind Senthil Nagar Sowripalayam Road Coimbatore - 641028 Tel : 0422-2314792 / 2315792 E-mail:coimbatore@linkintime.co.in Website : www.linkintime.co.in
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	Company Secretary Krishna Institute of Medical Sciences Limited D.No. 1-8-31/1, Minister Road, Secunderabad, Telangana - 500003 Tel: +91 40 4418 6433 Fax: +91 40 2784 0980 Email: cs@kimshospitals.com Website: www.kimshospitals.com

17. Credit Rating:

Name of Agency	Type of Rating	Ratings
CRISIL Rating Limited (A Subsidiary of CRISIL Limited)	Long Term Rating	CRISIL AA/Stable (upgraded from "CRISIL AA-/Positive")
	Short Term Rating	CRISIL A1+

18. There are no third party firms or Companies to which the Company or its subsidiaries gave any Loans and Advances in which Directors are interested by name or amount.

19. Demat Suspense Account/Unclaimed Suspense Account

The Company during the year under consideration does not have any Shares in demat suspense account or unclaimed suspense account.

20. Details of material Subsidiary.

The Company is having two material subsidiaries. The details are as follows

Material Subsidiary – I

a) Name of material subsidiary: KIMS Hospital enterprises Private Limited
b) Date of Incorporation : 15.02.2013
c) Place of Incorporation: Hyderabad, Telangana.
d) Statutory Auditors: S. R. Batliboi & Associates LLP
e) Date of appointment: 21.08.2019

Material Subsidiary – II

a) Name of material subsidiary: Sarvejana Healthcare Private Limited
b) Date of Incorporation : 03.12.2008
c) Place of Incorporation: Hyderabad, Telangana.
d) Statutory Auditors: S. R. Batliboi & Associates LLP
e) Date of appointment: 29.08.2023

21. Disclosure of certain types of agreements binding listed entity.

There are no agreements binding the listed entity under clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Annexure I

Declaration under the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 regarding adherence to the Code of Conduct

I, Dr. Abhinay Bollineni, Director & CEO of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for its Board Members and Senior Management Personnel of the Company and they have affirmed compliance with the said code of conduct for FY 2023-24.

For **Krishna Institute of Medical Sciences Limited**

Place : Hyderabad
Date : 09.05.2024

Dr. Abhinay Bollineni
Director & CEO

Annexure II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Clause 10(i) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of Krishna Institute of Medical Sciences Limited
D.No.1-8-31/1,Minister's Road,
Secunderabad-500003,
Telangana, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Krishna Institute of Medical Sciences Limited having CIN L55101TG1973PLC040558 and having registered office at D.No.1-8-31/1, Minister's Road, Secunderabad-500003, Telangana, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No	Name of the Director	DIN	Date of Appointment
1	Bhaskara Rao Bollineni	00008985	01/11/2002
2	Dandamudi Anitha	00025480	21/03/2008
3	Kaza Ratna Kishore	01152107	08/01/2021
4	Bollineni Abhinay	01681273	18/01/2019
5	Venkata Ramudu Jasthi	03055480	08/01/2021
6	Saumen Chakraborty	06471520	08/01/2021
7	Prameela Rani Yalamanchili	03270909	19/05/2022
8	Adwik Bollineni	06549059	28/11/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071,
CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000291493

Place: Hyderabad
Date : 02-05-2024

Annexure III

CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

To,
The Members of Krishna Institute of Medical Sciences Limited
D.No.1-8-31/1, Minister's Road,
Secunderabad-500003,
Telangana, India.

We have examined the compliance of conditions of Corporate Governance by Krishna Institute of Medical Sciences Limited ('the Company'), for the year ended 31st March 2024, as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

Management Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

Our examination is limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **IKR & Associates**
Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi
Proprietor
ACS No.23071,
CP No.10486
Peer Review no. 1255/2021
UDIN: A023071F000291581

Place: Hyderabad
Date : 02-05-2024

Annexure IV

CEO & CFO DECLARATION

To
The Board of Directors
Krishna Institute of Medical Sciences Limited

We, Dr. Abhinay Bollineni, CEO and Mr. Sachin Ashok Salvi, CFO hereby certify as under:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended 31st March, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have disclosed, wherever applicable to the auditors and the audit committee

i. that there are no significant changes in internal control over financial reporting during the year;

ii. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and

iii. that there are no instances of significant fraud of which we have become aware of and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Krishna Institute of Medical Sciences Limited**

Dr. Abhinay Bollineni
Director & CEO

Sachin Salvi
Chief Financial Officer

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

FY 2023-24

KIMS's Approach	SDG Interlinkage	Page no.
Section-A KIMS conducts materiality assessments, comprehensively examines potential economic, environmental, and social issues relevant to its stakeholders. By doing this the company is creating long term value for its stakeholder By actively engaging with stakeholders, the company continuously adapts to evolving needs and expectations, ensuring satisfaction across the board.	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 17 PARTNERSHIPS FOR THE GOALS	138-142
Section-B KIMS has established a robust policy framework that reflects its unwavering commitment to fostering a culture of integrity, transparency, and compliance. The organization's steadfast focus on sustainability is driven by the Board at the highest echelons. The Company holds itself and its value chain partners to exacting standards of social and environmental performance.	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	143-145
Principle-1 KIMS adheres to ethical conduct as a fundamental business principle, which forms the core of its sustainable value creation model. A meticulously documented set of guidelines, including 'Policy on Code of Conduct', 'Policy for Preservation of documents', 'Policy for Familiarization of IDs' and 'Whistleblower policy for Directors and Employees' reinforces the unwavering commitment of every member within the KIMS family to consistently lead with integrity, transparency, and openness, while remaining accountable and compliant.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	146-148
Principle-2 KIMS, deploys an elite workforce, committed to environmental and societal imperatives. This esteemed institution's unwavering dedication to societal well-being and the creation of a greener planet harmonizes with its meticulously outlined policies, including the Code of Conduct, Corporate Social Responsibility policy, Health, Safety & Environment Policy, and Business Partner Code of Conduct. Patient safety and well-being, the priorities, remain in control of operations. A rigorous adherence to stringent standards and protocols ensures comprehensive protection for patients throughout their healthcare journey. Through the seamless integration of sustainability and safety into core practices, KIMS actively fosters the well-being of patients, employees, and the communities it serves.	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	149-150
Principle-3 KIMS prioritizes its people, The core ethos lies in care and empathy, as reflected in the Company's 'Code of Conduct', 'Policy of Nomination and Remuneration' and 'Dividend Distribution Policy'. Guided by a commitment to safety, reliability, and continuous professional and personal growth, KIMS's employee-oriented initiatives exemplify these core principles.	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	151-155
Principle-4 The organization's unwavering commitment lies in safeguarding stakeholder interests, and aligning business actions with stakeholder expectations. Regular engagement with stakeholders allows KIMS to gather constructive feedback, which serves as valuable input for enhancing business decision-making and creating a positive impact. Through structured processes, it systematically identifies and addresses stakeholder concerns.	1 NO POVERTY 5 GENDER EQUALITY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	156-157
Principle-5 KIMS upholds equal human rights as a fundamental tenet within its business principles, operating policies, processes, and practices. It recognizes that every individual, regardless of their background or identity, deserves to be treated with dignity, respect, and fairness. This commitment extends to patients, employees, partners, suppliers, and the communities served.	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	158-160
Principle-6 As a committed entity, places significant emphasis on diminishing its environmental footprint. The company implemented the top-tier environmental practices and has effectively implemented policies and procedures that drive the ongoing enhancement of its practices, systems, and operations. Efforts persist in increase the utilization of renewable energy, clean fuels, eco-friendly materials, energy-efficient products, waste management, and conservation strategies.	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND	161-166
Principle-7 KIMS engagements with relevant authorities are guided by values such as dedication, integrity, transparency, and the need to balance the interests of various stakeholders. Ensures transparency in its advocacy efforts, disclosing all financial contributions and affiliations to prevent conflicts of interest. The Company strives to be a responsible and accountable participant in the policy-making process, fostering trust and credibility among stakeholders and the wider community	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	167
Principle-8 The hospital is deeply committed to promoting inclusive growth and equitable development. The company recognizes the intrinsic link between organizational performance and community well-being. It envisions a society where every individual, regardless of their background, enjoys access to high-quality healthcare services and opportunities for personal growth and development. The Company's CSR efforts are overseen by the CSR committee of the Board. As a catalyst for positive change, the hospital collaborates closely with stakeholders to build an inclusive and equitable healthcare ecosystem, prioritizing the wellbeing of all.	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	168-169
Principle-9 KIMS places patient's centricity at the heart of its business strategy. The company actively engages with its customers to understand their dynamically changing needs and consistently strives to exceed their expectations by delivering a superior customer experience. Commitment to responsible engagement extends to ensuring the safety, privacy, and confidentiality of their health information. At every step, aim to empower the consumers to make informed decisions about their well-being, enabling them to lead healthier and happier lives.	4 QUALITY EDUCATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	170-171

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L55101TG1973PLC040558
2.	Name of the Company	Krishna Institute of Medical Sciences Limited
3.	Year of Incorporation	26/07/1973
4.	Registered Office Address	D.NO.1-8-31/1, Minister Road, Secunderabad. Telangana, India - 500003
5.	Corporate Address	D.NO.1-8-31/1, Minister Road, Secunderabad. Telangana, India - 500003
6.	Email Address	cs@kimshospitals.com
7.	Telephone	040-44885000
8.	Website	http://www.kimshospitals.com/
9.	Financial Year Reported	2023-24
10.	Name of the Stock Exchanges where shares are listed	Bombay Stock Exchange & National Stock Exchange
11.	Paid-up Capital	80,02,77,870
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Uma Shankar Mantha Company Secretary & Compliance officer Ph: 040-44885000 Email: cs@kimshospitals.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report are made on a standalone basis for Krishna Institute of Medical Sciences Limited (KIMS).
14.	Name of assurance provider	Not Applicable for this financial year
15.	Type of assurance obtained	

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Hospital and Medical Care	Hospital Activities	98.74%

17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	KIMS offer a bouquet of comprehensive healthcare services across 40 specialties including cardiac sciences, oncology, neurosciences, gastric sciences, orthopedics, organ transplantation, renal sciences, and mother & child care.	86110	98.74%

III Operations

18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National*	4	0	4
International	0	0	0

*Operations of the entity (hospitals) take place at Secunderabad, Nellore, Rajahmundry and Ongole.

19. Markets served by the Company

a. Number of locations

Location	Number
National (No. of States)	2
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the Company?

0.99%

c. Types of customers

The clientele of the company encompasses individuals from diverse domestic regions, both insured and uninsured. This also includes beneficiaries of numerous health schemes sponsored by the government, such as Central Government Health Scheme (CGHS), ex-servicemen contributory health scheme (ECHS), and other health initiatives implemented by central and state governments. The company maintains a formal and professional approach in providing services to all its customers.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	5,013	2,411	48.1%	2602	51.9%
2.	Other than Permanent (E)	0	0	0	0	0.0%
3.	**Total employees (D + E)**	**5,013**	**2,411**	**48.1%**	**2,602**	**51.9%**
			WORKERS			
4.	Permanent (F)	0	0	0.0%	0	0.0%
5.	Other than Permanent (G)	1080	516	47.78%	564	52.22%
6.	**Total workers (F+G)**	**1080**	**516**	**47.78%**	**564**	**52.22%**

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		DIFFERENTLY ABLED EMPLOYEES				
1.	Permanent (D)	18	13	72.2%	5	27.8%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D+E)**	**18**	**13**	**72.2%**	**5**	**27.8%**
		DIFFERENTLY ABLED WORKERS				
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F+G)**	**0**	**0**	**0**	**0**	**0**

21. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	5	1	20%

22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2024			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	48.1%	51.9%	50%	36.71%	54.87%	45.79%	34.56%	55.35%	44.96%
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	Arunodaya Hospitals Private Limited	Subsidiary	67.66	No
2	KIMS Hospital Enterprises Private Limited	Subsidiary	90.74	No
3	Iconkrishi Institute of Medical Sciences Private Limited	Subsidiary	51.00	No
4	Saveera Institute of Medical Sciences Private Limited	Subsidiary	76.50	No
5	KIMS Hospital Kurnool Private Limited	Subsidiary	55.00	No
6	Sarvejana Healthcare Private Limited	Subsidiary	64.22	No
7	Rajyalakshmi Healthcare Private Limited	Step down Subsidiary	64.22	No
8	SPANV Medisearch Lifesciences Private Limited	Subsidiary	69.30	No
9	KIMS Hospitals Private Limited	Subsidiary	100	No
10	KIMS Swastha Private Limited	Subsidiary	100	No
11	KIMS Hospital Bengaluru Private Limited	Subsidiary	100	No
12	KIMS Manavata Hospitals Private Limited	Subsidiary	51.00	No
13	Kondapur Healthcare Limited formerly known as (RVM Healthcare Limited)	Associate	37.17	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in INR): 12,22,05,43,574

(iii) Net worth (in INR): 18,66,44,78,608

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)*	FY 2024			FY 2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes*	NIL			NIL		
Investors (other than shareholders)	Yes*	NIL			NIL		
Shareholders	Yes*				8	0	Nil
Employees and workers	Yes*	6	0	-	8	0	Nil
Customers	Yes*	435	0	All Complaints were addressed	515	0	Nil
Value Chain Partners	Yes*	NIL					
Others	Yes*	NIL					

* https://www.kimshospitals.com/investors/

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Dependency on healthcare professionals	Risk	Fluctuations in market conditions and the scarcity of trained professionals may necessitate an increase in the fees and salaries accorded to healthcare professionals and consultants.	The Company agrees to remunerate specialist physicians with a professional fee commensurate with the services rendered. However, the dynamic nature of market conditions and the potential scarcity of trained professionals may necessitate an increase in the fees and salaries, as applicable, disbursed to the healthcare professionals and consultants.	Negative
2	Waste management	Risk	Insufficient management of biomedical waste, both hazardous and non-hazardous, poses not only a regulatory risk but also a potential threat to environmental integrity and public safety.	A waste management policy has been put into effect, adhering to the disposal guidelines stipulated by the state Pollution Control Boards and the Biomedical Waste Management Rules. Regular training sessions are conducted for healthcare workers to ensure the prompt and safe management and disposal of waste.	Negative
3	Regulatory compliance	Risk	Subject to an extensive several local laws, rules, and regulations, the establishment and operation of private healthcare facilities pose a significant risk. These encompassing regulations, while ensuring the effective functioning of such establishments, also present potential challenges and liabilities.	A tool has been integrated within the organization to oversee regulatory compliances. This tool efficiently channels these compliances to the relevant departments, aligning with the requirement put forth by the authoritative body.	Negative
4	Data security	Risk	Adherence to emerging privacy and security laws, regulations, and requirements could potentially escalate operating expenses. Also, Given the nature of the business, patients place their trust in hospitals with regard to their health-related data. Any unauthorized access, theft, or leakage of this sensitive patient information poses a significant risk to the organization.	Steps have been implemented to uphold the privacy of client's medical and personal data. This is achieved through the use of advanced IT and monitoring systems, along with robust anti-virus software.	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Technological advancements	Opportunity	Dedication towards data security can significantly enhance customer trust and foster loyalty.	_	Positive
6	Dependency on supply chain	Risk	Any shortcomings in the timely acquisition of necessary equipment, reagents, or drugs from third parties, or failure to do so under commercially favorable conditions, could potentially impact the ability to deliver services.	Every vendor undergoes a stringent onboarding and evaluation process. Upon successful completion, adherence to the terms of agreement becomes mandatory.	Negative
7	Intense competition	Risk	There exists competition with entities of various sizes, including hospitals, clinics, diagnostic chains, and dispensaries, each possessing distinct specialties.	An obligation exists to assess and enhance the competitive stance within each market. This is achieved, for instance, by providing attractive remuneration to healthcare professionals and delivering superior services at competitive rates to patients.	Negative
8	Community Outreach	Opportunity	By actively engaging with local communities through Corporate Social Responsibility (CSR) initiatives, the organization can significantly impact the well-being of underserved populations. This endeavour not only strengthens the company's ties with the community but also contributes to a healthier, more resilient society.	_	Positive
9	Specialized Departments	Opportunity	By offering targeted care, the company can attract patients seeking expertise and personalized treatment. This strategic move not only elevates patient satisfaction but also contributes significantly to the hospital's reputation.	_	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Incorporating the principles outlined in the National Guidelines for Responsible Business Conduct within organizational structures, policies, and processes ensures seamless alignment with stakeholder interests. By establishing robust governance mechanisms, businesses can actively contribute to broader development objectives.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Weblink of the policies, if available	All the SEBI mandated policies could be found at https://www.kimshospitals.com/investors/ 1. Policy for Preservation of documents – https://assets.kimshospitals.com/docs/1_policy_for_preservation_of_documents.pdf| P1 2. Whistleblowers policy for Directors and Employees- https://assets.kimshospitals.com/docs/production/Whistleblower_policy_for_directors_and_employees_1714803011.pdf| P1 3. Policy for Determining Material Subsidiaries- https://assets.kimshospitals.com/docs/3_policy_for_determining_material_subsidiaries.pdf| P1, P4 4. Policy on Code of Conduct-https://assets.kimshospitals.com/docs/4_policy_on_code_of_conduct.pdf| P1 5. Policy on Related Party Transaction- https://assets.kimshospitals.com/docs/5_policy_on_related_party_transactionsdoc_1653038161.pdf| P1, P4, P7 6. Policy on Prevention of Insider Trading- https://assets.kimshospitals.com/docs/6_policy_on_prevention_of_insider_trading.pdf| P1, P4, P7 7. Policy of Nomination and Remuneration- https://assets.kimshospitals.com/docs/7_policy_of_nomination_and_remuneration.pdf | P3, P4 8. Policy on Diversity- https://assets.kimshospitals.com/docs/8_policy_on_diversity_samco_comments_130521.pdf | P1, P8 9. Policy for Determination of Materiality Threshold- https://assets.kimshospitals.com/docs/production/Policy_on_materiality_1692179843.pdf | P1, P4, P7 10. Policy on Familiarization of IDs https://assets.kimshospitals.com/docs/10_policy_on_familiarization_of_ids.pdf | P1 11. Dividend Distribution Policy- https://assets.kimshospitals.com/docs/11_dividend_distribution_policy.pdf | P3, P4 12. Policy on CSR- https://assets.kimshospitals.com/docs/12_policy_on_csr_1667812994.pdf | P4, P8 Additionally, the company maintains a few other policies, such as Grievance handling policy, ESG policy, Welfare policy, cyber security policy, POSH policy etc. covering P2, P5, P6 and P9, on the Intranet and the same is accessible to all employees.								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes								
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	1. ISO 9001:2015 Certified | P1, P2, P4, P9 2. Pharmacie De Qualite Certification (PDQ) | P2, P9 3. IVF center Accreditation by Board of FEQH & ISAR | P2, P8, P9 4. CSSD ACE Certification -2022 | P2 5. ISO 22000:2005 Certified - Food Safety Management System (FSMS) - 2019 | P2, P3 6. AACI International Accreditation | P3								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	Embarking on its ESG journey, KIMS anticipates establishing targets for sustainability KPIs in the short, medium, and long term. These targets encompass areas such as climate change, energy efficiency, water conservation, waste management, reduction of air emissions and greenhouse gases, and the protection of biodiversity.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.									

Governance, leadership and oversight

7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

In the realm of healthcare, the commitment to Environmental, Social, and Governance (ESG) initiatives is not just a responsibility, but a way of life. This ethos is deeply ingrained in the culture, shaping every decision and action. The safety and well-being of patients remain the core of all endeavors, with a relentless focus on creating a clean, safe, and pleasant environment.

The Company's dedication extends beyond the boundaries of its facilities, reaching out to the community through various programs. These initiatives aim to raise awareness about health issues, emphasizing both preventive and remedial measures. It is the belief that healthcare is not just about treatment, but also about education and prevention.

Creating a conducive climate for doctors and staff to function to their full potential is a priority. It is believed that the best care can only be provided when the caregivers themselves are cared for. This nurturing environment, coupled with a deep-seated concern for each patient, forms the backbone of the healthcare delivery system.

Ethics and transparency are not just principles, but the very foundation upon which the organization stands. It is firmly believed that there is no place for business without ethics. This commitment to ethical practices extends to all stakeholders, ensuring their interests are protected and honored. Regular reviews of ESG practices are conducted, with a constant endeavor to improve and innovate, contributing to a more equitable and sustainable future for all.

In conclusion, the company's commitment to ESG initiatives, patient safety, community outreach, staff welfare, and ethical practices is unwavering. As the journey continues, the focus remains on nurturing this culture of care and commitment, striving to make a difference in the world of healthcare.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	DIN Number : 01681273 Name: Dr. Abhinay Bollineni Designation: Director & CEO Telephone No. 040-44885000 Email Id: abhi@kimshospitals.com
9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Same as above

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Adherence to the above mentioned policies and subsequent actions undergo scrutiny by the Board of Directors, Nomination and Remuneration Committee, Risk Management Committee, and Audit Committee, as relevant. These reviews occur two or three years, or whenever alterations in applicable laws necessitate an update.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company monitors and completes the compliances on timely basis via a platform on boarded from a third party vendor.																	

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	None								

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principle material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: **Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.**

Essential Indicator:

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	_	-	-
Key Managerial Personnel	_	-	-
Employees other than Board of Directors and KMPs	20	Emergency codes, Fire safety, Incident reporting, Radiation safety, HIC, Handling Vulnerable patients, Occupational Hazards, HIRA, Disciplinary and Grievance handling, POSH, Adrenaline & LMS, Risk within Hospital environment, Hospital disaster Management Plan, Privileging process(clinical staff),HIMS,NABH & ISO Standards, HR Policies.	75%
Workers	20	Emergency codes, Fire safety, Incident reporting, Radiation safety, HIC, Handling Vulnerable patients, Occupational Hazards, HIRA, Disciplinary and Grievance handling, POSH, Adrenaline & LMS, Risk within Hospital environment, Hospital disaster Management Plan, Privileging process(clinical staff),HIMS,NABH & ISO Standards, HR Policies. Employee Rights & responsibilities. Patient's Rights & responsibilities.	80%

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

			Monetary		
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					
		Non-Monetary			
Imprisonment			Nil		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details | **Not Applicable** | Name of the regulatory/ enforcement agencies/ judicial institutions

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

- KIMS, as an organization, adheres to the highest standards of corporate governance and ethical business conduct. The company firmly believes that safeguarding against bribery is an integral component of its Code of Conduct. This commitment serves several critical purposes:
  - **Legal Compliance:** Ensuring compliance with all relevant laws and regulations related to anti-bribery practices.
  - **Reputation Protection:** Upholding KIMS' reputation as a trustworthy and ethical entity.
  - **Risk Mitigation:** Proactively addressing bribery risks to safeguard the company's interests.
  - **Promotion of Ethical Practices:** Fostering a culture of integrity and responsible business conduct.
- While KIMS does not have a separate policy dedicated solely to anti-bribery, these principles are embedded within the broader company code of conduct.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024	FY 2023
Directors	NIL	NIL
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest

	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	No complaints were received in relation to issues of conflict of interest against any of our Directors or KMPs in the reporting year and in the year before that.			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

- Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024	FY 2023
Number of days of accounts payables	114.24	111.75

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	79%	83%
	b. Number of trading houses where purchases are made from	1027	1105
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	28%	30%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.41%	0.10%
	b. Sales (Sales to related parties / Total Sales)	0.77%	0.37%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	76%	57%
	d. Investments (Investments in related parties / Total Investments made)	94%	95%

Leadership Indicators-

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	NIL	

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, The Company's policy on the Code of Conduct for Board members and senior management provides comprehensive guidance regarding conflict of interest. It emphasizes that directors and senior management personnel should actively avoid and transparently disclose any activities or associations that may create, or even appear to create, a conflict between their personal interests and the company's business objectives.

PRINCIPLE 2: Business should provide goods and services in a manner that is sustainable and safe

Essential Indicator:

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

Segment	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R & D			The assessment of capital expenditures (Capex) and research and development (R&D) spending by the Company always aligns with their potential impact on improving social and environmental aspects associated with business activities. These costs are integral to the project and therefore cannot be separately identified.
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The company's procurement process involves meticulous selection of business partners and suppliers. New vendors undergo rigorous evaluation before being onboarded, while existing vendors receive regular assessments to gauge their engagement with KIMS. Additionally, ongoing efforts aim to incorporate sustainability considerations into the vendor selection process.

b. If yes, what percentage of inputs were sourced sustainably?

91 %

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

(a) Plastics (including packaging)	The company ensures responsible waste management practices by regularly selling its plastic waste to authorized plastic recyclers. Given its operation in the healthcare services industry, plastic waste generation remains minimal.
(b) E-waste	The company upholds responsible waste management practices by directing its E-waste to authorized recyclers approved by the Central Pollution Control Board (CPCB).
(c) Hazardous waste	The company responsibly manages hazardous waste, including residuals from the Sewerage Treatment Plant (STP) and general healthcare waste. These materials are disposed of through authorized municipal authorities and biomedical channels. Additionally, the wastewater undergoes treatment in the STP, and the treated water is then reused for watering the plants, maintaining greenery around the hospital.
(d) Bio-Medical waste	The company ensures proper handling of bio-medical waste by entrusting it to an authorized Bio-Medical Waste Treatment Facility approved by the Central Pollution Control Board (CPCB), in accordance with the Bio-Medical Waste Management Rules of 2016 and subsequent amendments.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

- Not Applicable

Leadership Indicators-

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
Considering the nature of operations and business activities of KIMS, Life Cycle Assessment is not being conducted.					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Given the company's operation in the healthcare sector, this is not applicable.		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024	FY 2023
Given the company's operation in the healthcare sector, this is not applicable.		

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024			FY 2023		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	The Company manages waste responsibly by following specific protocols for different types of waste. Bio-medical waste is directed to an authorized Bio-Medical Waste Treatment Facility, approved by the Central Pollution Control Board (CPCB), in accordance with the Bio-Medical Waste Management Rules of 2016 and subsequent amendments. E-waste is handed over to a vendor authorized by the CPCB. Additionally, other waste is securely stored and regularly cleared according to local municipality rules before collection by municipal authorities.					
E-waste						
Hazardous waste						
Other waste						
Bio-medical waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: **Business should respect and promote the wellbeing of all employees, including those in their value chains**

Essential Indicator:

1. **a. Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2411	2411	100%	0	0	NA	NA	0	0	25	1.0%
Female	2602	2602	100%	0	0	65	2.5%	NA	NA	23	0.9%
Total	**5013**	**5013**	**100%**	**0**	**0**	**65**	**2.5%**	**0**	**0**	**48**	**1.0%**
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent workers											
Male	516	0	0	0	0	0	0	0	0	0	0
Female	564	0	0	0	0	0	0	0	0	0	0
Total	**1080**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2024	FY 2023
Cost incurred on well- being measures as a % of total revenue of the company	0.13%	0.16%

2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99%	100%	Y	86%	100%	Y
Gratuity	100%	95%	Y	82%	95%	Y
ESI	64%	100%	Y	57%	100%	Y
Others- please specify	0	0%	NA	86%	100%	Y

3. Accessibility of workplaces

Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

KIMS, a healthcare institution, acknowledges the diversity and inclusivity of its patients, visitors, and employees. This institution firmly believes in its legal and ethical responsibility to ensure equal access to healthcare services for all, irrespective of their disabilities.

KIMS ensures that all its hospitals across India comply with the Rights of Persons with Disabilities Act 2016. To achieve this, KIMS has made provisions such as ramps and separate urinals to cater to the needs of differently-abled individuals. The empathetic staff at KIMS strives to understand and address the unique challenges faced by these individuals.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

KIMS, as an institution, is committed to providing equal employment opportunities to all individuals. This commitment extends beyond the boundaries of race, gender, religion, national origin, age, or disability. The focus is on fostering a fair and inclusive workplace where every employee feels valued, respected, and has an equal opportunity to thrive.

In addition, KIMS has a well-documented Recruitment and Selection Policy in place. This policy underscores the hospital's commitment to providing equal employment opportunities, irrespective of an individual's sex, caste, creed, religion, or community. Furthermore, KIMS has an Employee Rights and Responsibilities Policy. This policy ensures that every employee has the right to be treated equally.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers*	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	0%	0%	0%	0%
Female	60%	100%	0%	0%
Total	60%	100%	0%	0%

***The company does not have any permanent workers which is why the number reflected above equals zero.**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	NA
Other than permanent workers	Yes, the Company has multiple channels for employees to raise concerns. Grievances can be expressed either orally or through a formal written complaint. Upon receipt, these grievances are forwarded to the Grievance Redressal Committee. Every individual involved in the complaint is given an opportunity to express their perspective. Following this, the committee conducts a thorough investigation and takes appropriate action based on their findings. If an employee finds the committee's decision unsatisfactory, an appeal can be made to the Management. It is the responsibility of the Management to resolve the appeal within a 45-day timeframe. This process ensures that every grievance is addressed in a fair and timely manner.
Permanent employees	
Other than permanent employees	NA

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2024			FY 2023		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	5013	0	0%	4588	0	0%
-Male	2411	0	0%	2269	0	0%
-Female	2602	0	0%	2319	0	0%
Total Permanent Workers	0	0	0%	0	0	0%
-Male	0	0	0%	0	0	0%
-Female	0	0	0%	0	0	0%

The company does not have any permanent workers which is why the number reflected above equals zero.

8. Details of training given to employees and workers:

Category	FY 2024					FY 2023				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2411	1562	65%	1254	52%	2269				
Female	2602	1708	66%	1521	58%	2319	**1054**	**22.98%**	0	
Total	5013	3270	65%	2775	55%	4588				
Workers										
Male	516	316	61%	352	68%	458				
Female	564	412	73%	403	71%	558	**599**	**58.96%**	0	
Total	1080	728	67%	755	70%	1016				

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024			FY 2023		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2411	2411	100%	2269	2269	100%
Female	2602	2602	100%	2319	2319	100%
Total	5013	5013	100%	4588	4588	100%
Workers						
Male	516	516	100%	458	458	100%
Female	564	564	100%	558	558	100%
Total	1080	1080	100%	1016	1016	100%

10. Health and Safety Management System:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, The Company holds a commitment to safeguarding the workplace and fostering a healthy environment for all its employees. The Company has established a robust incident reporting mechanism, ensuring swift and thorough reporting of any safety-related incidents. This system provides clear procedures to be adhered to in the event of an incident. It further includes guidelines for the Company's recording and documentation of each reported incident or occurrence within the work units. With this mechanism, the Company not only prioritizes safety but also fosters a proactive approach to identify, address, and mitigate potential risks. To uphold this commitment, an Occupational Health and Safety management system has been implemented, with updates occurring quarterly.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Quality department conducts systematic audits, aiming to identify and monitor work-related hazards while assessing associated risks. This process is integral to maintaining a safe and efficient work environment.

c. **Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes, The Company maintains robust Standard Operating Procedures (SOP) for all personnel. These guidelines prescribes the course of action in response to any safety incidents, ensuring a systematic approach to identifying, reporting, and mitigating work-related hazards.

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, the employers/ worker of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident /Number	Category	FY 2024	FY 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

KIMS believes that establishing a safe and healthy workplace is crucial for the welfare of its employees and the company's success. This commitment benefits all stakeholders, including employees, employers, customers, and others. To this end, KIMS adheres to the provisions of the Prevention of Sexual Harassment (POSH), has instituted a Grievance Committee, conducts routine fire drills, and follows emergency codes. Furthermore, KIMS ensures that departmental processes and protocols are adhered to as required.

To ensure a safe and healthy workplace, KIMS has adopted the following measures:

Regular training sessions and drills on Fire Safety and occupational hazards are conducted. These sessions cater to both new joiners and existing employees. Standard Operating Procedures (SOPs) are in place for the appropriate disposal of waste, including hazardous biomedical waste, in compliance with Biomedical Waste Management Rules.

This comprehensive approach ensures an effective safety management system within KIMS. It demonstrates KIMS' commitment to maintaining a safe and healthy work environment for all its employees.

13. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	The Company did not receive any complaints from employees and workers during the current reporting period.			NIL		NA
Health & Safety						NA

14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Nil. However, Regular audits are conducted by the Quality department to identify and monitor identify work-related hazards and assess risks.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- Not Applicable

Leadership Indicators-

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, The employees and workers at KIMS are covered under the ESI scheme.

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

The company ensures that EPF, ESI, and PT deductions are made from employees' monthly pay sheets according to eligibility criteria. These statutory dues are then promptly deposited with the relevant authorities before the due date. Additionally, formal agreements and contracts with value chain partners explicitly outline their responsibility for ensuring accurate deduction and timely deposit of these statutory contributions.

3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	Nil. None of employees or workers have suffered high consequence work-related injury/ ill-health/ fatalities in the current or previous financial year.			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) –

KIMS recognizes the pivotal role of transition assistance programs in helping individuals navigate career changes successfully. With this understanding, the company offers comprehensive support to facilitate ongoing employability and effectively manage career transitions resulting from retirement or employment termination.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil. KIMS maintains a rigorous evaluation and onboarding process for its suppliers, even though the value chain partners are not directly assessed on the mentioned aspects
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

- Not Applicable

PRINCIPLE 4: Business should respect the interests of and be responsive to all its stakeholders

Essential Indicator:

1. **Describe the processes for identifying key stakeholder groups of the Company.**

   KIMS recognizes the significance of stakeholders in its ongoing business operations. Every entity, individual, or organization involved in day-to-day activities or impacted by medical facilities is considered a stakeholder. The stakeholders encompass patients, employees, shareholders, investors, suppliers/vendors, and the local community. KIMS places great value on its relationships with stakeholders and actively engages with them through performance reviews, meetings, surveys, feedback systems, media, events, and other communication channels. This proactive approach fosters strong partnerships and builds trust, resulting in mutually beneficial outcomes. Both internal and external stakeholders hold critical positions in KIMS's organizational goals, spanning financial and non-financial aspects. Regular interaction ensures a deep understanding of their queries, concerns, expectations, and obligations toward them.

2. **List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investor/ shareholder	No	Website, Newspaper, Email, Meetings	Need basis- The company engages with stakeholders as and when required.	Business and Financial Performance Strategic roadmap for growth ROCE Dividends
Patients	Yes	Website, Newspaper, Email, SMS, Pamphlets		Quality of healthcare services Data Privacy Patient Relationship Management Affordable healthcare
Healthcare Professional	No	Email, Website, Newspaper, SMS, Meetings		Infrastructure Support Research and Development Occupational Health and Well-being
Employees	No	E-mail, SMS, Meetings, Notice Board, Website, Intranet, Advertisements		Career progression Diversity & Inclusion Employee Engagement Employee Wellbeing Rewards and Recognitions
Regulators	No	Website, Newspaper, email		Fair and ethical business practices Transparency in disclosures
Community	Yes	Newspaper, Website, Pamphlets, Advertisements		Affordability Better Access to Health and Nutrition
Suppliers/ Vendors	No	Meetings, Email		Ensuring quality in the supply chain Mitigating the Environment & Social risks in the supply chain
Industry Associations	No	Newspaper, Website, Pamphlets, Advertisements		R & D Tie-up

Leadership Indicators-

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The company's management maintains regular interactions with key stakeholders. Various mechanisms are employed for analysing, planning, and implementing tasks to engage stakeholders effectively. This approach facilitates the translation of stakeholder needs into organizational goals, forming the foundation for strategic development.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, in consultation with stakeholders, the company identifies and prioritizes material issues related to environmental, social, economic, and governance topics. These identified issues are then mapped to relevant risks. As part of the risk management plan, the company strategically develops mitigation action plans for the identified risks

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The company's CSR initiatives prioritize support for disadvantaged, vulnerable, and marginalized segments of society. All CSR programs align with the company's CSR Policy. Key focus areas within the company's CSR mandate include education, gender equality, women's empowerment, and addressing hunger, poverty, nutrition, and health.

PRINCIPLE 5: Business should respect and promote human rights

Essential Indicator:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024			FY 2023		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	5013	3270	65.23%	4588	1054	22.98%
Other than Permanent	0	0	0%	0	0	0%
Total Employees	**5013**	**3270**	**65.23%**	**4588**	**1054**	**22.98%**
Workers						
Permanent	0	0	0%	0	0	0%
Other than Permanent	1080	728	67.4%	1016	599	58.96%
Total Workers	**1080**	**728**	**67.4%**	**1016**	**599**	**58.96%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024					FY 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	5013	100	2.0%	4913	98.0%	4588	785	17.1%	3803	82.9%
Male	2411	31	1.3%	2380	98.7%	2269	261	11.5%	2008	88.5%
Female	**2602**	**69**	**2.7%**	**2533**	**97.3%**	**2319**	**524**	**22.6%**	1795	77.4%
Other than Permanent	NIL					NIL				
Male										
Female										
Workers										
Other than Permanent	1080	0	0%	1080	0	1016	1016	100.0%	0	
Male	516	0	0%	516	0	458	458	100.0%	0	
Female	564	0	0%	564	0	558	558	100.0%	0	

3. Details of remuneration/salary/wages, in the following format:

a. The details are provided below:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	6	10,55,520	2	7,91,640
Key Managerial Personnel (KMP)*	2	58,94,601	0	0
Employees other than BoD and KMP	2411	2,86,317	2602	2,10,486
Workers	516	1,46,850	564	1,47,000

*KMP exclude BoD

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	39.4%	38.73%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, KIMS has implemented a Grievance Policy to establish and maintain an effective, timely, fair, and equitable grievance handling system accessible to all employees. Additionally, a formalized Code of Conduct outlines employee norms, responsibilities, and acceptable conduct, with mandatory compliance for all staff members. The company maintains various committees responsible for addressing human rights impacts and issues. Notably, KIMS maintains a zero-tolerance policy for workplace sexual harassment. A dedicated committee, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, handles any complaints or concerns related to sexual harassment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has implemented a Grievance Redressal Policy that outlines the processes and procedures for addressing employee grievances. This mechanism ensures timely and effective redress while safeguarding the confidentiality of aggrieved employees

6. Number of Complaints on the following made by employees and workers:

The details are provided below:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil. No complaints were raised with regards to the mentioned human rights issues in the reporting year and the previous year.					
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other Human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company demonstrates a strong commitment to preventing discrimination, retaliation, or harassment against any employee who reports under the Vigil Mechanism or participates in an investigation. The Whistle Blower Policy, Code of Conduct, and Grievance Policy prioritize safeguarding the complainant's identity and maintaining confidentiality throughout each stage of the investigation.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, The Company incorporates specific clauses related to the Code of Conduct within its business agreements, contracts, and purchase orders. Notably, human rights are an integral part of this Code of Conduct.

10. **Assessment for the year:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	Preservation of Human Rights is held in the highest regard by the Company, which is acknowledged as a fundamental aspect of its business operations. An uncompromising internal oversight system is actively enforced to eliminate any potential discrimination, thereby ensuring that all operations are executed in a manner that embodies fairness and transparency. This strategy is in perfect alignment with all prevailing national and international Human Rights standards. In the fiscal year 2023-24, the Company commissioned an external agency to conduct an assessment, which successfully encompassed 100% of the Company's facilities.
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other- please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

- Not Applicable

Leadership Indicators-

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

The company has not received any grievances or complaints related to human rights issues. Nevertheless, KIMS conducts regular reviews of its policies and business processes, ensuring updates in accordance with regulatory changes or internal requirements.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

The company does not currently engage in Human Rights due diligence. However, it remains open to assessing its relevance and implementing such practices in the upcoming years.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, KIMS recognizes the diverse backgrounds and cultures of its patients, visitors, and employees. As a hospital committed to inclusiveness, KIMS believes in providing equal access to healthcare services for all, irrespective of disabilities. To this end, the hospital has implemented facilities such as ramps and separate urinals for differently-abled individuals. The empathetic staff at KIMS actively seeks to understand and address the unique needs and challenges faced by specially-abled people

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Preservation of Human Rights is held in the highest regard by the Company, which is acknowledged as a fundamental aspect of its business operations. An uncompromising internal oversight system is actively enforced to eliminate any potential discrimination, thereby ensuring that all operations are executed in a manner that embodies fairness and transparency. This strategy is in perfect alignment with all prevailing national and international Human Rights standards. KIMS holds a commitment to transparency and accountability in its operations. As part of this commitment, the organization is dedicated to providing comprehensive assessments of its value chain partners. These assessments, which are integral to maintaining the high standards of KIMS, will be made available in the forthcoming financial years.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

PRINCIPLE 6: **Business should respect and make efforts to protect and restore the environment.**

Essential Indicator:

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024 *(GJ)*	FY 2023 *(GJ)*
From renewable sources (GJ)		
Total electricity consumption (A)	30017.77	26000.87
Total fuel consumption (B)	252.1224	1558.50
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	30269.89	27559.38
From non-renewable sources		
Total electricity consumption (D)	33744.244	35414.61
Total fuel consumption (E)	15219.41	1558.50
Energy consumption sources (F)	81.216	95.508
Total energy consumed from non- renewable sources (D+E+F)	49044.87	37068.619
Total energy consumed (A+B+C+D+E+F)	79314.76	63069.49
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	6.49	5.46
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	148.51	73.40
Energy intensity in terms of physical output	--	--
Energy intensity *(optional)* – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	175768	207530
(iii) Third party water	3315	3146
(iv) Seawater / desalinated water		
(v) Others	1225	1475
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	179083	210676
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	335.32	417.18
Water intensity in terms of physical output	-	-
Water intensity *(optional)* – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment	–	
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, The Company has successfully implemented a Zero Liquid Discharge system. Efforts have been dedicated to managing and reducing water consumption, a critical aspect of the company's sustainability agenda. Specifically, sewage generated from hospitals in Secunderabad, Nellore, and Rajahmundry undergoes treatment in sewage treatment plants. The treated water is then reused for flushing toilets and cooling chiller condensers. Additionally, the sewer generated from the hospital unit in Ongole serves as a resource for landscaping within the hospital premises.

6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY 2024	FY 2023
NOx	μg/m³	531.5	668
SOx	μg/m³	378.8	492
Particulate matter (PM)	μg/m³	2099.9	2229
Persistent organic pollutants (POP)	Mg/Nm³	–	–
Volatile organic compounds (VOC)	Mg/Nm³	–	–
Hazardous air pollutants (HAP)	Mg/Nm³	–	–
Others – please specify Mercury, Cadmium, Chromium etc.	Mg/Nm³	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:

The details are provided below:

Parameter	Unit	FY 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1768.05	1290.03
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	7714.31	7,478.99
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent / Rupee of turnover in Crore	0.77	0.76
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent / Rupee of turnover in Crore	17.75	17.36
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity *(optional)* – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

KIMS demonstrates unwavering commitment to continuous support in energy consumption management, monitoring, system efficiency enhancement, and the identification of energy optimization opportunities. In 2018, KIMS Secunderabad forged a strategic partnership with Smart Joules Pvt. Ltd (SJPL), a prominent Energy Services Company (ESCO). Under the innovative model known as JoulePAYS, KIMS makes zero capital investment to implement various Energy Conservation Measures (ECMs) across the hospital. In return, the hospital receives a guaranteed minimum annual energy savings of 10% over the baseline consumption.

Furthermore, the company actively champions clean technologies, energy efficiencies, and renewable energy. As part of these initiatives, KIMS has installed LED lights throughout all hospital units, contributing to both cleanliness and energy efficiency.

9. Provide details related to waste management by the Company, in the following format:

The required details are provided below:

Parameter	FY 2024	FY 2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	0	0.12
Bio-medical waste (C)	192.185	99.93
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0.06	0.06
Other Hazardous waste. Please specify, if any. (G)	0	0

Parameter	FY 2024	FY 2023
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	192.245	100.10
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.015	0.0086
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.36	0.20
Waste intensity in terms of physical output	-	-
Waste intensity *(optional)* – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NIL	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At KIMS, bio-medical waste is diligently handed over to the Bio-Medical Waste Treatment Facility, which holds authorization from the Central Pollution Control Board (CPCB) in accordance with the Bio-Medical Waste Management Rules of 2016 and subsequent amendments. Similarly, E-waste is entrusted to a vendor authorized by the CPCB. Additionally, other waste is appropriately stored.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable. The Company has no operations/offices in/around ecologically sensitive area			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

If not, provide details of all such non-compliances, in the following format:

Sr.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, The company ensures compliance with all relevant environmental laws, regulations, and guidelines in India. BBL diligently manages emissions and waste generated across its various units, consistently adhering to permissible limits. These processes undergo continuous monitoring, internal review, and reporting to the CPCB / SPCB as required.				

Leadership Indicators-

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area -

(ii) Nature of operations –

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable KIMS does not withdraw, consume or discharge water in areas of water stress.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover *(Water consumed / turnover)*		
Water intensity *(optional)* – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment	–	
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024	FY 2023
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	The company did not measure its Scope 3 emissions during the reporting year. However, ongoing efforts are in place to track and record this data, which will be made available in the upcoming years.	
Total Scope 3 emissions per rupee of turnover	MT CO2/ Rupee turnover		
Total Scope 3 emission intensity			

Note: Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

3. **With respect to the ecologically sensitive areas reported in Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

4. **If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr.No.	Initiative undertaken	Details of the initiative *(Web-link, if any, may be provided along-with summary)*	Outcome of the initiative
		NIL	

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

KIMS Hospitals has established a comprehensive disaster management policy and program. This program ensures the swift activation of disaster response protocols, mobilizing personnel and equipment to facilitate rapid triage, assessment, stabilization, and definitive care for victims. The primary objective of Medanta Hospital's disaster preparedness program is to deliver prompt and effective medical assistance, thereby minimizing morbidity and mortality resulting from mass casualty incidents. Regular emergency drills are conducted, and feedback from these drills informs necessary improvements. The core team diligently analyzes any identified gaps and takes appropriate actions to enhance emergency management.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Not Applicable

7. **% of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?**

The company diligently focuses on ensuring the sustainability of its value chain partners' operational practices. Currently, efforts are underway to evaluate opportunities for environmental impact assessment. Relevant steps will be taken in this direction during subsequent financial years.

PRINCIPLE 7: **Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

Essential Indicators:

1. a. **Number of affiliations with trade and industry chambers/associations.**

2

b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

Sr.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	Association of Healthcare Providers (India)	National
2	Consortium of Accredited Health Care Organization	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.**

Name of the authority	Brief of the case	Corrective action taken
There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.		

Leadership Indicators-

1. **Details of public policy positions advocated by the Company:**

Sr.No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
			Nil		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicator:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable. The company did not undertake any SIA projects during the reporting year. However, the requirement for such projects will be assessed in the upcoming year and addressed accordingly.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

Sr.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount sent on R&R activities during FY 2023-24 (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The company's operations do not adversely impact the local community. However, KIMS firmly believes in safeguarding the well-being of communities residing in and around its operational areas. As part of its commitment, the company maintains an open-door policy that encourages transparency and accountability. Local community members are welcome to raise any grievances they may have through this accessible channel.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024	FY 2023
Directly sourced from MSMEs/small producers	The company's medical procurements are primarily based on prescriptions and clinician requirements. When products are supplied through MSME (Micro, Small, and Medium Enterprises) vendors, they are on boarded for supplies. However, no specific initiatives have been implemented to encourage MSME vendor on boarding specifically for medical supplies	
Directly from Within India	88%	89.78%

Note: The Company's initial report for the fiscal year 2022-23 focused solely on Pharmacy Items, which encompassed products directly billed to patients such as tablets, injections, and syrups. However, the scope has been expanded to incorporate all medical items, consumables, general items, medical equipment, and instruments.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024	FY 2023
Rural	0	0
Semi-urban	0	0
Urban	43.01%	44.10%
Metropolitan	56.99%	55.90%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators-

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

Sr.No.	State	Aspirational District	Amount spent (In INR)
Nil For this reporting year, the Company did not undertake any CSR projects in designated aspirational districts.			

(a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)** - The company, as a provider of healthcare services to patients, meticulously sources all medicines, consumables, devices, and equipment from regulated vendors. This stringent practice ensures patient safety and adherence to quality standards. No specific initiatives made for encouraging suppliers comprising marginalized.

(b) **From which marginalized/vulnerable groups do you procure?** – Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?** – Not Applicable

3. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:

Sr.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Nil				

4. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

5. Details of beneficiaries of CSR Projects:

Sr.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Hi Vision Foundation - Student Scholarship Programme	150	100%
2	Medical Camps (At various locations) (Healthcare)	44046	100%
3	Free Clinic (Healthcare)	9409	100%
4	Skilling & Reskilling	296	50%
5	Skilling & training for Govt Exams (Parvasthu Creative Foundation)	300	80%
6	School Infrastructure (Sanitation services support to 10 schools, Dining hall (1 school - Mamuduru), Class room -)	5350	100%
7	Grocery support to Orphanage (Aman Vedika) & students (Kakatiya Vidya Trust)	365	100%
8	Sankara Kripa Educational & Medical Trust	120	70%
9	Child Haven International Orphanage (WIP)	-	-
10	Montfort Community Hr Secondary School	100	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicator:

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

KIMS places great importance on patient feedback and actively seeks to address any queries or grievances promptly. The hospital has established several channels for patients to communicate their complaints and concerns to the management:

- **Direct Visits by Relationship Managers:** Patients can share their feedback and opinions verbally during direct visits to the relationship manager.
- **Immediate Reporting:** Any complaints received by the relationship manager are promptly reported to the relevant department. The concerned Head of Department (HOD) is responsible for resolving the issue within one hour.
- **Post-Discharge Feedback:** Feedback is collected from patients after their discharge, facilitated by a third-party process.
- **Quality Department Analysis:** The Quality Department thoroughly analyzes discharge feedback to identify areas for improvement.

Additionally, patients have the right to seek justice by lodging a complaint with the patient care floor manager. If the grievance remains unaddressed, they may contact the grievance manager via phone at "7995222794" or through email at "assistance@kimshospitals.com". Alternatively, they can visit the hospital's website at KIMS Hospitals for further assistance.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

Number of consumer complaints in respect of the following:	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil					
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. **Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, KIMS recognizes the critical importance of data privacy policies for hospitals and healthcare organizations. Handling sensitive personal information, such as medical records, insurance details, and personal identification, demands stringent safeguards. In alignment with this imperative, KIMS has established a robust cybersecurity policy to protect patient data and maintain confidentiality.

Link- This policy is present on company's intranet.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	Nil
b. Percentage of data breaches involving personally identifiable information of customer	Nil
c. Impact, if any, of the data breaches	Not Applicable

Leadership Indicators-

1. **Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

Website: www.kimshospitals.com and www.kimscuddles.com

Facebook: https://www.facebook.com/kimshospitals

Instagram: https://www.instagram.com/kimshospitals/

Twitter: https://twitter.com/kimshospitals

LinkedIn: https://www.linkedin.com/company/kimshospitals/

YouTube: https://www.youtube.com/@KIMSHospitalsOfficial/featured

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

KIMS ensures that information about all its services is readily available on its website and various social media channels. Additionally, the hospital has published its policies on the website, ensuring easy accessibility for everyone.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

In the event of disruptions to essential services due to natural disasters, technical failures, cyber-attacks, or government directives, patients are notified in advance of their hospital visit. The cause of the disruption, its expected duration, and any necessary measures are communicated to the patients. Contingency plans are in place at the hospital to manage potential service disruptions and mitigate their impact on patient care. These plans encompass backup electrical power and communication systems, emergency medical supplies, and protocols for evacuating patients and staff during emergencies.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)**

No, upon patient discharge, feedback is gathered through a third-party entity. The Quality Department undertakes the task of analyzing these discharge feedback forms. This analysis occurs on a weekly basis. As per the complaints and suggestions received, these feedback forms are directed to the respective departments.

Financial Statements

Independent Auditor's Report

To
The Members of
Krishna Institute of Medical Sciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Krishna Institute of Medical Sciences Limited** ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Investments in and Loans to subsidiaries (Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited) *(as described in Note 2.2 and 2.3 of the standalone financial statements)*	
As at March 31, 2024, the Company has investments in Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited amounting to Rs.5,414.90 million and Rs. 1,570.90 million respectively carried at cost. Further, the Company has granted loans to subsidiaries amounting to Rs. 231 million. The investments/loans are tested annually for impairment using discounted cash-flow models by which recoverable value is compared to the carrying value as at balance sheet date. A deficit between the recoverable value and the carrying value would result in impairment.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over impairment assessments; • We gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process;

Key audit matters	How our audit addressed the key audit matter
The inputs to the impairment testing model include: - Projected revenue growth, operating margins, operating cash-flows and capex during the periods related to explicit forecast; - Stable long-term growth rates beyond explicit forecast period and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax). The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing of these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Standalone Financial Statements as a whole.	• With the assistance of specialists, we evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions; and tested the arithmetical accuracy of the model; • We tested budgeting procedures upon which the cash flow forecasts were based. We have also compared the actual past performances with the budgeted figures; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We assessed the adequacy of the related disclosures in notes to the Standalone Financial Statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"** to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.25 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. The Company has migrated to new accounting software from legacy accounting software during the year on May 01, 2023. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except in respect of new accounting software where audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights, as described in note 2.41 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting softwares used.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**
Partner
Membership Number: 102328
UDIN: 24102328BKEZMA6564

Place of Signature: Hyderabad
Date: May 16, 2024

Annexure '1' referred to in paragraph under the heading "Report on other Legal and Regulatory Requirements" of our report of even date

Re: Krishna Institute of Medical Sciences Limited ('The Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.

e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more in aggregate for each class of inventory.

b) As disclosed in note 2.12 (b) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) a) During the year the Company has provided loans and stood guarantee to companies as follows:

Rs. in Million

	Guarantees	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	Rs Nil	Rs. 317.80
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	Rs. 5,440.00	Rs. 1,049.67

b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest.

c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the medical and healthcare services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount Demanded (Rs. in Million)	Amount paid under protest (Rs. in Million)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
CGST Act, 2017	CGST and SGST including penalty	6.59	0.44	July 2017 to August 2019	Assistant Commissioner, Ongole
CGST Act, 2017*	CGST and SGST including penalty	28.62	Nil	April 2018 to March 2019	Joint Commissioner of Central tax, Secunderabad

*The Company is in the process of filing appeal against the Order

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) Term loans were applied for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

b) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) a) The Company has an internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 2.38 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.33 to the financial statements.

b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.33 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**
Partner
Membership Number: 102328
UDIN: 24102328BKEZMA6564

Place of Signature: Hyderabad
Date: May 16, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Krishna Institute of Medical Sciences Limted

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Krishna Institute of Medical Sciences Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**
Partner
Membership Number: 102328
UDIN: 24102328BKEZMA6564

Place of Signature: Hyderabad
Date: May 16, 2024

Standalone Balance Sheet

as at 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	6,265.45	5,933.71
Capital work-in-progress	2.1 (b)	2,919.78	159.68
Intangible assets	2.1 (c)	183.95	189.10
Right-of-use assets	2.26	289.81	-
Financial assets			
(i) Investments	2.2 (a)	10,006.50	7,848.71
(ii) Loans	2.3 (a)	958.13	876.87
(iii) Other financial assets	2.4 (a)	99.82	93.13
Non-current tax assets (net)	2.9	36.55	11.96
Other non-current assets	2.5	193.41	637.08
Total non-current assets		**20,953.40**	**15,750.24**
Current assets			
Inventories	2.6	221.14	192.44
Financial assets			
(i) Investments	2.2 (b)	616.40	411.74
(ii) Trade receivables	2.7	1,487.22	1,199.44
(iii) Cash and cash equivalents	2.8 (a)	204.81	380.99
(iv) Bank balances other than (iii) above	2.8 (b)	-	20.10
(v) Loans	2.3 (b)	91.54	-
(vi) Other financial assets	2.4 (b)	234.61	116.21
Other current assets	2.10	155.93	49.52
Total current assets		**3,011.65**	**2,370.44**
Total assets		**23,965.05**	**18,120.68**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.11 (a)	800.28	800.28
Other equity	2.11 (b)	17,864.23	15,508.31
Total equity		**18,664.51**	**16,308.59**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (a)	2,571.69	-
(ii) Other financial liabilities	2.13 (a)	99.60	98.91
Provisions	2.14	190.91	171.28
Deferred tax liabilities (net)	2.36	345.71	345.11
Total non-current liabilities		**3,207.91**	**615.30**
Current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (b)	691.22	41.70
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and	2.15	2.97	1.97
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.15	780.92	725.36
(iii) Other financial liabilities	2.13 (b)	178.79	127.86
Other current liabilities	2.17	336.40	221.89
Provisions	2.16	102.33	78.01
Total current liabilities		**2,092.63**	**1,196.79**
Total equity and liabilities		**23,965.05**	**18,120.68**
Material accounting policies	1.3		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Income from operations	2.18	12,220.54	11,320.23
Other income	2.19	155.32	234.97
Total Income		**12,375.86**	**11,555.20**
Expenses			
Purchase of medical consumables, drugs and surgical instruments		2,535.67	2,308.19
(Increase) / decrease in inventories of medical consumables, drugs and surgical instruments	2.20	(28.70)	67.43
Employee benefits expense	2.21	2,195.71	1,872.52
Finance costs	2.22	36.57	11.52
Depreciation and amortisation expense	2.23	581.11	452.95
Other expenses	2.24	3,873.79	3,469.26
Total expenses		**9,194.15**	**8,181.87**
Profit before tax		**3,181.71**	**3,373.33**
Tax expense			
- Current tax	2.36	816.91	837.62
- Deferred tax (credit)/charge	2.36	(6.42)	10.82
- Adjustments of tax relating to earlier year	2.36	17.81	-
Total tax expense		**828.30**	**848.44**
Profit for the year (A)		**2,353.41**	**2,524.89**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
- Re-measurement income on defined benefit plans		3.36	11.00
- Income tax effect		(0.85)	(2.77)
Other comprehensive income, net of tax (B)		**2.51**	**8.23**
Total comprehensive income for the year (A+B)		**2,355.92**	**2,533.12**
Earnings per share (face value of share Rs. 10 each)	2.29		
- Basic (Rs.)		29.41	31.55
- Diluted (Rs.)		29.41	31.55
Material accounting policies	1.3		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Standalone Statement of Cash Flows

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
I. Cash flows from operating activities:		
Profit before tax for the year	3,181.71	3,373.33
Adjustments for operating activities:		
Depreciation and amortisation expense	581.11	452.95
(Profit) / loss on sale of property, plant and equipment	(0.77)	1.35
Reversal of expected credit loss for trade receivables (net of bad debts)	(26.80)	(7.86)
Write off of loans to subsidiary	-	2.90
Guarantee commission income	(12.22)	(31.70)
Rental income	(0.79)	(1.26)
Interest income	(91.23)	(108.30)
Dividend on preference shares	-	(2.57)
Liabilities no longer required written back	(7.43)	(57.32)
Fair value gain on mutual funds	(2.49)	(5.70)
Finance costs	36.57	11.52
Operating cash flows before working capital changes	**3,657.66**	**3,627.34**
Adjustments for:		
Increase in trade receivables	(260.98)	(369.97)
(Increase)/decrease in inventories	(28.70)	67.43
(Increase)/decrease in other financials assets and other assets	(151.77)	146.09
Increase/(decrease) in trade payables, other financial liabilities, provisions and other liabilities	260.81	(15.27)
Cash generated from operations	**3,477.02**	**3,455.62**
Income taxes paid, net of refunds	(853.13)	(745.15)
Net cash generated from operating activities (A)	**2,623.89**	**2,710.47**
II. Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(3,209.62)	(1,209.90)
Proceeds from sale of property, plant and equipment	5.26	4.38
Investment in subsidiaries	(2,143.65)	(2,338.92)
Proceeds from redemption of preference shares from subsidiary	-	5.00
Investment in mutual funds	(1,955.00)	(1,230.00)
Proceeds from sale of mutual funds	1,752.83	823.96
Loans given to subsidiaries	(317.80)	(1,159.88)
Loans repaid by subsidiaries	145.00	1,011.52
Redemption of bank deposits (having original maturity of more than three months)	20.20	3,789.44
Investment in bank deposits (having original maturity of more than three months)	(1.73)	(2,204.99)
Lease income received	0.79	1.26
Interest received	17.24	131.44
Net cash flows used in investing activities (B)	**(5,686.49)**	**(2,376.69)**

Standalone Statement of Cash Flows

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
III. Cash flows from financing activities		
Proceeds from long-term borrowings	2,613.40	-
Repayment of long-term borrowings	(41.70)	(142.39)
Proceeds from short-term borrowings (net)	649.51	-
Payment of lease obligations	(289.81)	-
Dividend on preference shares received	-	2.57
Interest paid	(44.98)	(11.56)
Net cash flows generated from/(used in) from financing activities (C)	**2,886.42**	**(151.38)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(176.18)**	**182.40**
Cash and cash equivalents at the beginning of the year	380.99	198.59
Cash and cash equivalents at the end of the year	**204.81**	**380.99**

Note:

a) The standalone statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind 7)-Statement of cash flows.

b) Cash and cash equivalents comprises of:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash on hand	9.87	10.75
Balances with banks		
- On current accounts	194.94	370.24
Total	**204.81**	**380.99**

The accompanying notes referred to above form an integral part of the financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

a) Equity share capital

Equity shares of Rs.10 each issued, subscribed and fully paid	No of shares	Amount
At 1 April 2022	**8,00,27,787**	**800.28**
Add: Shares issued during the year	-	-
At 31 March 2023	**8,00,27,787**	**800.28**
Add: Shares issued during the year	-	-
At 31 March 2024	**8,00,27,787**	**800.28**

b) Other Equity

Particulars	Other equity - Reserve and surplus: Securities premium account	Adjustment reserve	Retained earnings	Total of other equity
Balance as at 01 April 2022	**10,340.35**	**57.64**	**2,577.20**	**12,975.19**
Profit for the year	-	-	2,524.89	2,524.89
Other comprehensive income for the year	-	-	8.23	8.23
Balance as at 31 March 2023	**10,340.35**	**57.64**	**5,110.32**	**15,508.31**
Profit for the year	-	-	2,353.41	2,353.41
Other comprehensive income for the year	-	-	2.51	2.51
Balance as at 31 March 2024	**10,340.35**	**57.64**	**7,466.24**	**17,864.23**

The accompanying notes referred to above form an integral part of the financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Place: Hyderabad
Date: May 16, 2024

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

1.1 Company Overview

Krishna Institute of Medical Sciences Limited ('the Company') was originally incorporated on 26 July 1973 under the name "Jagjit Singh and Sons Private Limited" which was subsequently changed to "Krishna Institute of Medical Sciences Private Limited" on 2 January 2004. The Company was converted into a public limited company under the Companies Act, 1956 on 29 January 2004 and consequently, the name was changed to "Krishna Institute of Medical Sciences Limited".

The Company is primarily engaged in the business of rendering medical and healthcare services. The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

The Company is a listed company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 16 May 2024.

1.2 Basis of preparation of standalone financial statements

a) Statement of Compliances:

The Standalone financial statements of the Company as at and for the year ended 31 March 2024, have been prepared in accordance with requirements of Indian Accounting Standards ("Ind AS"), as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act.

All amounts are in Indian Rupees millions, rounded off to two decimals, except share data, unless otherwise stated.

b) Basis of measurement:

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value - refer accounting policy regarding financial instruments
Net defined benefit (asset)/ liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

These standalone financial statements are presented in Indian Rupees Rs. which is also the Company's functional currency. All amounts are in Indian Rupees millions, rounded off to two decimals, except share data and per share data, unless otherwise stated.

d) Significant accounting judgement, estimates and assumptions:

The preparation of Company's standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenue, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.36 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.27 - Measurement of defined benefit obligations, key actuarial assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.35 for further disclosures.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. Impairment exists when the carrying value exceeds its recoverable amount, and the recoverable value is measured based on value in use. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next eight years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

1.3 Material accounting policies

A. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based current and non-current classification.

Assets

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

i. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

iii. it is expected to be realised within 12 months after the reporting date; or

iv. 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.

All other assets are classified as non-current.

Liabilities

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

i. it is expected to be settled in the company's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is due to be settled within 12 months after the reporting date; or

iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Operating cycle

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

B. Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.35 – financial instruments.

C. Revenue from contract with customer

The Company's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers and deposited back to the respective statutory authorities. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the

amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value

method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Contract balances

Contract assets represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other Income

Interest on deposits, loans and debt instruments are measured at amortized cost. Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

D. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in profit and loss except to the extent that is relates to an item recognised directly in equity or in other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

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

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

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

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Goods and Service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

E. Property, plant and equipment

Freehold land is carried at cost net of accumulated impairment, if any. All other items of property, plant and equipment are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it located. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working conditions for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The Company has elected to continue with the carrying value for all of its Property, Plant and Equipment recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Depreciation

Depreciation/Amortisation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 for the following:

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is in the nature of perpetual lease without any limited useful life and hence is not amortised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Company considers the impact of health, safety and environmental legislation in

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

its assessment of expected useful lives and estimated residual values.

F. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

Derecognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

The Company has elected to continue with the carrying value for all of its other intangibles recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6

G. Borrowing costs

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

H. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies of Impairment of non-financial assets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease

payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

I. Inventories

The inventories comprising of medical consumables, drugs and surgical instruments are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The comparison of cost and net realisable is made on an item by item basis.

J. Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries in which the Company operates, or for the market in which the asset is used.

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

K. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

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

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the standalone financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

L. Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Company determines the net interest expense (income) on the net defined liability (assets) for the period by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes to the defined benefit liability (asset) as a result of contribution and benefit payments. Net interest expense and other expenses related to defined

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

benefit plans are recognised in the statement of profit and loss. The Company recognises gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in the Statement of Profit and Loss account on the earlier of amendment or curtailment.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g., under short term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated Absences

As per the leave encashment policy of the Company, the employees have to utilise their eligible leave during the financial year and lapses at the end of the financial year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the Balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

M. Financial instruments

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

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

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

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables and loan to subsidiaries included under other non-current financial assets. For more information on receivables, refer to Note 2.35.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financials assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

The Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/

losses are not subsequently transferred to Statement of Profit and Loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial instruments are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS 32 (Financial instruments: Presentation). Financial instrument issued by the Company classified as equity is carried at its transaction value and shown within "equity". Financial instrument issued by the Company classified as liability is initially recognised at fair value (issue price). Subsequent to initial recognition, such Financial instrument is fair valued through the statement of profit or loss. On modification of Financial instrument from liability to equity, the Financial instrument is recorded at the fair value of Financial instrument classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the Statement of Profit and Loss.

Financial liabilities at amortised cost (loans and borrowings)

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Offsetting of financial instruments

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

N. Cash and cash equivalents

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

O. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

P. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

Q. Corporate social responsibility

The Company charges its Corporate Social Responsibility expenditure to the statement of profit and loss.

R. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

S. New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2023. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective

- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes
- Ind AS 1, Presentation of Financial Statements

These amendments had no impact on the financial statements of the Company.

Standards issued but not yet effective and not early adopted by the Company

There are no standards that are notified and not yet effective as on the date.

1.4 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.1 (a) Property, plant and equipment

Particulars	Freehold land	Leasehold land (refer note 1 below)	Buildings (refer note 2 below)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Gross Carrying amount											
Balance as at 1 April 2022	**636.06**	**151.82**	**3,589.24**	**2,735.58**	**153.40**	**52.28**	**331.30**	**149.83**	**260.40**	**43.42**	**8,103.34**
Additions	-	-	212.24	264.43	21.02	3.77	13.56	27.60	6.92	4.57	554.11
Disposals	-	-	-	(35.77)	-	-	(0.12)	-	(0.07)	(3.75)	(39.71)
Balance as at 31 March 2023	**636.06**	**151.82**	**3,801.48**	**2,964.24**	**174.42**	**56.05**	**344.73**	**177.43**	**267.25**	**44.25**	**8,617.73**
Balance as at 1 April 2023	**636.06**	**151.82**	**3,801.48**	**2,964.24**	**174.42**	**56.05**	**344.73**	**177.43**	**267.25**	**44.25**	**8,617.73**
Additions	-	-	282.19	432.38	66.56	6.54	20.02	33.07	17.20	11.38	869.34
Disposals	-	-	-	(5.11)	(1.50)	(0.17)	(1.79)	-	(0.12)	(1.71)	(10.39)
Balance as at 31 March 2024	**636.06**	**151.82**	**4,083.67**	**3,391.52**	**239.47**	**62.42**	**362.96**	**210.50**	**284.33**	**53.92**	**9,476.68**
Accumulated depreciation											
Balance as at 1 April 2022	**-**	**-**	**351.89**	**1,321.39**	**61.58**	**36.91**	**256.19**	**88.22**	**158.54**	**23.93**	**2,298.65**
Depreciation charge for the year	-	-	66.27	251.20	11.89	5.16	20.86	33.20	25.65	5.12	419.35
Disposals	-	-	-	(30.95)	-	-	(0.05)	-	(0.01)	(2.96)	(33.98)
Balance as at 31 March 2023	**-**	**-**	**418.16**	**1,541.63**	**73.47**	**42.07**	**277.00**	**121.42**	**184.18**	**26.09**	**2,684.02**
Balance as at 1 April 2023	**-**	**-**	**418.16**	**1,541.63**	**73.47**	**42.07**	**277.00**	**121.42**	**184.18**	**26.09**	**2,684.02**
Depreciation charge for the year	-	-	153.73	285.14	13.20	5.70	18.01	30.03	21.88	5.41	533.10
Disposals	-	-	-	(1.08)	(1.08)	(0.17)	(1.77)	-	(0.09)	(1.71)	(5.90)
Balance as at 31 March 2024	**-**	**-**	**571.89**	**1,825.69**	**85.59**	**47.60**	**293.24**	**151.45**	**205.97**	**29.80**	**3,211.23**
Net book value											
At 31 March 2023	**636.06**	**151.82**	**3,383.31**	**1,422.61**	**100.95**	**13.98**	**67.74**	**56.01**	**83.07**	**18.15**	**5,933.71**
At 31 March 2024	**636.06**	**151.82**	**3,511.78**	**1,565.83**	**153.88**	**14.82**	**69.72**	**59.05**	**78.36**	**24.12**	**6,265.45**

Notes:

1. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.
2. Buildings amounting to gross block Rs. 253.50 (31 March 2023: Rs. 246.61) and net block Rs. 213.77 (31 March 2023: Rs. 210.88) are constructed on the land taken on lease from promoters for a period of 30 years without making any upfront payment and renewable at the option of the Company.
3. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Company and the Company does not have any investment property.
4. The Company has not revalued any of its Property, Plant and Equipment during the year.
5. Refer note 2.12 for details of assets pledged as security.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.1 (b) Capital work in progress

	As at 31 March 2024	As at 31 March 2023
Gross carrying amount		
Balance as at beginning of the year	159.68	131.88
Additions	3,221.11	237.98
Capitalised during the year	(461.01)	(210.18)
Balance as at end of the year	**2,919.78**	**159.68**

i) **For capital work in progress, aging Schedule as on 31 March 2024**

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
- Projects in Progress	2,904.63	15.15			2,919.78
Total	**2,904.63**	**15.15**	**-**	**-**	**2,919.78**

ii) **For capital work in progress, aging Schedule as on 31 March 2023**

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
- Projects in Progress	94.17	54.26	1.53	9.72	159.68
Total	**94.17**	**54.26**	**1.53**	**9.72**	**159.68**

There are no capital work in progress projects, whose completion is overdue or has exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

The amount of borrowing costs capitalised during the year ended 31 March 2024 is Rs. 8.44 (31 March 2023: Nil). The rate used to determine the amount of borrowing costs eligible for capitalisation is 8.45%, which is the effective interest rate of the specific borrowing.

2.1 (c) Intangible assets

Particulars	Software	Total of Intangible assets
Gross Carrying amount		
Balance as at 1 April 2022	**165.75**	**165.75**
Additions	107.69	107.69
Balance as at 31 March 2023	**273.44**	**273.44**
Balance as at 1 April 2023	**273.44**	**273.44**
Additions	42.86	42.86
Balance as at 31 March 2024	**316.30**	**316.30**
Accumulated amortisation		
Balance as at 1 April 2022	**50.74**	**50.74**
Amortisation charge for the year	33.60	33.60
Balance as at 31 March 2023	**84.34**	**84.34**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.1 (c) Intangible assets (Contd..)

Particulars	Software	Total of Intangible assets
Balance as at 1 April 2023	**84.34**	**84.34**
Amortisation charge for the year	48.01	48.01
Balance as at 31 March 2024	**132.35**	**132.35**
Net book value		
At 31 March 2023	**189.10**	**189.10**
At 31 March 2024	**183.95**	**183.95**

2.2 (a) Non current investments

	As at 31 March 2024	As at 31 March 2023
Investment in subsidiaries - valued at cost		
a) Equity shares		
1,371,537 (31 March 2023: 1,371,537) equity shares of Rs. 10 each fully paid up held in Arunodaya Hospitals Private Limited	137.06	137.06
17,994,480 (31 March 2023: 16,184,480) equity shares of Rs. 10 each fully paid up held in KIMS Hospitals Private Limited	179.94	161.84
10,000 (31 March 2023: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Swastha Private Limited	0.10	0.10
10,000 (31 March 2023: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Bengaluru Private Limited	48.45	34.31
22,272,857 (31 March 2023: 22,272,857) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Enterprises Private Limited	1,521.61	1,521.61
5,100 (31 March 2023: 5,100) equity shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Limited	73.63	73.63
7,650 (31 March 2023: 7,650) equity shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	43.37	43.37
3,300,000 (31 March 2023: 3,300,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Kurnool Private Limited	116.54	116.54
23,449,207 (31 March 2023: 20,670,127) equity shares of Rs. 10 each partly paid up held in Sarvejana Healthcare Private Limited	5,414.90	4,314.71
510,000 (31 March 2023: 510,000) equity shares of Rs. 10 each fully paid up held in KIMS Manavata Private Limited	5.10	5.10
12,117,989 (31 March 2023: 8,917,989) equity shares of Rs. 10 each fully paid up held in Spanv Medisearch Lifesciences Private Limited	1,570.90	860.54
b) Preference shares		
30,990,000 (31 March 2023: 30,990,000) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	309.90	309.90
9,500,000 (31 March 2023: 9,500,000) 12% cumulative optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Private Limited	95.00	95.00
49,000,000 (31 March 2023: 17,500,000) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in KIMS Manavata Private Limited	490.00	175.00
Total	**10,006.50**	**7,848.71**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.2 (a) Non current investments (Contd..)

	As at 31 March 2024	As at 31 March 2023
Aggregate amount of unquoted investments	10,006.50	7,848.71
Aggregate provision for impairment in value of investments	-	-

2.2 (b) Current investments

(Quoted investments, fair value through profit or loss)

Investment in mutual funds

	As at 31 March 2024	As at 31 March 2023
103,789 units (31 March 2023: 1,273,773 units) - ICICI prudential Liquid fund direct plan growth	37.10	411.74
2,486,908 units (31 March 2023: Nil units) - ICICI prudential Ultra short term fund direct plan growth	67.72	-
1,464,894 units (31 March 2023: Nil units) - ICICI prudential Money market fund direct plan growth	511.58	-
Total	**616.40**	**411.74**
Aggregate book value of quoted investments	616.40	411.74
Aggregate market value of quoted investments	616.40	411.74
Aggregate provision for impairment in value of investments	-	-

2.3 Loans (at amortised cost)

(Unsecured, considered good)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
- To related parties (refer note 2.28)		
Loans to related parties (Refer note 2.28)	958.13	876.87
Total	**958.13**	**876.87**
(b) Current		
- To related parties (refer note 2.28)		
Loans to related parties (Refer note 2.28)	91.54	-
Total	**91.54**	**-**

All the above loans were granted for general corporate purpose to subsidiaries. The loans are carrying an interest rate in the range of 8% - 9%. The Company has no loans which are either repayable on demand or are without specifying any terms or period of repayment.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.4 Other financial assets (at amortised cost)

(Unsecured, considered good)

(a) Non-current

	As at 31 March 2024	As at 31 March 2023
- To parties other than related parties		
Deposits with remaining maturity more than 12 months*	5.65	4.02
Interest accrued on bank deposits	0.69	0.40
Security deposits	83.78	69.62
- To related parties (refer note 2.28)		
Interest accrued on loans	9.70	19.09
Total	**99.82**	**93.13**

* Includes Rs.5.55 (31 March 2023: Rs.3.52) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date.

(b) Current

	As at 31 March 2024	As at 31 March 2023
- To parties other than related parties		
Contract assets (refer note 2.37)	133.61	98.38
Interest accrued on bank deposits	-	0.92
Security deposits	16.98	16.91
- To related parties (refer note 2.28)		
Interest accrued on loans	84.02	-
Total	**234.61**	**116.21**

2.5 Other non-current assets

(Unsecured, considered good)

	As at 31 March 2024	As at 31 March 2023
Capital advances	187.82	627.39
Balance with government authorities	1.86	1.54
Prepaid expenses	3.73	8.15
Total	**193.41**	**637.08**

2.6 Inventories

(Valued at lower of cost or net realisable value)

	As at 31 March 2024	As at 31 March 2023
Medical consumables, drugs and surgical instruments	221.14	192.44
Total	**221.14**	**192.44**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.7 Trade receivables (amortised cost)

(Unsecured)

	As at 31 March 2024	As at 31 March 2023
Trade receivables - Considered good - Unsecured	1,699.85	1,442.12
Trade receivables from related parties - Considered good - Unsecured (Refer note 2.28)	23.75	21.67
Less: Allowance for expected credit loss	(236.38)	(264.35)
	1,487.22	1,199.44
Trade receivables - credit impaired - Unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	**1,487.22**	**1,199.44**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Trade Receivables ageing schedule as on 31 March 2024

Particulars	Current but not dues	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	480.56	731.40	264.90	142.44	26.06	78.24	1,723.60
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit imparied	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit imparied	-	-	-	-	-	-	-
Total							**1,723.60**
Less : Allowance for expected credit loss							(236.38)
Balance at the end of the year							**1,487.22**

Trade Receivables ageing schedule as on 31 March 2023

Particulars	Current but not dues	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	457.47	700.08	145.52	52.01	25.89	82.82	1,463.79
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.7 Trade receivables (amortised cost) (Contd..)

Particulars	Current but not dues	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(iii) Undisputed Trade receivables- credit imparied	-	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Total							**1,463.79**
Less : Allowance for expected credit loss							(264.35)
Balance at the end of the year							**1,199.44**

2.8 Cash and bank balances

	As at 31 March 2024	As at 31 March 2023
a) Cash and cash equivalents		
Cash on hand	9.87	10.75
Balances with banks		
- in current accounts	194.94	370.24
	204.81	**380.99**
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months	-	20.10
	-	**20.10**
Total	**204.81**	**401.09**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

c) Changes in liabilities arising from financing activities:

Particulars	1 April 2023	Cash flows	Others	31 March 2024
Short term borrowings	-	649.51	-	649.51
Long term borrowings (including current maturities)	41.70	2,571.70	-	2,613.40
Total liabilities from financing activities	**41.70**	**3,221.21**	**-**	**3,262.91**

Particulars	1 April 2022	Cash flows	Others	31 March 2023
Long term borrowings (including current maturities)	184.09	(142.39)	-	41.70
Total liabilities from financing activities	**184.09**	**(142.39)**	**-**	**41.70**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.9 Non-current tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxation)	36.55	11.96
	36.55	**11.96**

2.10 Other current assets

(Unsecured, considered good)

	As at 31 March 2024	As at 31 March 2023
Advance to suppliers	105.50	25.00
Prepaid expenses	17.56	13.97
Staff advances	32.87	10.55
Total	**155.93**	**49.52**

2.11 (a) Equity share capital

	As at 31 March 2024	As at 31 March 2023
Authorised Equity shares		
95,000,000 (31 March 2023: 95,000,000) equity shares of Rs. 10 each	950.00	950.00
	950.00	**950.00**
Issued, subscribed and paid-up		
80,027,787 (31 March 2023: 80,027,787) equity shares of Rs. 10 each fully paid-up	800.28	800.28
	800.28	**800.28**

(i) Reconciliation of number of equity shares of Rs. 10 each, fully paid up outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	8,00,27,787	800.28	8,00,27,787	800.28
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**8,00,27,787**	**800.28**	**8,00,27,787**	**800.28**

(ii) Rights, preferences and restrictions attached to equity shares of Rs. 10 each, fully paid up:

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 (a) Equity share capital (Contd..)

(iii) Particulars of shareholders holding more than 5% equity shares of Rs. 10 each, fully paid up

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskara Rao	2,10,19,929	26.27%	2,10,19,929	26.27%
General Atlantic Singapore KH Pte Ltd	-	0.00%	68,89,147	8.61%
SBI Mutual Fund	57,63,084	7.20%	-	0.00%
Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	6.05%	48,40,662	6.05%

(iv) The Company has not issued bonus shares during the period of five years immediately preceding the reporting period.

(v) The Company has not bought back any shares during the period of five years immediately preceding the reporting period.

(vi) Details of shares held by Promoters*

As at 31 March 2024

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,10,19,929	-	2,10,19,929	26.27%	0.00%
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	48,40,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	13,74,003	-	13,74,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
	Total		2,72,90,021	-	2,72,90,021	34.11%	0.00%

As at 31 March 2023

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,10,19,929	-	2,10,19,929	26.27%	0.00%
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	48,40,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	13,74,003	-	13,74,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
	Total		2,72,90,021	-	2,72,90,021	34.11%	0.00%

* Promoters are as per the annual return filed by the Company.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 (b) Other equity

	As at 31 March 2024	As at 31 March 2023
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340.35	10,340.35
Movement during the year	-	-
Closing balance	10,340.35	10,340.35
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	57.64	57.64
Movement during the year	-	-
Closing balance	57.64	57.64
(iii) Retained earnings (refer below note 3)		
Balance as per last financial statements	5,110.32	2,577.20
Add: Profit for the year	2,353.41	2,524.89
Add: Other comprehensive income	2.51	8.23
Closing balance	7,466.24	5,110.32
Total	17,864.23	15,508.31

Note:

1. **Securities premium**

   Securities premium is used to record the premium received on issue of shares.

2. **Adjustment reserve**

   During the year ended 31 March 2014, the Company had a share swap with the shareholders of Bollineni Heart Centre Limited ("transferor Company") and the differential of Rs. 41.49 was added to the Adjustment reserve. In the same year, the Company allotted shares to Bollineni Ramanaiah Memorial Hospitals Private Limited ("Demerged Company") and the difference between the consideration payable and the value of net assets taken over amounting to Rs. 16.15 was added to the Adjustment reserve.

3. **Retained earnings**

   Retained earnings are the profits/losses (net of appropriations) of the Company earned till date, including items of other comprehensive income.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.12 Borrowings (at amortised cost)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current borrowings (Secured)		
Term loans from banks		
- Axis Bank - 1 (refer note i)	2,016.16	-
- Axis Bank - 2 (refer note ii)	555.53	
Total loans from banks	2,571.69	-
Total non-current borrowings	2,571.69	-
(b) Current borrowing (Secured)		
Loan repayable on demand (from bank)		
- Bank overdrafts (refer note iii)	593.52	-
- Cash credit (refer note iv)	55.99	-
Current maturity of long term borrowings		
- Axis Bank -2 (refer note ii)	41.71	-
- NIIF Infrastructure Finance Limited	-	41.70
Total current borrowings	691.22	41.70

Notes:

i Axis Bank - Term loan Facility-1 is secured by way of exclusive charge on entire fixed assets of the Thane project ,both movebale and immovable (including lease hold right) present and future. The loan is repayable in 120 structured monthly instalments after 12 months from estimated date of completion of 31 March 2025 and carries an interest rate of Repo rate + 2.20% per annum (31 March 2023: Nil per annum), currently the interest rate is 8.45% p.a (31 March 2023 : Nil)

ii Axis Bank - Term loan Facility-2 is secured by way of first pari pasu charge on entire fixed assets of the Company (both movebale and immovable) pertaining to Secunderabad hospital along with mortgage on lease hold rights of the hospital lands pertaining to Secunderabad hospital which are not owned by the Company. The loan is repayable in 72 equated monthly instalments post moratorium period of 12 months from the date of first disbursment and carries an interest rate of Repo rate + 2.15% per annum (31 March 2023: Nil per annum), currently the interest rate is 8.65% p.a (31 March 2023 : Nil)

iii Bank Overdraft is secured by first pari pasu charge on current assets of the Company and repayable on demand and carries an interest rate of 8.25% per annum linked to 3 months MCLR (31 March 2023: Nil per annum).

iv Cash credit is secured by first pari pasu charge on current assets of the Company and repayable on demand and carries an interest rate of 8.75% per annum (31 March 2023: Nil per annum).

v The quarterly returns or statements of the current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

2.13 Other financial liabilities (at amortised cost)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Security deposits	0.20	0.09
Financial guarantee liability (refer note 2.28)	99.40	98.82
Total	99.60	98.91

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.13 Other financial liabilities (at amortised cost) (Contd..)

	As at 31 March 2024	As at 31 March 2023
(b) Current		
Capital creditors	70.08	55.37
Employee related liabilities*	95.74	54.81
Interest accrued but not due on borrowings	-	0.01
Security and caution deposit	0.22	6.26
Financial guarantee liability (refer note 2.28)	12.75	11.41
Total	178.79	127.86

*Includes payables to related parties. For details refer note 2.28.

2.14 Long-term provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 2.27)	190.91	171.28
Total	190.91	171.28

2.15 Trade payables (at amortised cost)

	As at 31 March 2024	As at 31 March 2023
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 2.31)	2.97	1.97
- total outstanding dues of creditors other than micro enterprises and small enterprises	780.92	725.36
Total	783.89	727.33

The above includes payable to related party. For details refer note 2.28

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

Trade Payable Ageing Schedule as on 31 March 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and samll enterprises	-	2.97	-	-	-	2.97
(ii) Total outstanding dues of creditors other than micro enterprises and samll enterprises	298.50	459.23	12.88	4.41	5.90	780.92
(iii) Disputed dues of micro enterprises and samll enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and samll enterprises	-	-	-	-	-	-
Balance at the end of the year						783.89

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.15 Trade payables (at amortised cost) (Contd..)

Trade Payable Ageing Schedule as on 31 March 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and samll enterprises	-	1.97	-	-	-	1.97
(ii) Total outstanding dues of creditors other than micro enterprises and samll enterprises	157.28	535.80	9.18	10.08	13.02	725.36
(iii) Disputed dues of micro enterprises and samll enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and samll enterprises	-	-	-	-	-	-
Balance at the end of the year						**727.33**

2.16 Short term provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 2.27)	8.47	0.72
Compensated absences	93.86	77.29
Total	**102.33**	**78.01**

2.17 Other liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Statutory dues payable	132.96	72.83
Contract liabilities (refer note 2.37)	189.65	126.93
Other liabilities	13.79	22.13
Total	**336.40**	**221.89**

2.18 Income from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
A Income from contract with customers		
Income from medical and healthcare services (Refer note 2.37)		
Income from hospital services	8,275.32	7,431.83
Income from pharmacy	3,700.30	3,627.95
Total	**11,975.62**	**11,059.78**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.18 Income from operations (Contd..)

	For the year ended 31 March 2024	For the year ended 31 March 2023
B Other operating income		
Income from academic courses	23.22	85.51
Income from sale of food and beverages	152.44	148.89
Other hospital income	69.26	26.05
Total	**244.92**	**260.45**
Total income from operations (A+B)	**12,220.54**	**11,320.23**

2.19 Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on:		
- fixed deposits	0.72	40.95
- security deposit	4.09	3.74
- loans to related parties (Refer Note 2.28)	86.42	63.61
Fair value gain on mutual funds	2.49	5.70
Realised gain on sale of mutual funds	17.17	10.85
Dividend on preference shares	-	2.57
Rental income	0.79	1.26
Liabilities no longer required written back	7.43	57.32
Profit on sale of property, plant and equipment	0.77	-
Guarantee commission income from related parties (Refer Note 2.28)	12.22	31.70
Miscellaneous income	23.22	17.27
Total	**155.32**	**234.97**

2.20 (Increase)/decrease in inventories of medical consumables, drugs and surgical instruments

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock	192.44	259.87
Less: Closing stock	221.14	192.44
Total	**(28.70)**	**67.43**

2.21 Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	2,052.20	1,743.69
Contribution to provident and other funds (Refer note 2.27)	127.94	110.79
Staff welfare expenses	15.57	18.04
Total	**2,195.71**	**1,872.52**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.22 Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest from banks and financial institutions		
- term loans	23.66	11.34
- other loans	12.91	0.18
Total	**36.57**	**11.52**

2.23 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equiment (refer note no 2.1(a))	533.10	419.35
Amortisation of intangible assets (refer note no 2.1(c))	48.01	33.60
Total	**581.11**	**452.95**

2.24 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Consultancy charges	2,385.67	1,974.70
House keeping expenses	296.06	275.69
Power and fuel	175.16	172.47
Catering and patient welfare expenses	148.55	152.86
Rent (Refer note 2.26)	54.14	63.92
Repairs and maintenance:		
- Medical equipment	176.15	159.03
- Hospital building and others	159.43	117.80
Printing and stationery	49.26	38.17
Audit fee (Refer note A)	8.87	7.07
Legal and professional charges	59.04	59.60
Rates and taxes	40.42	95.25
Travelling and conveyance	75.86	78.76
Advertisement and publicity	98.51	102.44
Reversal of expected credit loss for trade receivables (net of bad debts)	(26.80)	(7.86)
Write off of loan to subsidiary	-	2.90
Insurance	17.25	10.47
Contributions towards Corporate Social Responsibility (Refer Note 2.33)	63.68	51.42
Loss on sale of property, plant and equipment	-	1.35
Bank charges	38.23	36.44
Commission to Directors (Refer Note 2.28)	8.64	8.45
Miscellaneous expenses	45.67	68.33
Total	**3,873.79**	**3,469.26**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.24 Other expenses (Contd..)

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Audit fee	8.70	7.00
Out of pocket expenses	0.17	0.07

2.25 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
i) Guarantee issued by the Company on behalf of related entities	5,440.00	5,440.00
ii) Good and Service tax matters in dispute	35.21	6.59
iii) Medical and other claimross, excluding interest/costs)	109.69	111.37

iv) The Company has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the Standalone financials statements.

v) An individual has filed a consumer case at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs. 235.01 (31 March 2023: Rs. 235.01) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the Company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Standalone financial statement.

vi) On 28 February 2019, the Supreme Court of India issued a judgement which provided further guidance for companies in determining which components of their employee's compensation are subject to statutory withholding obligations, and matching employer contribution obligations, for Provident Fund contributions under Indian law. There are interpretative issues relating to the retrospective applicability of the judgement. However, from the date of order, the Company has complied with the aforesaid Supreme court's judgement. The Company will evaluate the same and update its position for earlier years, if any on receiving further clarity on the subject.

Notes:

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

ii. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in its standalone financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.25 Contingent liabilities and commitments (Contd..)

(b) Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,942.39	2,070.56

2.26 Lease

Operating and Finance leases in the capacity of lessee

The Company has land lease contract used in its operations with lease term of 99 years. The Company's obligations under its lease is secured by the lessor's title to the leased assets.

Leases of buildings with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Land	Total
As at 01 April 2023	**-**	**-**
Additions*	289.95	289.95
Amortization expense transferred to CWIP	0.14	0.14
As at 31 March 2024	**289.81**	**289.81**

* The Company paid upfront lease premium against the land lease.

The following are the amounts recognised in the statement of profit or loss:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Expense relating to short-term leases and low-value assets (included in other expenses)	54.14	63.92
Total amount recognised in profit or loss	**54.14**	**63.92**

The Company had total cash outflows for leases of Rs. 344.09 in 31 March 2024 (31 March 2023: Rs. 63.92).

2.27 Employee benefits

(i) Defined benefit plan

The Company operate post-employment defined benefit plan that provides for gratuity. The Company accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed services at the time of retirement/exit. The gratuity fund is administered by trust formed for this purpose and is

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.27 Employee benefits (Contd..)

managed by Life Insurance Corporation of India. The Company's obligation in respect of gratuity plan, which is a defined benefit plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at the balance sheet date:

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligations	230.06	207.26
Fair value of plan assets	30.68	35.26
Net defined benefit obligations	199.38	172.00
Non-current	190.91	171.28
Current	8.47	0.72

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation, plan assets and its components.

i) **Reconciliation of present value of defined benefit obligation**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Defined benefit obligation as at beginning of the year	207.26	192.61
Benefits paid	(15.19)	(14.12)
Current service cost	27.93	27.06
Interest cost	13.82	10.98
Liabilities (settled)/assumed	(1.02)	0.64
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	1.82	(12.28)
- experience adjustments	(4.56)	2.37
Defined benefit obligation at the end of the year	**230.06**	**207.26**

ii) **Reconciliation of fair value of plan assets**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Plan assets at beginning of the year	35.26	38.10
Contributions paid into the plan	8.55	8.71
Interest income	1.44	1.48
Benefits paid	(15.19)	(14.12)
Return on plan assets	0.62	1.09
Plan assets at end of the year	**30.68**	**35.26**

C i) **Expenses recognised in the statement of profit and loss**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	27.93	27.06
Interest on net defined benefit obligation	12.38	9.50
Net gratuity cost, included in 'employee benefits expense'	**40.31**	**36.56**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.27 Employee benefits (Contd..)

ii) Re-measurements recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial gain/(loss) on net defined benefit obligation	3.36	11.00

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2024	As at 31 March 2023
Fund managed by Insurer	30.68	35.26

E Defined benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Attrition rate	Medical - 12% to 42% Non-medical - 9% to 32%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	7.15%	7.30%
Salary escalation rate	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	39.18	36.00
Year 2 to 5	127.73	113.50
Year 6 to 9	79.42	75.12
Year 10 and above	115.87	106.20

ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions would have affected the defined benefit obligation by the amounts shown below:

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(11.66)	12.91	(10.55)	11.69
Salary escalation rate (1% movement)	11.71	(10.94)	10.64	(9.95)

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.27 Employee benefits (Contd..)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumption shown.

(ii) Defined contribution plan

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amount recognised in the statement of profit and loss towards		
i) Provident fund	69.89	59.25
ii) Employee state insurance	17.74	14.98

(iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code and will record any related impact in the period of the Code becomes effective.

2.28 Related party disclosures

(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Subsidiaries	Arunodaya Hospitals Private Limited
	KIMS Hospitals Private Limited
	KIMS Swastha Private Limited
	KIMS Hospital Enterprises Private Limited
	KIMS Hospital Bengaluru Private Limited
	Iconkrishi Institute of Medical Sciences Private Limited
	Saveera Institute of Medical Sciences Private Limited
	KIMS Hospitals Kurnool Private Limited
	Sarvejana Healthcare Private Limited
	Rajyalakshmi Healthcare Private Limited
	Suryateja Healthcare Private Limited *
	Spanv Medisearch Lifesciences Private Limited (acquired from 01 September 2022)
	KIMS Manavata Hospital Private Limited (acquired from 01 July 2022)
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director
	Dr. B Abhinay - Chief Executive Officer (CEO)
	Mr. Uma Shanker Mantha - Company Secretary
	Mr. Vikas Maheshwari - Chief Financial Officer (resigned w.e.f 31 May 2023)
	Mr. Sachin Ashok Salvi - Chief Financial Officer (Joined w.e.f 01 August 2023)
	Mrs. Dandamudi Anitha -Whole-time Director

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.28 Related party disclosures (Contd..)

Nature of relationship	Name of related parties
Directors	Mr G Rajeswara Rao (resigned w.e.f 25 Jan 2024)
	Mr. Saumen Chakraborty
	Mr. Pankaj Vaish (resigned w.e.f 08 Jan 2024)
	Mr. Venkata Ramudu Jasthi
	Mr. Kaza Ratna Kishore
	Mrs. Y.Prameela Rani
	Mr. Shantanu Rastogi (resigned w.e.f 07 Nov 2023)
	Mr. Adwik Bollineni (Joined w.e.f 28 Nov 2023)
Close member of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of KMP and other close member (where transaction exists)	Sri Viswa Medicare Limited
	KIMS Foundation and Research Centre

* Acquired on 01 April 2022 and disposed off on 01 December 2022

(b) Transactions with related parties

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
i. Loans given		
Iconkrishi Institute of Medical Sciences Private Limited	20.00	70.00
Saveera Institute of Medical Sciences Private Limited	161.00	10.00
KIMS Hospitals Kurnool Private Limited	35.00	10.00
KIMS Hospital Bengaluru private Limited	-	778.88
Spanv Medisearch Lifesciences Private Limited	40.00	291.00
Arunodaya Hospitals private Limited	10.00	-
Kims Manavata Hospital Private Limited	50.00	-
KIMS Hospitals Private Limited	1.80	-
ii. Repayment of loans		
KIMS Swastha Private Limited	-	3.50
Arunodaya Hospitals Private Limited	10.00	-
Iconkrishi Institute of Medical Sciences Private Limited	25.00	60.00
Saveera Institute of Medical Sciences Private Limited	40.00	-
KIMS Hospitals Kurnool Private Limited	10.00	-
KIMS Hospital Bengaluru private Limited	-	858.02
Spanv Medisearch Lifesciences Private Limited	10.00	90.00
KIMS Manavata Hospital Private Limited	50.00	-
iii. Write off of loans		
KIMS Swastha Private Limited	-	2.90
iv. Interest income earned on loans given		
Iconkrishi Institute of Medical Sciences Private Limited	1.44	0.72
Saveera Institute of Medical Sciences Private Limited	9.94	0.04
KIMS Hospitals Kurnool Private Limited	1.55	0.04
KIMS Hospital Bengaluru private Limited	55.37	55.70
Spanv Medisearch Lifesciences Private Limited	17.38	7.11
Arunodaya Hospitals private Limited	0.06	-
KIMS Manavata Hospital Private Limited	0.62	-
KIMS Hospitals Private Limited	0.06	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.28 Related party disclosures (Contd..)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
v. Professional fee to KMP		
Dr. B Bhaskara Rao	14.98	17.23
vi. Professional fee to close member of KMP		
Dr. Raavi Swetha	2.16	2.16
vii. Rent to KMP		
Dr. B Bhaskara Rao	0.10	0.10
viii. Managerial Remuneration *		
Dr. B Bhaskara Rao	38.67	36.00
Mrs. Dandamudi Anitha	5.80	5.25
Dr. B Abhinay	22.00	15.00
Mr. Vikas Maheshwari	5.94	11.00
Mr. Sachin Ashok Salvi	7.32	-
Mr. Uma Shankar Mantha	4.76	3.50
ix. Commission to Directors		
Mr G Rajeswara Rao	0.62	0.82
Mr. Saumen Chakraborty	3.52	3.52
Mr. Pankaj Vaish	1.32	1.76
Mr. Kaza Ratna Kishore	1.06	0.82
Mr. Venkata Ramudu Jasthi	1.06	0.82
Mrs. Y.Prameela Rani	1.06	0.71
x. Expenditure towards CSR		
KIMS Foundation and Research Centre	63.88	51.42
xi. Purchase of medical consumables, drugs and surgical instruments		
Arunodaya Hospitals Private Limited	-	0.67
KIMS Hospital Enterprises Private Limited	9.33	0.40
Iconkrishi Institute of Medical Sciences Private Limited	0.28	0.04
Saveera Institute of Medical Sciences Private Limited	0.34	0.44
KIMS Hospitals Kurnool Private Limited	-	0.12
Sarvejana Healthcare Private Limited	0.21	0.66
Rajyalakshmi Healthcare Private Limited	0.08	-
xii. Income from pharmacy		
KIMS Hospital Enterprises Private Limited	16.33	6.06
Arunodaya Hospitals Private Limited	1.10	0.97
Iconkrishi Institute of Medical Sciences Private Limited	4.31	4.75
Saveera Institute of Medical Sciences Private Limited	4.82	4.86
KIMS Hospitals Kurnool Private Limited	4.54	3.85
Sarvejana Healthcare Private Limited	5.46	4.83
Rajyalakshmi Healthcare Private Limited	2.53	1.57
Spanv Medisearch Lifesciences Private Limited	2.22	1.19
xiii. Investment in subsidiaries		
KIMS Hospital Enterprises Private Limited	-	200.00
Arunodaya Hospitals private Limited	-	73.72
Sarvejana Healthcare Private Limited	1,100.18	1,085.06
KIMS Manavata Hospital Private Limited	315.00	180.10
Spanv Medisearch Lifesciences Private Limited	710.36	800.03
KIMS Hospital Private Limited	18.10	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.28 Related party disclosures (Contd..)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
xiv. Redemption of preferance shares		
Iconkrishi Institute of Medical Sciences Private Limited	-	5.00
xv. Income from redemption of preferance shares		
Iconkrishi Institute of Medical Sciences Private Limited	-	2.57
xvi. Revenue from Test and Investigations		
KIMS Hospital Enterprises Private Limited	17.54	12.59
Saveera Institute of Medical Sciences Private Limited	0.65	1.54
Sarvejana Healthcare Private Limited	35.18	-
Rajyalakshmi Healthcare Private Limited	-	0.01
xvii. Income from sale of food and beverages		
KIMS Hospital Enterprises Private Limited	0.36	-
xviii. Guarantee closed		
Iconkrishi Institute of Medical Sciences Private Limited	-	170.00
Savera Institute of Medical Sciences Private Limited	-	700.00
xix. Guarantee given on behalf of		
KIMS Hospital Bengaluru private Limited	-	2,950.00
Spanv Medisearch Lifesciences Private Limited	-	1,850.00
xx. Investment on account of financial guarantee		
KIMS Hospital Bengaluru private Limited	14.14	34.21
Spanv Medisearch Lifesciences Private Limited	-	60.51
xxi. Commission income on guarantees given to		
Iconkrishi Institute of Medical Sciences Private Limited	-	1.89
Saveera Institute of Medical Sciences Private Limited	-	23.76
KIMS Hospitals Kurnool Private Limited	2.24	2.23
KIMS Hospital Bengaluru private Limited	3.92	0.77
Spanv Medisearch Lifesciences Private Limited	6.06	3.05

(c) The balances receivables from and payable to related parties

Particulars	As at 31 March 2024	As at 31 March 2023
i. Trade receivables		
Sri Viswa Medicare Limited	2.21	2.21
Iconkrishi Institute of Medical Sciences Private Limited	0.83	1.04
Saveera Institute of Medical Sciences Private Limited	9.55	4.37
KIMS Hospitals Kurnool Private Limited	2.17	2.03
Arunodaya Hospitals private Limited	0.81	0.32
Sarvejana Healthcare Private Limited	4.89	5.42
Rajyalakshmi Healthcare Private Limited	1.07	5.41
Spanv Medisearch Lifesciences Private Limited	2.22	0.87
ii. Loans		
Iconkrishi Institute of Medical Sciences Private Limited	5.00	10.00
Saveera Institute of Medical Sciences Private Limited	131.00	10.00
KIMS Hospitals Kurnool Private Limited	35.00	10.00
KIMS Hospital Bengaluru private Limited	645.87	645.87
Spanv Medisearch Lifesciences Private Limited	231.00	201.00
KIMS Hospitals Private Limited	1.80	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.28 Related party disclosures (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
iii. Interest accrued on loans		
Iconkrishi Institute of Medical Sciences Private Limited	0.13	0.04
Saveera Institute of Medical Sciences Private Limited	8.99	0.04
KIMS Hospitals Kurnool Private Limited	1.43	0.04
KIMS Hospital Bengaluru private Limited	62.04	12.64
Spanv Medisearch Lifesciences Private Limited	21.98	6.33
KIMS Hospitals Private Limited	0.05	-
iv. Trade payables		
Dr. B Bhaskara Rao	1.10	1.20
Dr. Raavi Sweata	0.17	0.17
KIMS Hospital Enterprises Private Limited	2.95	-
v. Commission payable to Directors		
Mr G Rajeswara Rao	-	0.16
Mr. Saumen Chakraborty	0.68	0.68
Mr. Pankaj Vaish	-	0.34
Mr. Kaza Ratna Kishore	0.34	0.16
Mr. Venkata Ramudu Jasthi	0.34	0.16
Mrs. Y.Prameela Rani	0.34	0.16
vi. Guarantee given on behalf of		
KIMS Hospitals Kurnool Private Limited	640.00	640.00
KIMS Hospital Bengaluru Private Limited	2,950.00	2,950.00
Spanv Medisearch Lifesciences Private Limited	1,850.00	1,850.00
vii. Financial guarantee liability		
KIMS Hospitals Kurnool Private Limited	17.10	19.34
KIMS Hospital Bengaluru Private Limited	43.66	33.44
Spanv Medisearch Lifesciences Private Limited	51.39	57.45

* The managerial personnel are covered by the Company's gratuity policy and are eligible for leave encashment along with other employees of the Company. The proportionate amount of gratuity and leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are determined on an actuarial basis for the Company as a whole.

Terms and conditions:

All transactions with these related parties are priced on an arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash within a range of 30-120 days of the transaction date. None of the balances are secured.

2.29 Earnings per share (EPS)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Earnings		
Profit for the year attributable to equity shareholders	2,353.41	2,524.89
Shares		
Number shares at the beginning of the year	8,00,27,787	8,00,27,787
Add: Equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	**8,00,27,787**	**8,00,27,787**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.29 Earnings per share (EPS) (Contd..)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Weighted average number of equity shares outstanding during the year - Basic	8,00,27,787	8,00,27,787
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS	-	-
Weighted average number of equity shares outstanding during the year - Diluted	**8,00,27,787**	**8,00,27,787**
Earnings per equity share of par value Rs. 10 - Basic (Rs.)	29.41	31.55
Earnings per equity share of par value Rs. 10 - Diluted (Rs.)	29.41	31.55

2.30 Segment information

The Managing Director of the Company takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Company's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the Standalone Financials Statements. Presently, the Company's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Company's total revenue. All non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets of the Company are located in India.

2.31 Due to Micro and Small 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 amount payable to such enterprises as at 31 March 2024 has been made in the standalone financial statements based on information received and available with the Company. 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 Company has not received any claim for interest from any supplier.

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	2.97	1.97
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has 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; and	-	-
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 enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.32 Investments, loans, guarantees and security:

(a) The Company has made investment in the following Companies:

Entity	As at 1 April 2023	Allotted / purchased during the year	Sold/ Redemption during the year	Adjustment	As at 31 March 2024
Investment in subsidiaries					
KIMS Hospitals Private Limited	161.84	18.10	-	-	179.94
KIMS Swastha Private Limited	0.10	-	-	-	0.10
Arunodaya Hospitals Private Limited	137.06	-	-	-	137.06
KIMS Hospitals Enterprises Private Limited	1,521.61	-	-	-	1,521.61
KIMS Hospital Bengaluru Private Limited	34.31	-	-	14.14	48.45
Iconkrishi Institute of Medical Sciences Private Limited	168.63	-	-	-	168.63
Saveera Institute of Medical Sciences Private Limited	353.27	-	-	-	353.27
KIMS Hospitals Kurnool Private Limited	116.54	-	-	-	116.54
Sarvejana Healthcare Private Limited	4,314.71	1,100.18	-	-	5,414.90
KIMS Manavata Hospital Private Limited	180.10	315.00	-	-	495.10
Spanv Medisearch Lifesciences Private Limited	860.54	710.36	-	-	1,570.90

Entity	As at 1 April 2022	Allotted / purchased during the year	Sold/ Redemption during the year	Adjustment	As at 31 March 2023
Investment in subsidiaries					
KIMS Hospitals Private Limited	161.84	-	-	-	161.84
KIMS Swastha Private Limited	0.10	-	-	-	0.10
Arunodaya Hospitals Private Limited	63.34	73.72	-	-	137.06
KIMS Hospitals Enterprises Private Limited	1,321.61	200.00	-	-	1,521.61
KIMS Hospital Bengaluru Private Limited	0.10	-	-	34.21	34.31
Iconkrishi Institute of Medical Sciences Private Limited	173.63	-	5.00	-	168.63
Saveera Institute of Medical Sciences Private Limited	353.27	-	-	-	353.27
KIMS Hospitals Kurnool Private Limited	116.54	-	-	-	116.54
Sarvejana Healthcare Private Limited *	-	1,085.06	-	3,229.65	4,314.71
KIMS Manavata Hospital Private Limited	-	180.10	-	-	180.10
Spanv Medisearch Lifesciences Private Limited	-	800.03	-	60.51	860.54
Investment in joint venture					
Sarvejana Healthcare Private Limited *	3,229.65	-	-	(3,229.65)	-

* Sarvejana Healthcare Private Limited has been converted from joint venture to subsidiary from 1 April 2022

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.32 Investments, loans, guarantees and security: (Contd..)

(b) The Company has given unsecured loans to its following subsidiaries:

Entity	As at 1 April 2023	Given during the year	Repaid during the year	As at 31 March 2024	Maximum amount outstanding during the year
Iconkrishi Institute of Medical Sciences Private Limited	10.00	20.00	(25.00)	5.00	20.00
Saveera Institute of Medical Sciences Private Limited	10.00	161.00	(40.00)	131.00	171.00
KIMS Hospitals Kurnool Private Limited	10.00	35.00	(10.00)	35.00	35.00
KIMS Hospital Bengaluru private Limited	645.87	-	-	645.87	645.87
Arunodaya Hospitals Private Limited	-	10.00	(10.00)	-	10.00
Kims Manavata Hospital Private Limited	-	50.00	(50.00)	-	50.00
KIMS Hospitals Private Limited	-	1.80	-	1.80	1.80
Spanv Medisearch Lifesciences Private Limited	201.00	40.00	(10.00)	231.00	231.00

Entity	As at 1 April 2022	Given during the year	Repaid/ adjusted during the year	As at 31 March 2023	Maximum amount outstanding during the year
KIMS Swastha Private Limited *	6.40	-	(6.40)	-	6.40
Iconkrishi Institute of Medical Sciences Private Limited	-	70.00	(60.00)	10.00	50.00
Saveera Institute of Medical Sciences Private Limited	-	10.00	-	10.00	10.00
KIMS Hospitals Kurnool Private Limited	-	10.00	-	10.00	10.00
KIMS Hospital Bengaluru private Limited	725.00	778.88	(858.02)	645.87	1,495.88
Spanv Medisearch Lifesciences Private Limited	-	291.00	(90.00)	201.00	211.00

* Repaid/adjusted amount includes write off of loans amounting to Rs. 2.90

(c) Details of guarantee provided

The Company has provided guarantees to the following subsidiaries:

For the year ended 31 March 2024

Particulars	Guarantee provided outstanding as at the beginning of the year	Guarantee provided during the financial year	Guarantee cancelled during the financial year	Guarantee provided outstanding as at the end of the year
KIMS Hospitals Kurnool Private Limited	640.00	-	-	640.00
KIMS Hospital Bengaluru Private Limited	2,950.00	-	-	2,950.00
SPANV Medisearch Lifesciences Private Limited	1,850.00	-	-	1,850.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.32 Investments, loans, guarantees and security: (Contd..)

For the year ended 31 March 2023

Particulars	Guarantee provided outstanding as at the beginning of the year	Guarantee provided during the financial year	Guarantee cancelled during the financial year	Guarantee provided outstanding as at the end of the year
Iconkrishi Institute of Medical Sciences Private Limited	170.00	-	170.00	-
Saveera Institute of Medical Sciences Private Limited	700.00	-	700.00	-
KIMS Hospitals Kurnool Private Limited	640.00	-	-	640.00
KIMS Hospital Bengaluru Private Limited	-	2,950.00	-	2,950.00
SPANV Medisearch Lifesciences Private Limited	-	1,850.00	-	1,850.00

2.33 Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule III of the Companies Act, 2013 and activities approved by the CSR committee:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Gross amount required to be spent by the Company during the year	62.95	51.42
b) Amount approved by the Board to be spent during the year	63.68	51.42

c) Amount spent during the year ending on 31 March 2024:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	63.68	-	63.68

d) Amount spent during the year ending on 31 March 2023:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	51.42	-	51.42

e) Details related to spent / unspent obligations:

Particulars	As at 31 March 2024	As at 31 March 2023
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	63.68	51.42
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-
	63.68	51.42

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.34 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the ' net debt' to 'total equity' ratio.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components of equity excluding adjustment reserve.

The Company's net debt to equity ratio as of 31 March 2024 and 31 March 2023 was as follows:

Particulars *	As at 31 March 2024	As at 31 March 2023
Total borrowings	3,262.91	41.70
Less: Cash and cash equivalents	(204.81)	(380.99)
Net debt	**3,058.10**	**(339.29)**
Total equity	**18,606.87**	**16,250.95**
Net debt to equity ratio - Gearing Ratio	**16.44%**	**-2.09%**

No changes were made in the objectives, policies or processes for managing capital during and for year ended 31 March 2024 and 31 March 2023.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the current and previous year.

2.35 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2024	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	1,487.22	1,487.22	Level 3
Cash and cash equivalents	204.81	204.81	
Loans	1,049.67	1,049.67	
Other financial assets	334.43	334.43	
Total	**3,076.13**	**3,076.13**	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds	616.40	616.40	Level 1
Total	**616.40**	**616.40**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	2,613.40	2,613.40	Level 3
Current borrowings	649.51	649.51	
Trade payables	783.89	783.89	
Other financial liabilities	278.39	278.39	
Total	**4,325.19**	**4,325.19**	

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.35 Financial instruments : Fair value and risk management (Contd..)

As at 31 March 2023	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	1,199.44	1,199.44	Level 3
Cash and cash equivalents	380.99	380.99	
Bank balances other than above	20.10	20.10	
Loans	876.87	876.87	
Other financial assets	209.34	209.34	
Total	**2,686.74**	**2,686.74**	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds	411.74	411.74	Level 1
Total	**411.74**	**411.74**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	41.70	41.70	Level 3
Trade payables	727.33	727.33	
Other financial liabilities	226.77	226.77	
Total	**995.80**	**995.80**	

The carrying amounts of trade receivables, trade payables, other financials assets, other financial liabilities, current borrowings and cash and cash equivalents and bank balances other than cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of long term borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.

The fair values of Investment in mutual funds are based on the market value using net asset value.

B. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.35 Financial instruments : Fair value and risk management (Contd..)

Company. The audit committee is assisted in its oversight role by the internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables and contract assets) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

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

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables and contract assets based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and contract assets amounting to Rs. 1,857.21 as on 31 March 2024 (31 March 2023: Rs. 1,562.17). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	264.35	279.78
Credit loss reversed	(27.97)	(15.43)
Closing balance	236.38	264.35
Trade receivable write off not routed through the above movement	1.17	7.57

The Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and contract assets and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Accordingly, the Company creates provision for past due receivables less than one year ranging between 2% to 25% and beyond one year ranging between 46% to 100%. Set out below is the information about the credit risk exposure of the Company’s trade receivables and contract asset using provision matrix:

	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and contract assets
For the year ended 31 March 2024	614.17	731.40	511.64	1,857.21
For the year ended 31 March 2023	555.85	700.08	306.23	1,562.17

Customer Concentration

No single customer represents 10% or more of the Company’s total revenue during the year ended 31 March 2024 and 31 March 2023. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.35 Financial instruments : Fair value and risk management (Contd..)

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2024:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	2,613.40	41.71	757.21	1,826.12	2,625.04
Current borrowings	649.51	649.51	-	-	649.51
Trade payables	783.89	783.89	-	-	783.89
Other financial liabilities	278.39	178.79	99.60	-	278.39
Total	**4,325.19**	**1,653.90**	**856.81**	**1,826.12**	**4,336.83**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	41.70	41.70	-	-	41.70
Trade payables	727.33	727.33	-	-	727.33
Other financial liabilities	226.77	127.86	98.91	-	226.77
Total	**995.80**	**896.89**	**98.91**	**-**	**995.80**

The Company has secured loans from bank that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

C. Market risk

(i) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term and short-term borrowings with variable interest rates.

The exposure of the Company’s borrowing to interest rate changes at the end of the reporting year are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate long term borrowings (including current maturities) and short term borrowings	3,262.91	41.70
Total borrowings	**3,262.91**	**41.70**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.35 Financial instruments : Fair value and risk management (Contd..)

(i) Sensitivity

Particulars	Impact on profit or loss		Impact on equity, net of tax	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Sensitivity				
1% increase in MCLR	(32.63)	(0.42)	(24.42)	(0.31)
1% decrease in MCLR	32.63	0.42	24.42	0.31

The interest rate sensitivity is based on the closing balance of secured term loans and working capital loans from banks.

D. Currency risk

The Company is not exposed to currency risk.

2.36 Income-tax

a. Amount recognised in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	816.91	837.62
Adjustments of tax relating to earlier year	17.81	-
Deferred tax attributable to temporary differences	(6.42)	10.82
Tax expenses for the year	**828.30**	**848.44**

b. Amount recognised in other comprehensive income

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	3.36	(0.85)	2.51	11.00	(2.77)	8.23

c. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	**3,181.71**	**3,373.33**
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	800.77	849.00
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	9.72	(0.55)
Adjustment in respect of income-tax for earlier years	17.81	-
Total	**828.30**	**848.44**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.36 Income-tax (Contd..)

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
Expected credit loss for trade receivables	59.49	66.53
Provision for employee benefits	84.06	71.20
Total deferred tax asset	143.55	137.73
Deferred tax liability		
Property, plant and equipment	486.34	482.70
Others	2.92	0.14
Total deferred tax liability	**489.26**	**482.84**
Deferred tax liability (net)	**(345.71)**	**(345.11)**

(ii) Movement in temporary differences

	Expected credit loss for trade receivables	Provision for employee benefits	Property, plant and equipment	Others - liability	Total
Balance as at 1 April 2022	**70.41**	**67.23**	**(468.91)**	**(0.26)**	**(331.53)**
Recognised in profit or loss	(3.88)	6.74	(13.79)	0.12	(10.82)
Recognised in OCI	-	(2.77)	-	-	(2.77)
Balance as at 31 March 2023	**66.53**	**71.20**	**(482.70)**	**(0.14)**	**(345.11)**
Recognised in profit or loss*	(7.04)	13.71	(3.64)	(2.78)	0.24
Recognised in OCI	-	(0.85)	-	-	(0.85)
Balance as at 31 March 2024	**59.49**	**84.06**	**(486.34)**	**(2.92)**	**(345.71)**

* Includes adjustment of deferred taxes for earlier years amounting to Rs. 6.18

2.37 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from hospital services	8,275.32	7,431.83
Income from pharmacy	3,700.30	3,627.95
Total revenue from contracts with customers	**11,975.62**	**11,059.78**
India	11,975.62	11,059.78
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	8,275.32	7,431.83
Goods transferred at a point of time	3,700.30	3,627.95
Total revenue from contracts with customers	**11,975.62**	**11,059.78**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	12,582.19	11,633.91
Less: Discounts and disallowances	(606.57)	(574.13)
Total revenue from contracts with customers	**11,975.62**	**11,059.78**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.37 Revenue from contracts with customers: (Contd..)

Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Trade receivables	1,487.22	1,199.44	873.78
Contract assets	133.61	98.38	105.01
Contract liabilities	189.65	126.93	113.77

Contract liability: During the financial year ended 31 March 2024, the Company has recognised revenue of Rs.126.93 from advance received from patients outstanding as on 31 March 2023. During the financial year ended 31 March 2023, the company has recognised revenue of Rs. 102.31 from advance received from patients outstanding as on 31 March 2022. It expects similarly to recognise revenue in year ended 31 March 2024 from the closing balance of advance from customers as at 31 March 2023.

Contract asset: During the financial year ended 31 March 2024, the company has transferred Rs. 98.38 of contract assets as at 31 March 2023 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2023, the company has transferred Rs. 105.01 of contract assets as at 31 March 2022 to trade receivables on completion of performance obligation.

2.38 Ratio Analysis and its elements

Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% change
Current Ratio *	Current Assets	Current Liabilities	1.44	1.98	-27.34%
Debt-Equity ratio *	Total Debts(1)	Shareholder's Equity	0.17	0.00	6737.05%
Debt service coverage ratio **	Earnings for debts service(2)	Debt service(3)	7.45	17.94	-58.45%
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	12.12	10.50	15.41%
Trade Receivable turnover Ratio	Net Sales(4)	Average Trade Receivables	8.91	10.67	-16.44%
Trade Payable turnover Ratio	Net credit Purchases(5)	Average Trade Payables	8.48	7.53	12.59%
Net Capital turnover ratio *	Net Sales(6)	Working capital(7)	13.30	9.65	37.86%
Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	13.46%	16.79%	-19.82%
Net Profit ratio	Net profit	Net Sales(6)	19.28%	22.38%	-13.85%
Return on Capital employed*	Earnings before interest and taxes	Capital Employed(8)	14.57%	20.51%	-28.95%
Return on Investment	Interest (Finance Income)	Time Weighted Average Investment	6.50%	5.20%	25.00%

(1) Debt includes Lease Liabilities

(2) Net profit after taxes + Non-Operating expenses

(3) Interest and lease payments + Principal Repayments of long term borrowings

(4) Total sales - sales return

(5) Gross credit purchases - purchase returns + Other expenses

(6) Total sales - sales return

(7) Current assets - Current liabilities

(8) Tangible Net Worth + Total Debts + Deferred Tax Liability

* Borrowings availed during the year resulted in the change in the ratio.

** Lease payments, borrowings repaid and interest paid during the year resulted in the change in the ratio

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.39 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Company does not have any unhedged foreign currency exposure as at 31 March 2024 and 31 March 2023.

2.40 Other Statutory Information

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

(ii) The Company do not have any transactions with companies struck off.

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

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

(vii) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The Company has not declared/paid any dividend during the year.

2.41 The Company has migrated to a new accounting software from legacy accounting software during the year on May 1, 2023. The accounting softwares used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except in respect of the new accounting software where audit trail feature is not enabled for certain changes made, if any, using privileged/administrative access rights to the new accounting application and the underlying Database. The Company is in the process of establishing necessary controls and documentations regarding audit trail in respect of the new accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting softwares used.

2.42 Events after the reporting period

There are no significant adjusting events that occurred subsequent to the reporting period.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Place: Hyderabad
Date: May 16, 2024

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Independent Auditor's Report

To
The Members of
Krishna Institute of Medical Sciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Krishna Institute of Medical Sciences Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill on consolidation pertaining to acquisition of Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited *(as described in Note 2.40 of the consolidated financial statements)*	
As at March 31, 2024, the Group has goodwill of Rs. 2,116.70 million and Rs. 115.61 million on consolidation pertaining to acquisitions of Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited respectively. These goodwill balances are tested annually for impairment using discounted cash-flow models by which recoverable value is compared to the carrying value of the assets. A deficit between the recoverable value and carrying value would result in impairment. The inputs to the impairment testing model include: - Projected revenue growth, operating margins, operating cash-flows and capex during the periods related to explicit forecast; - Stable long-term growth rates beyond explicit forecast period and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax). The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing of goodwill pertaining to these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Financial Statements as a whole.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over impairment assessments; • We gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process; • With the assistance of specialists, we evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions; and tested the arithmetical accuracy of model; • We tested budgeting procedures upon which the cash flow forecasts were based. We have also compared the actual past performances with the budgeted figures; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We assessed the adequacy of the related disclosures in notes to the Consolidated Financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose financial statements include total assets of Rs. 137.36 million as at March 31, 2024, and total revenues of Rs. Nil and net cash inflows of Rs. 8.75 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of Rs. 2.71 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the **"Annexure 1"** a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

    (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"** to this report;

    (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

    (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

    (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:

        i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 2.24 to the consolidated financial statements;

        ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate, incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and associate company, incorporated in India.

vi) The Holding Company and 8 of its subsidiaries have migrated to new accounting software from legacy accounting software during the year. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, subsidiaries and associate have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that, in respect of new accounting software audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative rights as discussed in note 2.42 to the financial statements. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and associate did not come across any instance of audit trail feature being tampered in respect of the accounting softwares used.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**
Partner
Membership Number: 102328
UDIN: 24102328BKEZMC3658

Place of Signature: Hyderabad
Date: May 16, 2024

Annexure 1 **referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Consolidated Financial Statements of Krishna Institute of Medical Sciences Limited ("the Holding Company")**

In terms of the information and explanations sought by us and given by the Holding Company and to the best of our knowledge and belief, we state that:

3(xxi)There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**
Partner
Membership Number: 102328
UDIN: 24102328BKEZMC3658

Place of Signature: Hyderabad
Date: May 16, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Krishna Institute of Medical Sciences Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Krishna Institute of Medical Sciences Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate , which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**
Partner
Membership Number: 102328
UDIN: 24102328BKEZMC3658

Place of Signature: Hyderabad
Date: May 16, 2024

Consolidated Balance Sheet

as at 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	17,300.49	12,100.19
Capital work-in-progress	2.1(b)	6,000.93	4,769.34
Goodwill	2.40	3,080.07	3,080.07
Other intangible assets	2.1 (c)	646.49	777.35
Right-of-use assets	2.25	3,312.02	1,705.60
Financial assets			
(i) Investments	2.2 (a)	744.34	-
(ii) Loans	2.3	260.00	-
(iii) Other financial assets	2.4(a)	349.65	566.92
Deferred tax assets (net)	2.38	319.22	401.94
Non-current tax assets (net)	2.9	455.09	237.67
Other non-current assets	2.5(a)	577.52	997.57
Total non-current assets		**33,045.82**	**24,636.65**
Current assets			
Inventories	2.6	494.44	428.65
Financial assets			
(i) Investments	2.2 (b)	829.74	678.88
(ii) Trade receivables	2.7	2,943.99	2,526.53
(iii) Cash and cash equivalents	2.8(a)	468.91	616.11
(iv) Bank balances other than (iii) above	2.8(b)	21.17	47.59
(v) Other financial assets	2.4(b)	358.41	363.96
Other current assets	2.5(b)	357.71	114.66
Total current assets		**5,474.37**	**4,776.38**
Total assets		**38,520.19**	**29,413.03**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10 (a)	800.28	800.28
Other equity	2.10 (b)	17,483.29	15,895.10
Total equity attributable to owners of the Company		**18,283.57**	**16,695.38**
Non-controlling interests		2,648.82	2,684.24
Total Equity		**20,932.39**	**19,379.62**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (a)	9,276.43	4,974.41
(ii) Lease liabilities	2.25	2,986.54	1,361.54
(iii) Other financial liabilities	2.12(a)	64.95	4.25
Provisions	2.13	274.20	236.25
Deferred tax liabilities (net)	2.38	462.83	492.24
Total non-current liabilities		**13,064.95**	**7,068.69**
Current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (b)	1,185.95	357.75
(ii) Lease liabilities	2.25	104.36	88.04
(iii) Trade payables	2.14		
(a) Total outstanding dues of micro enterprises and small enterprises; and		125.03	108.98
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,846.47	1,633.57
(iv) Other financial liabilities	2.12(b)	611.38	304.55
Other current liabilities	2.16	463.58	331.18
Provisions	2.15	186.08	140.65
Total current liabilities		**4,522.85**	**2,964.72**
Total equity and liabilities		**38,520.19**	**29,413.03**
Material accounting policies	1.3		

The accompanying notes are referred above form an integral part of the consolidated financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Income from operations	2.17	24,981.44	21,976.78
Other income	2.18	130.56	258.72
Total income		**25,112.00**	**22,235.50**
Expenses			
Purchase of medical consumables, drugs and surgical instruments		5,368.71	4,744.87
(Increase)/ Decrease in inventories of medical consumables, drugs and surgical instruments	2.19	(65.79)	61.60
Employee benefits expense	2.20	4,223.66	3,464.36
Finance costs	2.21	470.26	305.45
Depreciation and amortisation expense	2.22	1,465.48	1,292.60
Other expenses	2.23	9,050.60	7,665.84
Total expenses		**20,512.92**	**17,534.72**
Profit before share of loss from associate		**4,599.08**	**4,700.78**
Share of loss from associate, net of tax	2.35	(2.71)	-
Profit before tax and exceptional items		**4,596.37**	**4,700.78**
Exceptional Items			
Fair value gain on acquisition of control	2.34	-	148.29
Profit before tax		**4,596.37**	**4,849.07**
Tax expense			
- Current tax	2.38	1,161.82	1,183.91
- Deferred tax charge	2.38	40.25	24.84
- Adjustment of tax relating to earlier years	2.38	34.23	(17.81)
Total tax expense		**1,236.30**	**1,190.94**
Profit for the year (A)		**3,360.07**	**3,658.13**
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit and loss			
- Re-measurement gain of defined benefit plans		4.36	11.63
- Income tax effect		(1.10)	(3.12)
Other comprehensive income, net of tax (B)		**3.26**	**8.51**
Total comprehensive income for the year (A+B)		**3,363.33**	**3,666.64**
Profit attributable to:			
Owners of the Company		3,101.47	3,363.22
Non-controlling interests		258.60	294.91
Profit for the year		**3,360.07**	**3,658.13**
Other comprehensive income attributable to:			
Owners of the Company		2.66	8.03
Non-controlling interests		0.60	0.48
Other comprehensive income for the year		**3.26**	**8.51**
Total comprehensive income attributable to:			
Owners of the Company		3,104.13	3,371.25
Non-controlling interests		259.20	295.39
Total comprehensive income for the year		**3,363.33**	**3,666.64**
Earnings per equity share (face value of share Rs. 10 each)			
- Basic (Rs.)	2.28	38.75	42.03
- Diluted (Rs.)	2.28	38.75	42.03
Material accounting policies	1.3		

The accompanying notes are referred above form an integral part of the consolidated financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
I Cash flows from operating activities		
Profit before tax for the year	4,596.37	4,849.07
Adjustments for:		
Depreciation and amortisation expense	1,465.48	1,292.60
Finance costs	470.26	305.46
Reversal of expected credit loss for trade receivables (net of bad debts)	(14.55)	(115.43)
Interest income	(22.91)	(95.32)
(Profit)/loss on sale of property, plant and equipment (net)	(3.76)	1.46
Liabilities no longer required written back	(12.39)	(78.43)
Fair value gain on mutual funds	(18.43)	(11.83)
Income from sale of subsidiary	-	(7.56)
Exceptional items	-	(148.29)
Rental income	(4.73)	(5.70)
Share of loss of an associate	2.71	-
Operating cash flows before working capital changes	**6,458.05**	**5,986.03**
Adjustments for:		
Increase in trade receivables	(402.91)	(628.10)
(Increase)/decrease in inventories	(65.79)	64.70
Decrease in other financial assets and other assets	123.59	281.42
Increase/(decrease) in trade payables, other financial liabilities, provisions and other liabilities	499.42	(410.83)
Cash generated from operations	**6,612.36**	**5,293.22**
Income taxes paid, net of refunds	(1,401.51)	(972.35)
Net cash generated from operating activities (A)	**5,210.85**	**4,320.87**
II Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(6,473.35)	(5,745.25)
Proceeds from sale of property, plant and equipment	14.14	26.30
Investment in associate	(741.08)	
Investment in equity shares	(5.97)	-
Investment in Subsidiaries	-	(1,476.93)
Investment in mutual funds	(2,902.38)	(1,903.17)
Proceeds from sale of mutual funds	2,778.30	1,236.11
Loans given to associate	(260.00)	-
Proceeds from sale of subsidiary	-	2.00
Lease income received	4.73	5.70
Interest received	11.25	119.83
Redemption of bank deposits (having original maturity of more than three months)	62.31	5,774.24
Investment in bank deposits (having original maturity of more than three months)	(13.55)	(3,507.78)
Net cash used in investing activities (B)	**(7,525.60)**	**(5,468.94)**

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
III Cash flows from financing activities		
Repayment of long-term borrowings	(176.99)	(2,011.30)
Proceeds from long-term borrowings	4,593.03	3,893.83
Proceeds from/(repayment of) short-term borrowings (net)	714.17	(399.51)
Acquisition of non-controlling interest	(1,810.56)	(686.99)
Payment of principal of lease liability	(323.40)	(262.18)
Payment of interest on lease liability	(235.89)	(150.06)
Interest paid	(592.81)	(187.37)
Net cash flows generated from financing activities (C)	**2,167.55**	**196.42**
Net decrease in cash and cash equivalents (A+B+C)	**(147.20)**	**(951.65)**
Cash and cash equivalents acquired through business combination	-	1,311.42
Cash and cash equivalents at the beginning of the year	616.11	256.34
Cash and cash equivalents at the end of the year	**468.91**	**616.11**

Note:

a) The consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind AS 7) - Statement of cash flows:

b) Cash and cash equivalents comprises of:

	As at 31 March 2024	As at 31 March 2023
Cash on hand	23.01	18.99
Balances with banks		
- On current accounts	288.39	588.22
- In deposit accounts (with original maturity of 3 months or less)	157.51	8.90
Total	**468.91**	**616.11**

The accompanying notes are referred above form an integral part of the consolidated financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Consolidated Statement of Changes in Equity

for year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

a) Equity share capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount
At 1 April 2022	**8,00,27,787**	**800.28**
Add: Shares issued during the year	-	-
At 31 March 2023	**8,00,27,787**	**800.28**
Add: Shares issued during the year	-	-
At 31 March 2024	**8,00,27,787**	**800.28**

b) Other equity

Particulars	Other equity attributable to the owners of the Company				Total other equity	Non-controlling interest	Total (Includes equity share capital as per (a) above)
	Reserve and surplus						
	Securities premium account	Adjustment reserve	Capital contribution	Retained earnings			
Balance as at 01 April 2022	**10,340.35**	**57.64**	**-**	**2,674.82**	**13,072.81**	**233.31**	**14,106.40**
Profit for the year	-	-	-	3,363.22	3,363.22	294.91	3,658.13
Acquisition of subsidiaries (refer note 2.34)	-	-	-	-	-	2,343.22	2,343.22
Acquisition of non-controlling interests	-	-	-	(663.24)	(663.24)	(297.48)	(960.72)
Other equity (refer note 2.10(b))	-	-	114.28	-	114.28	109.80	224.08
Other comprehensive income for the year	-	-	-	8.03	8.03	0.48	8.51
Balance as at 31 March 2023	**10,340.35**	**57.64**	**114.28**	**5,382.83**	**15,895.10**	**2,684.24**	**19,379.62**
Profit for the year	-	-	-	3,101.47	3,101.47	258.60	3,360.07
Acquisition of non-controlling interests (refer note 2.34)	-	-	-	(1,275.84)	(1,275.84)	(534.72)	(1,810.56)
Other equity (refer note 2.10(b))	-	-	(240.10)	-	(240.10)	240.10	-
Other comprehensive income for the year	-	-	-	2.66	2.66	0.60	3.26
Balance as at 31 March 2024	**10,340.35**	**57.64**	**(125.82)**	**7,211.12**	**17,483.29**	**2,648.82**	**20,932.39**

The accompanying notes are referred above form an integral part of the consolidated financial statements.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: May 16, 2024

Place: Hyderabad
Date: May 16, 2024

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

1.1 Group Overview

The consolidated financial statements comprise financial statements of Krishna Institute of Medical Sciences Limited ("the Company" or "Parent" or "Holding Company") its subsidiaries (the holding Company and its subsidiaries together referred to as , the Group) and its associate for the year ended 31 March 2024. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The Group is principally engaged in the business of rendering medical and healthcare services. Information on the Group's structure is provided in Note 1.3A. Information on other related party relationships of the Group is provided in Note 2.27. The Company's shares were listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

The Company was originally incorporated on 26 July 1973 under the name "Jagjit Singh and Sons Private Limited" which was subsequently changed to "Krishna Institute of Medical Sciences Private Limited" on 2 January 2004. The Company was converted into a public limited company under the Companies Act, 1956 on 29 January 2004 and consequently, the name was changed to "Krishna Institute of Medical Sciences Limited".

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 16 May 2024.

1.2 Basis of preparation of consolidated financial statements

a) Statement of compliance:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

All amounts are in Indian Rupees millions, rounded off to two decimals, except share data, unless otherwise stated.

b) Basis of measurement:

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value or refer accounting policy regarding financial instruments
Net defined benefit (asset)/ liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

The Group's consolidated financial statements are presented in Indian rupee (INR), which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

d) New and amended standards

The group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2023. The group has not early adopted any other standard or amendment that has been issued but is not yet effective:

- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes
- Ind AS 1, Presentation of Financial Statements

These amendments had no impact on the financial statements of the group.

Standards issued but not yet effective and not early adopted by the group

There are no standards that are notified and not yet effective as on the date.

e) Significant accounting judgement, estimates and assumptions:

The preparation of Group's consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenue, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic

conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.38 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.26 - Measurement of defined benefit obligations, key actuarial assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.33 for further disclosures.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group.

1.3 Material accounting policies

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

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

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements as at and for the year ended 31 March 2024 have been prepared on the basis of the financial statements of the following subsidiaries which are principally engaged in the business of rendering medical and healthcare services.

Name of the Company	Nature of Relationship	Country of incorporation	Ownership interest (in %) 31 March 2024	Ownership interest (in %) 31 March 2023
Arunodaya Hospitals Private Limited ('AHPL')	Subsidiary	India	67.66	67.66
KIMS Hospital Enterprises Private Limited ('KHEPL')	Subsidiary	India	90.74	90.74
Iconkrishi Institute of Medical Sciences Private Limited ('ICIMSPL')	Subsidiary	India	51.00	51.00
Saveera Intitute of Medical Sciences Private Limited ('SIMSPL')	Subsidiary	India	76.50	76.50
KIMS Hospitals Private Limited ('KHPL')	Subsidiary	India	100.00	100.00
KIMS Swastha Private Limited ('KSPL')	Subsidiary	India	100.00	100.00
KIMS Hospital Bengaluru Private Limited ('KHBPL')	Subsidiary	India	100.00	100.00
KIMS Hospital Kurnool Private Limited ('KHKPL')	Subsidiary	India	55.00	55.00
Sarvejana Healthcare Private Limited ('SHPL')*	Subsidiary	India	64.22	56.61
Rajyalakshmi Healthcare Private Limited (RHPL)*	Subsidiary	India	64.22	56.61
Suryateja Healthcare Private Limited (STHPL)**	Subsidiary	India	NA	56.61
Spanv Medisearch Lifesciences Private Limited ('Spanv/SMLPL')	Subsidiary	India	69.30	51.00
KIMS Manavata Hospitals Private Limited ('KMHPL/Manavata')	Subsidiary	India	51.00	51.00
Kondapur Healthcare Limited (Formerly known as RVM Healthcare Limited) ('KHL')***	Associate	India	33.73	NA

*SHPL and RHPL collectively known as Sunshine Hospitals

**Entity ceased to be subsidiary from December 01, 2022

*** Became an associate from 15 September 2023

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

B. Business combination and goodwill

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

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and it's subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of

the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

B.1 Investment in Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of an associate' in the statement of profit or loss.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit.

C. Current–non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

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

i. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is expected to be realised within 12 months after the reporting date; or

iv. 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.

All other assets are classified as non-current.

Liabilities

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

i. it is expected to be settled in the Group's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is due to be settled within 12 months after the reporting date; or

iv. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

Operating cycle

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

D. Fair value measurement:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Group's Chief Financial officer analyses the movements in the values of assets and liabilities which are required to be re measured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.33 – financial instruments.

E. Revenue from contract with customer

The Group's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts,

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers and deposited back to the respective statutory authorities. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the

amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates

in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Contract Balances:

Contract assets represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other Income

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

F. Income-tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in consolidated statement of profit and loss except to the extent that is relates to an item recognised directly in equity or in other comprehensive income.

Current income-tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Deferred tax

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

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

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

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

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

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

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

G. Property, plant and equipment

Freehold land is carried at cost net of accumulated impairment, if any. All other items of property, plant and equipment are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it located. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other cost directly attributable to bringing the item to working conditions for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The Group has elected to continue with the carrying value for all of its Property, Plant and Equipment recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de- recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

Depreciation

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment as below:

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is perpetual lease without any limited useful life and hence is not amortised.
- Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

H. Intangible assets

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

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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

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

De-recognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss. when the asset is derecognised.

The Group has elected to continue with the carrying value for all of its other intangibles recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6
Brand	5
Non-Compete fee	5
Customer Contract	5

I. Borrowing costs

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

J. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an

asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the

lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

K. Inventories

The inventories comprising of medical consumables, drugs and surgical instruments are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The Group follows the weighted average method for determining the cost of such inventories. The Comparison of cost and net realisable value is made on item by item basis.

L. Impairment of non-financial assets

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

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

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget

using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists,

the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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

M. Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

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

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined liability (assets) for the year by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

changes to the defined benefit liability (asset) as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss. The Group recognises gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in the consolidated statement of profit and loss on the earlier of amendment or curtailment.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g, under short term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated absences

As per the leave encashment policy of the Group, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a

result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of consolidated profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

N. Financial instruments

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

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets

with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in to following categories

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables, and loan to an associate included under other non-current financial assets. For more information on receivables, refer to Note 2.33.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. The

transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

Impairment of financials assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant

increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

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

Financial instrument are classified as a liability or equity components based on the terms of the contract and in

accordance with Ind AS 32 (Financial instruments: Presentation). Financial instrument issued by the Group classified as equity is carried at its transaction value and shown within " equity". Financial instrument issued by the

Group classified as liability is initially recognised at fair value (issue price). Subsequent to initial recognition, such Financial instrument is fair valued through the statement of profit or loss. On modification of Financial instrument from liability to equity, the Financial instrument is recorded at the fair value of Financial instrument classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the statement of profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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

Offsetting of financial instruments

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

O. Cash and cash equivalents

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

P. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders of parent company for the year by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of parent company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

R. Corporate social responsibility

The Group charges its Corporate Social Responsibility expenditure to the consolidated statement of profit and loss.

S. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting year, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.4 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.1 (a) Property, plant and equipment

Particulars	Freehold land	Leasehold land (refer Note 3)	Leasehold improvement	Buildings (refer Note 1 & 6)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Gross carrying amount												
Balance as at 1 April 2022	**709.94**	**151.82**	**209.83**	**4,165.35**	**3,920.11**	**338.51**	**83.98**	**481.02**	**259.59**	**424.13**	**76.22**	**10,820.49**
Acquisition of subsidiaries (refer note 2.34)	596.15	-	378.34	1,189.43	1,343.52	147.03	11.47	154.26	27.12	188.09	19.57	4,054.98
Additions	-	-	54.61	307.00	784.95	27.36	13.88	26.06	50.54	30.00	26.25	1,320.65
Disposals (including sale of subsidiary)	-	-	(0.42)	-	(64.59)	-	(0.21)	(3.60)	(0.07)	(0.42)	(5.04)	(74.35)
Balance as at 31 March 2023	**1,306.09**	**151.82**	**642.36**	**5,661.78**	**5,983.99**	**512.90**	**109.12**	**657.74**	**337.18**	**641.80**	**117.00**	**16,121.77**
Balance as at 1 April 2023	1,306.09	151.82	642.36	5,661.78	5,983.99	512.90	109.12	657.74	337.18	641.80	117.00	16,121.77
Additions	958.63	-	37.85	3,619.14	1,084.08	83.08	37.11	324.86	100.63	105.90	28.54	6,379.82
Disposals	-	-	-	-	(17.50)	(1.50)	(0.17)	(1.79)	-	(0.12)	(9.36)	(30.44)
Balance as at 31 March 2024	**2,264.72**	**151.82**	**680.21**	**9,280.92**	**7,050.57**	**594.48**	**146.06**	**980.81**	**437.81**	**747.58**	**136.18**	**22,471.15**
Accumulated depreciation												
Balance as at 1 April 2022	**-**	**-**	**89.19**	**390.83**	**1,685.71**	**124.03**	**59.61**	**323.49**	**169.21**	**234.81**	**38.42**	**3,115.28**
Depreciation charge for the year	-	-	108.26	94.19	499.45	32.76	13.36	55.36	71.59	63.52	14.40	952.89
Disposals (including sale of subsidiary)	-	-	(0.06)	-	(40.04)	-	(0.05)	(2.63)	(0.03)	(0.24)	(3.54)	(46.59)
Balance as at 31 March 2023	**-**	**-**	**197.39**	**485.02**	**2,145.12**	**156.79**	**72.92**	**376.22**	**240.77**	**298.09**	**49.28**	**4,021.58**
Balance as at 1 April 2023	**-**	**-**	**197.39**	**485.02**	**2,145.12**	**156.79**	**72.92**	**376.22**	**240.77**	**298.09**	**49.28**	**4,021.58**
Depreciation charge for the year	-	-	94.45	211.61	594.08	37.77	14.61	68.71	61.61	70.09	16.21	1,169.14
Disposals	-	-	-	-	(9.52)	(1.08)	(0.17)	(1.77)	-	(0.09)	(7.43)	(20.06)
Balance as at 31 March 2024	**-**	**-**	**291.84**	**696.63**	**2,729.68**	**193.48**	**87.36**	**443.16**	**302.38**	**368.09**	**58.06**	**5,170.66**
Net block value												
At 31 March 2023	**1,306.09**	**151.82**	**444.97**	**5,176.76**	**3,838.87**	**356.11**	**36.20**	**281.52**	**96.41**	**343.71**	**67.72**	**12,100.19**
At 31 March 2024	**2,264.72**	**151.82**	**388.37**	**8,584.29**	**4,320.89**	**401.00**	**58.70**	**537.65**	**135.43**	**379.49**	**78.12**	**17,300.49**

1. Buildings amounting to gross block Rs. 253.50 (31 March 2023: Rs. 246.61) and net block Rs. 213.77 (31 March 2023: Rs. 210.88) are constructed on the land taken on lease from promoters for a period of 30 years without making any upfront payment and renewable at the option of the Company.
2. Refer note 2.11 for details of assets pledged as security.
3. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.1 (a) Property, plant and equipment (Contd..)

4. The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.
5. The Group has not revalued any of its Property, Plant and Equipment during the year.
6. The amount of borrowing costs capitalised to Builidngs during the year Rs 115.79 (31 March 2023: Nil)

2.1 (b) Capital Work in Progress

	As at 31 March 2024	As at 31 March 2023
Gross Carrying amount		
Balance as at beginning of the year	4,769.34	207.59
Acquisition of subsidiaries (refer note 2.34)	-	105.16
Additions	6,133.04	4,755.06
Capitalised during the year	(4,901.45)	(298.47)
Balance as at end of the year	**6,000.93**	**4,769.34**

i) **For capital work in progress, ageing Schedule as on 31 March 2024**

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
- Projects in Progress	4,230.92	1,715.07	54.94	-	6,000.93
Total	**4,230.92**	**1,715.07**	**54.94**	**-**	**6,000.93**

ii) **For capital work in progress, ageing Schedule as on 31 March 2023**

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
- Projects in Progress	4,549.97	202.21	7.43	9.72	4,769.34
Total	**4,549.97**	**202.21**	**7.43**	**9.72**	**4,769.34**

There are no capital work in progress projects, whose completion is overdue or has exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

The amount of borrowing costs capitalised during the year ended 31 March 2024 was Rs. 123.72 (31 March 2023 was Rs. 69.49). The rates used to determine the amount of borrowing costs eligible for capitalisation are ranging between 8.15% to 8.55% which is the effective interest rate of these specific borrowings.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.1 (c) Other intangible assets

Particulars	Software	Brand	Non compete	Customer contract	Total of Intangible assets
Gross carrying amount					
Balance as at 1 April 2022	**202.88**	**25.24**	**28.30**	**188.02**	**444.44**
Acquisition of subsidiaries (refer note 2.34)	20.11	487.83	-	-	507.95
Additions	119.70	-	-	-	119.70
Balance as at 31 March 2023	**342.69**	**513.07**	**28.30**	**188.02**	**1,072.09**
Balance as at 1 April 2023	**342.69**	**513.07**	**28.30**	**188.02**	**1,072.09**
Additions	50.61	-	-	-	50.61
Balance as at 31 March 2024	**393.30**	**513.07**	**28.30**	**188.02**	**1,122.70**
Accumulated amortisation					
Balance as at 1 April 2022	**66.13**	**16.46**	**19.81**	**24.44**	**126.82**
Amortisation charge for the year	47.50	108.49	5.66	6.27	167.92
Balance as at 31 March 2023	**113.63**	**124.95**	**25.47**	**30.71**	**294.74**
Balance as at 1 April 2023	**113.63**	**124.95**	**25.47**	**30.71**	**294.74**
Amortisation charge for the year	62.73	109.64	2.83	6.27	181.47
Balance as at 31 March 2024	**176.36**	**234.59**	**28.30**	**36.98**	**476.21**
Net book value					
At 31 March 2023	**229.06**	**388.12**	**2.83**	**157.31**	**777.35**
At 31 March 2024	**216.94**	**278.48**	**-**	**151.04**	**646.49**

2.2 Investments

	As at 31 March 2024	As at 31 March 2023
(a) Non current investments		
(Unquoted)		
Investment in associate valued using equity method		
74,108,500 (31 March 2023: Nil) equity shares of Rs. 10 each fully paid up held in Kondapur Healthcare Limited (Refer Note 2.35)	738.37	-
Investment carried at fair value through other comprehensive income		
596,700 (31 March 2023: Nil) equity shares of Rs. 10 each fully paid up held in MSPL Unit 4 Limited	5.97	-
Total	**744.34**	**-**
Aggregate book value of unquoted investments	744.34	-
Aggregate provision for impairment in value of investments	-	-
(b) Current investments		
(Quoted investments, fair value through profit or loss)		
Investment in mutual funds		
208,247 units (31 March 2023: 2,036,504 units) - ICICI prudential Liquid fund direct plan growth	74.43	678.53
2,486,908 units (31 March 2023: Nil units) - ICICI prudential Ultra short term fund direct plan growth	67.72	-
1,968,807 units (31 March 2023: Nil units) - ICICI prudential Money market fund direct plan growth	687.22	-
291 units (31 March 2023: 291 units) - ICICI prudential Overnight fund direct plan growth	0.38	0.35
Total	**829.74**	**678.88**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.2 Investments (Contd..)

	As at 31 March 2024	As at 31 March 2023
Aggregate book value of quoted investments	829.74	678.88
Aggregate market value of quoted investments	829.74	678.88
Aggregate provision for impairment in value of investments	-	-

2.3 Loans (at amortised cost)

(Unsecured, considered good)

	As at 31 March 2024	As at 31 March 2023
Non-current		
- To related parties (refer note 2.27)		
Loans to related parties	260.00	-
Total	**260.00**	**-**

The above loan has been granted to associate for setting up of a new multispeciality hospital. The loan is carrying an interest rate of 9%. The Company has no loans which are either repayable on demand or are without specifying any terms or period of repayment.

2.4 Other financial assets (at amortised cost)

(Unsecured, Considered good)

(a) Non-current

	As at 31 March 2024	As at 31 March 2023
- To parties other than related parties		
Deposits with remaining maturity more than 12 months*	38.72	61.07
Interest accrued on bank deposits	1.49	0.61
Security deposits	306.13	505.24
- To related parties (refer note 2.27)		
Interest accrued on loans	3.31	-
Total	**349.65**	**566.92**

*Includes Rs 37.78 (March 2023: Rs 60.58) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after12 months of the reporting date.

(b) Current

	As at 31 March 2024	As at 31 March 2023
- To parties other than related parties		
Contract assets (Refer note 2.31)	260.15	170.45
Other advances	48.31	61.90
Interest accrued on bank deposits	2.15	2.83
Security deposits	47.80	128.78
Total	**358.41**	**363.96**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.5 Other assets

(Unsecured, considered good)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Capital advances	535.49	954.40
Balance with government authorities	21.86	21.54
Prepaid expenses	20.17	21.63
Total	**577.52**	**997.57**
(b) Current		
Advance to suppliers	227.58	50.92
Prepaid expenses	77.23	44.65
Staff advances	50.65	16.24
Other receivables	2.25	2.85
Total	**357.71**	**114.66**

2.6 Inventories

(Valued at lower of cost or net realisable value)

	As at 31 March 2024	As at 31 March 2023
Medical consumables, drugs and surgical instruments	494.44	428.65
Total	**494.44**	**428.65**

2.7 Trade receivables (at amortised cost)

(Unsecured)

	As at 31 March 2024	As at 31 March 2023
Trade receivables - Considered good - Unsecured*	3,483.55	3,138.11
Less: Allowance for expected credit loss	(539.56)	(611.58)
	2,943.99	**2,526.53**
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	**2,943.99**	**2,526.53**

* Includes amounts receivable from related party (Refer note 2.27).

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.7 Trade receivables (at amortised cost) (Contd..)

Trade Receivables ageing schedule as on 31 March 2024

Particulars	Current but No due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables-considered good	1,107.44	1,395.90	455.00	263.18	111.22	150.81	3,483.55
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							**3,483.55**
Less : Allowance for expected credit loss							(539.56)
Balance at the end of the year							**2,943.99**

Trade Receivables ageing schedule as on 31 March 2023

Particulars	Current but No due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables-considered good	1,013.40	1,316.77	341.47	235.76	81.57	149.14	3,138.11
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							**3,138.11**
Less : Allowance for expected credit loss							(611.58)
Balance at the end of the year							**2,526.53**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.8 Cash and bank balances

	As at 31 March 2024	As at 31 March 2023
a) Cash and cash equivalents		
Cash on hand	23.01	18.99
Balances with banks		
- in current accounts	288.39	588.22
- in deposit accounts (with original maturity of 3 months or less)	157.51	8.90
	468.91	**616.11**
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	21.17	47.59
	21.17	**47.59**
Total	**490.08**	**663.70**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

c) Changes in liabilities arising from financing activities:

	As at 31 March 2024	As at 31 March 2023
Borrowings (Non-current and current):		
Opening balance	5,332.16	1,610.29
Proceeds from/ (repayment of) borrowings, net	5,130.22	1,483.02
Acquisition of subsidiaries (refer note 2.34)	-	2,238.86
Closing balance	**10,462.38**	**5,332.16**
Lease liabilities:		
Opening balance	1,449.58	954.99
Additions	1,965.68	47.73
Acquisition of subsidiaries (refer note 2.34)	-	791.40
Interest accrued on lease liabilities*	235.89	150.06
Payment of lease liabilities	(559.28)	(412.24)
Others	(0.97)	(82.35)
Closing balance	**3,090.90**	**1,449.58**

* Includes interest capitalised to CWIP amounting to Rs 137.92 (31 March 2023: Rs 34.01)

2.9 Non-current tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxation)	455.09	237.67
Total	**455.09**	**237.67**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.10 (a) Equity share capital

	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
95,000,000 (31 March 2023: 95,000,000) equity shares of Rs. 10 each	950.00	950.00
	950.00	**950.00**
Issued, subscribed and paid-up		
80,027,787 (31 March 2023: 80,027,787) equity shares of Rs. 10 each fully paid-up	800.28	800.28
	800.28	**800.28**

(i) Reconciliation of number of equity shares of Rs. 10 each, fully paid up outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	8,00,27,787	800.28	8,00,27,787	800.28
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**8,00,27,787**	**800.28**	**8,00,27,787**	**800.28**

(ii) Rights, preferences and restrictions attached to equity shares of Rs. 10 each, fully paid up:

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

(iii) Particulars of shareholders holding more than 5% equity shares of Rs. 10 each, fully paid up

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskar Rao	2,10,19,929	26.27%	2,10,19,929	26.27%
General Atlantic Singapore KH Pte Ltd	-	0.00%	68,89,147	8.61%
SBI Mutual Fund	57,63,084	7.20%	-	0.00%
Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	6.05%	48,40,662	6.05%

(iv) The Company has not issued bonus shares during the period of five years immediately preceding the reporting period.

(v) The Company has not bought back any shares during the period of five years immediately preceding the reporting period.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.10 (a) Equity share capital (Contd..)

(vi) Details of shares held by Promoters*

As at 31 March 2024

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,10,19,929	-	2,10,19,929	26.27%	0.00%
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	48,40,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	13,74,003	-	13,74,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
	Total		**2,72,90,021**	**-**	**2,72,90,021**	**34.11%**	**0.00%**

As at 31 March 2023

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,10,19,929	-	2,10,19,929	26.27%	0.00%
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	48,40,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	13,74,003	-	13,74,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
	Total		**2,72,90,021**	**-**	**2,72,90,021**	**34.11%**	**0.00%**

*Promoters as per the annual return filed by the Company

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.10 (b) Other equity

	As at 31 March 2024	As at 31 March 2023
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340.35	10,340.35
Shares issued during the year	-	-
Closing balance	**10,340.35**	**10,340.35**
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	57.64	57.64
Movement during the year	-	-
Closing balance	**57.64**	**57.64**
(iii) Capital contribution (refer below note 3)		
Balance as per last financial statements	114.28	-
Additions: Other Equity	(240.10)	114.28
Closing balance	**(125.82)**	**114.28**
(iv) Retained earnings (refer below note 4)		
Balance as per last financial statements	5,382.83	2,674.82
Acquisition of non-controlling interests (refer note 2.34)	(1,275.84)	(663.24)
Profit for the year	3,101.47	3,363.22
Other comprehensive income for the year	2.66	8.03
Closing balance	**7,211.12**	**5,382.83**
	17,483.29	**15,895.10**

1. **Securities premium**

   Securities Premium is used to record the premium received on issue of shares.

2. **Adjustment reserve**

   During the year ended 31 March 2014, the Company had a share swap with the shareholders of Bollineni Heart Centre Limited ("transferor Company") and the difference of Rs. 41.49 arising from the share swap was added to the Adjustment reserve. In the same year, the Company allotted shares to Bollineni Ramanaiah Memorial Hospitals Private Limited ("Demerged Company") and the difference between the consideration payable and the value of net assets taken over amounting to Rs. 16.15 was added to the Adjustment reserve.

3. **Capital contribution**

   During the year ended 31 March 2023, the Group has entered into a land lease agreement with the promoter shareholders of KMHPL at a concessional rate for a period of 99 years on which the hospital building is being constructed. The Group has obtained valuation report from an independent valuer for land lease, and the ROU asset has been accounted for, at fair value of land of Rs. 230. The difference between the ROU asset and lease liability has been recognised as capital contribution. During the year ended 31 March 2024, the Group has contributed to the equity of KMHPL and the non-conrolling interest's proportionate share of equity amounting to Rs. 240 has been added to its value.

4. **Retained earnings**

   Retained earnings are the profits/losses (net of appropriations) of the Group earned till date, including items of other comprehensive income.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 Borrowings (at amortised cost)

(a) Non-current borrowings

	As at 31 March 2024	As at 31 March 2023
Secured		
Term loans from banks		
- Axis Bank term loan-1 (refer note i)	2,016.16	-
- Axis Bank term loan-2 (refer note ii)	555.53	-
- HDFC Bank vehicle loan	-	0.68
- Federal bank term loans (refer note iii. iv, v and vi)	157.14	206.07
- HDFC Bank term loan (refer note vii and viii)	534.68	513.64
- HDFC Bank term loan (refer note ix and x)	551.60	588.05
- HDFC Bank term loan (refer note xi)	2,125.40	993.50
- ICICI Bank (refer note xii)	1,420.83	1,119.56
- HDFC Bank term loan (refer note xiii)	1,486.28	1,503.91
- Axis Bank term loan (refer note xiv)	228.82	-
- Indusind Bank (refer note xv)	149.99	-
- Kotak Mahindra Bank (refer note xviii)	1.00	
Total loans from banks (A)	**9,227.43**	**4,925.41**
Unsecured		
Loan from others (refer note xvii)	49.00	49.00
Total unsecured loans (B)	**49.00**	**49.00**
Total non-current borrowings (A) + (B)	**9,276.43**	**4,974.41**

(b) Current borrowings

	As at 31 March 2024	As at 31 March 2023
Secured		
- Working capital loans (refer note xvi)	907.20	193.02
Current maturity of long term borrowings		
- Axis Bank term loan (refer note ii)	41.71	-
- HDFC Bank vehicle loan	-	0.85
- Federal bank term loan (refer note iii, iv, v and vi)	60.44	38.23
- HDFC Bank term loan (refer note vii and viii)	13.15	11.72
- HDFC Bank term loan (refer note ix and x)	37.13	33.72
- HDFC Bank term loan (refer note xiii)	98.73	36.01
- HDFC Bank term loan (refer note xi)	20.09	-
Term loans from financial institutions		
- NIIF Infrastructure Finance Limited	-	41.70
Unsecured		
Loan from others	7.50	2.50
Total current borrowings	**1,185.95**	**357.75**

Notes:

i Axis Bank - Term loan Facility-1 is secured by way of exclusive charge on entire fixed assets of the Thane project ,both movebale and immovable (including lease hold right) present and future. The loan is repayable in 120 structured monthly instalments after 12 months from estimated date of completion of 31 March 2025 and carries an interest rate of Repo rate + 2.20% per annum (31 March 2023: Nil), currently the interest rate is 8.65% p.a (31 March 2023 : Nil).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 Borrowings (at amortised cost) (Contd..)

ii Axis Bank - Term loan Facility-2 is secured by way of first pari pasu charge on entire fixed assets of the Company (both movebale and immovable) pertaining to Secunderabad hospital along with mortgage on lease hold rights of the hospital lands pertaining to Secunderabad hospital which are not owned by the Company. The loan is repayable in 72 equated monthly instalments post moratorium period of 12 months from the date of first disbursment and carries an interest rate of Repo rate + 2.15% per annum (31 March 2023: Nil) currently the interest rate is 8.45% p.a (31 March 2023 : Nil)

iii - Term loan 1 from Federal bank of ICIMSPL is secured by way of first charge on the medical equipment, other movable assets, building improvements and fixtures of ICIMSPL and second charge on entire current assets of ICIMSPL. The loan is repayable in 72 equated monthly instalments starting September 2019 and carries an interest rate of 8.80% - 9.70% per annum (31 March 2023:8.40% - 8.80% per annum) with annual reset (linked to 1 year MCLR).

iv - Term loan 2 from Federal bank of ICIMSPL is secured by way of first charge on medical equipment (minimum 1.19x cover), with 15% margin, of the ICIMSPL and second charge on entire current assets of the ICIMSPL.The loan is repayable in 72 equated monthly instalments starting April 2020 and carries an interest rate of 9.80% - 10.30% per annum (31 March 2023: 8.70% - 9.80% per annum) with annual reset (linked to 1 year MCLR).

v - Term loan 3 from Federal bank of ICIMSPL is secured by way of first charge on the medical equipment, furniture and fixture of the ICIMSPL and second charge on entire current assets of the ICIMSPL. The loan is repayable in 72 equated monthly instalments starting April 2023 and carries an interest rate of REPO+2.60 % per annum

vi - Term loan 4 from Federal bank of ICIMSPL is hypothecated by all the assets acquired or to be acquired out of the facility or loan amount in favour of the Bank by way of first and exclusive charge as security for the repayment of facility together with interests, costs and other charges, expenses. Further hypothecated, by way of second charge all assets as security lot the repayment of the facility and also for payment of any other charges, interest costs and expenses payable to or incurred by the Bank in relation thereto.The loan is repayable in 60 monthly instalments and carries an interest rate of REPO+6.25 % per annum, currently the interest rate is 8.65% p.a (31 March 2023 : 6.65% - 8.85%)

vii Term loan from HDFC Bank of SIMSPL has repayment term of 120 months and the last installment in the said facilities is due in December 2031.The loan carries an interest rate in the range of 8.25% - 8.71% (31 March, 2023: 6.00% - 7.90%) floating rate linked to 3 months T-Bill +1%(spread) per annum. The loans are secured by first and exclusive charge on movable fixed assets and current assets of the SIMSPL (both Present and future) and equitable mortgage on the land and building owned by the SIMSPL situated at Rudrampet Panchayat, Anantapur. Further the loan is secured by personal guarantee given by the director - Mr. S.V Kishore Reddy.

viii Term loan taken during the year from HDFC Bank Limited of SIMSPL has repayment term of 96 months post moratorium period of 24 months from the date of first disbursment and the last installment in the said facilities is due in March 2034. The loan carries an interest rate of 8.25% (31 March, 2023 : Nil) floating rate linked to 3 months T-Bill +1.31 %(spread) per annum.The loans are secured by first and exclusive charge on the entire fixed assets and current assets of the SIMSPL (both Present and future) and Extension of mortagage on land and building in Rudrampet Panchayat,Anantapur. Further the loan is secured by way of personal guarantee given by the director - Mr. S.V Kishore Reddy.

ix 'Term loan 1 from HDFC Bank of KHKPL has repayment term of 48 months and the last instalment in the said facilities is due in March 2025. The loan carries an interest rate of 1Y MCLR+ 0.50% (spread) per annum, currently the interest rate is 9.25% p.a (31 March 2023 : 7.75% - 9.25%). .The loan is secured by way of extension of Second ranking charge over existing primary and collateral securities including Mortagages created in favour of HDFC Bank.

x Term Loan 2 from HDFC Bank of KHKPL has a repayment term of 120 months and the last instalment in the said facility is due in February 2032. The loan carries an interest in the range of 8.25% -8.74% (floating rate linked to 3 months T-Bill) per annum (31 March 2023 : 6.00% - 7.90%). The same is secured by way of equitable mortgage on the property situated

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 Borrowings (at amortised cost) (Contd..)

at Johrapuram Road, Kurnool and first and exclusive charge on entire movable fixed assets of the KHKPL (both present and future) and current assets of the KHKPL. Further, the loan is also secured by corporate guarantee given by Company.

xi Term loan from HDFC Bank of SHPL is secured by:

- A first mortgage and charge on all immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,
- A first charge by way of hypothecation on (i) all tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) all intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) all current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; (iv) all bank accounts and reserves including other reserves and any other bank accounts, wherever maintained and account(s) in substitution thereof;
- The loan is repayable in 120 monthly instalments starting from March 2025 to February 2033. The loan carries an interest rate of 3 months T Bill Rate plus spread (161 bps), currently interest rate is in the range of 8.15% -8.44% p.a (31 March 2023 : 8.15%)

xii Term loan from ICICI Bank of KHBPL is secured by the exclusive charge by way of equitable mortgage over the immovable fixed assets located at Bengaluru, lease hold rights, movable and current assets of the KHBPL (both present and future). Further, the loan is also secured by unconditional and irrecovable letter of comfort/corporate guarantee given by the Company. The loan shall be repaid in 32 structured quarterly installments starting from 01 January 2026. The loan carries an interest rate of 1Y MCLR+ 0.15% (spread) per annum, currently interest rate is in the range of 8.55% -9.30% p.a (31 March 2023 : 8.55% - 8.90%)

xiii Term loan from HDFC Bank of SMLPL is secured by:

- A first mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,
- A first charge by way of hypothecation on SMLPL (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves of SMLPL including but not limited to other reserves and any other bank account of SMLPL, whereever maintained and account(s) in substitution thereof.
- Further, the loan is also secured by corporate guarantee given by the Company.
- The loan is repayable in 36 Quarterly instalments starting from December 2023 to March 2033. The loan carries an interest rate of 3 months T Bill Rate at the date of disbursement plus spread (160 bps), currently interest rate is 7.89% - 8.05% p.a. (31 March 2023 : 7.30% - 8.28%).

xiv Term loan from AXIS Bank is secured by the first charge on entire fixed assets of KHMPL along with mortgage on lease hold rights of the hospital land owned by Mr Raj Vasantrao Nagakar and Mrs Prarthana Nagakar.The loan shall be repaid in 90 monthly installments starting after moratorium period of 12 months. The loan carries an interest rate of Repo+ 2.15% (spread) per annum,currently interest rate is 8.65% (31 March 2023 : Nil).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 Borrowings (at amortised cost) (Contd..)

xv Term loan from Indusind bank of AHPL which is secured by first and exclusive charge on movable and immovable fixed Assets / immovable properties of the AHPL created out of the sanctioned facility. The loan is repayable in 84 equated monthly instalments after moratorium period of 2 years from the date of first disbursment and carries an interest rate of 8.25% per annum (31 March 2023: Nil), currently the interest rate is 8.25% p.a (31 March 2023 : Nil)

xvi Working capital loans consists of loans from :

a) Bank Overdraft is secured by first pari pasu charge on current assets of the company and repayable on demand and carries an interest rate of 8.25% per annum linked to 3 months MCLR (31 March 2023: Nil per annum).

b) Cash credit is secured by first pari pasu charge on current assets of the Company and repayable on demand and carries an interest rate of 8.75% per annum (31 March 2023: Nil per annum).

c) Working capital loan from Indusind bank of AHPL is secured by first and exclusive charge on movable and immovable fixed Assets / immovable properties of the company created out of the sanctioned facility. Loan is repayable on demand and carries interest rate of 8.25% per annum (31 March 2023: Nil). The facility shall be utilised to meet working capital requirements.

d) Working capital loan from Federal Bank of ICIMSPL is secured by first charge on entire current assets of ICIMSPL with a margin of 25% on stock and receivables and second charge on medical equipment, other movable assets, building improvements and fixtures of ICIMSPL. Loan is repayable on demand and carries an interest rate linked to 1 year MCLR with annual reset.

e) Secured working capital loan represents overdraft facility from HDFC Bank Limited taken by SIMSPL. The facility carries floating interest rate linked to 3 months T-Bill +1.77 %(spread) per annum.The loan is secured by first and exclusive charge on moveable and immoveable assets, current assets of the SIMSPL and equitable mortgage on the property owned by the SIMSPL situated at Rudrampet Panchayat,Anantapur.Further, the loan is secured by way of personal guarantee given by the director:- Mr. S.V Kishore Reddy.

f) Working capital loan from HDFC Bank taken by KHKPL is secured by way of equitable mortgage on the property situated at Johrapuram Road, Kurnool and first and exclusive first charge on movable and immovable assets and current assets of KHKPL.

- Further, the loan is also secured by corporate guarantee given by the Company.
- Loan is repayable on demand carries interest rate of 3 months repo rate + 2% spread.

g) Working capital loan from HDFC Bank taken by SMLPL secured by:

- A first mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,
- A first charge by way of hypothecation on SMLPL's (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves of SMLPL including but not limited to other reserves and any other bank account of SMLPL, whereever maintained and account(s) in substitution thereof.
- Further, the loan is also secured by corporate guarantee given by the Company.
- The loan carries an interest rate of 3 months T Bill Rate + 1.6% (spread), presently 7.91% - 8.01% (31 March 2023: 8.4%)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.11 Borrowings (at amortised cost) (Contd..)

xvii Unsecured loan obtained from Spark Mall and Parking Solutions Private Limited (promoter shareholders of SMLPL) which carries a Bank floating rate currently 8.06% p.a (31 March 2023 : 8.28%).

xviii Kotak Mahindra Bank - Term loan during the year by KHPL- is secured by way of Leasehold Rights of land situated in Rajahmundry, West Godavari-AP and exclusive charge on immovable and movable fixed assets (excluding vehicles/equipment financed under hire purchase) of KHPL both present and future. The loan is repayable in 32 quarterly instalments after 36 months of mortarium from the date of disbursement of loan and carries an interest rate of MCLR + Spread,currently interest rate is in the range of 8.30%p.a (31 March 2023 : Nil) .Further, the loan is secured by corporate guarantee given by the Company.

xix The quarterly returns or statements of the current assets filed by the group with banks or financial institutions are in agreement with the books of accounts.

2.12 Other financial liabilities (at amortized cost)

	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Security deposits	0.25	0.14
Capital creditors **	64.70	4.11
Total	**64.95**	**4.25**
(b) Current		
Capital creditors **	353.26	96.60
Employee related payables *	175.89	137.01
Interest accrued but not due on borrowings	38.51	26.15
Security and caution deposit	43.72	44.78
Total	**611.38**	**304.55**

*Includes payables to related parties. For details refer note 2.27

** Includes retention money of Rs 31.50 (Non-current) and Rs 26.59 (Current)

2.13 Long-term provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 2.26)	274.20	236.25
Total	**274.20**	**236.25**

2.14 Trade payables (at amortized cost)

	As at 31 March 2024	As at 31 March 2023
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 2.30)	125.03	108.98
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,846.47	1,633.57
Total	**1,971.50**	**1,742.55**

The above includes payable to related party. For details refer note 2.27

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.14 Trade payables (at amortized cost) (Contd..)

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

Trade Payable ageing Schedule as on 31 March 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	34.46	90.57	-	-	-	125.03
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	907.27	890.24	21.20	18.61	9.15	1,846.47
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						**1,971.50**

Trade Payable ageing Schedule as on 31 March 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	39.00	69.98	-	-	-	108.98
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	596.81	960.18	41.44	16.56	18.58	1,633.57
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						**1,742.55**

2.15 Short-term provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (refer note 2.26)	11.83	5.41
Compensated absences	174.25	135.24
Total	**186.08**	**140.65**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.16 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	206.16	138.90
Contract liabilities (Refer note 2.31)	241.70	169.69
Other liabilities	15.72	22.59
Total	**463.58**	**331.18**

2.17 Income from operations

		For the year ended 31 March 2024	For the year ended 31 March 2023
A	**Income from contract with customers**		
	Income from medical and healthcare services (Refer note 2.31)		
	Income from hospital services	16,761.97	14,198.43
	Income from pharmacy	7,977.98	7,478.21
	Total	**24,739.95**	**21,676.64**
B	**Other operating income**		
	Income from academic courses	30.06	90.19
	Income from sale of food and beverages	174.86	160.82
	Other hospital income	36.57	49.13
	Total	**241.49**	**300.14**
	Total Income from operations (A+B)	**24,981.44**	**21,976.78**

2.18 Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on:		
- fixed deposits	7.28	61.09
- income tax refunds	4.17	18.21
- security deposits	8.15	16.02
- loans to related parties (refer note 2.27)	3.31	-
Realised gain on sale of mutual funds	22.43	18.18
Fair value gain on mutual funds	18.43	11.83
Rental income (refer note 2.25)	4.73	5.70
Income from sale of subsidiary	-	7.56
Liabilities no longer required written back	12.39	78.43
Net gain on disposal of property, plant and equipment	3.76	-
Miscellaneous income	45.91	41.70
Total	**130.56**	**258.72**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.19 (Increase) / decrease in inventories of medical consumables, drugs and surgical instruments

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock	428.65	364.27
Addition on acquisition of subsidiaries	-	125.99
Less: Closing stock	494.44	428.65
Total	**(65.79)**	**61.60**

2.20 Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	3,923.33	3,210.57
Contribution to provident and other funds (refer note no 2.26)	261.76	214.96
Staff welfare expenses	38.57	38.83
Total	**4,223.66**	**3,464.36**

2.21 Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest to banks and financial insitutions		
- term loans	336.04	171.88
- other loans	30.33	5.26
Interest expense on lease liabilities (refer note no 2.25)	97.97	116.04
Others	5.92	12.28
Total	**470.26**	**305.45**

2.22 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note no 2.1(a))	1,169.14	952.89
Amortisation of intangible assets (refer note no 2.1(c))	181.47	167.92
Amortisation of Right-of-use assets (refer note no 2.25)	114.87	171.79
Total	**1,465.48**	**1,292.60**

2.23 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Consultancy charges	5,493.77	4,465.38
House keeping expenses	739.53	685.32
Power and fuel	490.34	436.87
Catering and patient welfare expenses	291.65	299.87
Rent (refer note 2.25)	243.16	155.07

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.23 Other expenses (Contd..)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Repairs and maintenance:		
- Medical equipment	335.96	309.14
- Hospital building and others	295.53	213.17
Printing and stationery	107.94	82.65
Audit fee (refer note A below)	18.34	17.87
Legal and professional charges	117.31	136.13
Rates and taxes	92.34	150.47
Travelling and conveyance	153.11	144.57
Advertisement and publicity	251.59	197.39
Reversal of expected credit loss for trade receivables (net of bad debts)	(31.02)	(115.43)
Advances written off	16.47	-
Insurance	29.74	27.10
Contribution towards Corporate Social Responsibility expenditure (refer note 2.39)	91.82	70.54
Loss on sale of property, plant and equipment (net)	-	1.46
Bank charges	75.48	67.34
Commission to Directors (refer note 2.27)	8.62	8.45
Miscellaneous Expenses	228.92	312.48
Total	**9,050.60**	**7,665.84**

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Audit fee	17.97	17.78
Out of pocket expenses	0.37	0.10

2.24 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
i) Good and Service tax matters in dispute	35.21	6.59
ii) Medical and other claims (gross, excluding interest/costs)	202.86	199.07
iii) Income Tax matter in dispute	363.95	355.57

The Group disputed the demands raised by income tax authorities for the assessment years 2016-17, 2017-18 and 2020-21 which are pending at Commissioner of Income Tax (Appeals). The Group is confident that these appeals will be decided in its favour.

One of the subsidiary "Spanv" has received a demand order for AY 2022-23 (prior to KIMS acquisition) amounting to Rs. 3,070.00 from the income tax authorities which is being contested by the entity and is pending at Commissioner of Income Tax (Appeals). Based on the internal assessment by the management and the expert's opinion obtained by the entity, the management is confident that the case will have a favourable outcome. No provision thereof has been made in the consolidated financial statement.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.24 Contingent liabilities and commitments (Contd..)

iv) The Company has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the Consolidated financials statements.

v) An individual has filed a consumer case at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs 235.01 (31 March 2023: Rs. 235.01) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Consolidated financial statement.

vi) On 28 February 2019, the Supreme Court of India issued a judgement which provided further guidance for companies in determining which components of their employee's compensation are subject to statutory withholding obligations, and matching employer contribution obligations, for Provident Fund contributions under Indian law. There are interpretative issues relating to the retrospective applicability of the judgement. However, from the date of order, the Group has complied with the aforesaid Supreme court's judgement. The Group will evaluate the same and update its position for earlier years, if any on receiving further clarity on the subject.

Notes:

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

ii. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in its consolidated financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

(b) Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,116.17	4,028.45

2.25 Lease

a) Group as a lessee

The Group has lease contracts for various items of land, building and medical equipment used in its operations with lease term between 3 and 30 years and certain land leases are with term of 99 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. One of the hospital buildings taken on lease has applied for the requisite approvals from municipal and other authorities. The lessor is in the process of obtaining these approvals from respective authorities.

The Group also has certain leases of buildings and medical equipment with lease terms of 12 months or less with no purchase option and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.25 Lease (Contd..)

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Leasehold Land	Building	Medical equipment	Total Right of Use Asset
As at 1 April 2022	**812.87**	**368.55**	**0.08**	**1,181.50**
Additions	234.07	41.81	-	275.88
Acquisition of subsidiaries (refer note 2.34)	-	566.53	56.05	622.58
Deletion (including sale of subsidiary)	-	(64.48)	(54.89)	(119.37)
Amortization expense charged to P&L	(2.95)	(167.59)	(1.24)	(171.79)
Amortization expense included in CWIP	(83.20)	-	-	(83.20)
As at 31 March 2023	**960.78**	**744.82**	**-**	**1,705.60**
Additions	347.95	1,657.29	-	2,005.24
Others*	(192.93)	(0.97)	-	(193.90)
Amortization expense charged to P&L	(2.95)	(111.92)	-	(114.87)
Amortization expense included in CWIP	(52.98)	(37.07)	-	(90.05)
As at 31 March 2024	**1,059.87**	**2,252.15**	**-**	**3,312.02**

* During the year, one of the subsidiary has modified the lease agreement as per which the security deposit has been refunded amounting to an adjustment of Rs 192.19 Mn

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	1,449.58	954.99
Additions	1,965.68	47.73
Acquisition of subsidiaries (refer note 2.34)	-	791.40
Deletion	(0.97)	(82.35)
Accretion of interest charged to P&L	97.97	116.04
Accretion of interest included in CWIP	137.92	34.01
Payments	(559.28)	(412.24)
Balance as at	**3,090.90**	**1,449.58**
Current	**104.36**	**88.04**
Non-current	**2,986.54**	**1,361.54**

The effective interest rate for lease liabilities ranges between 8% to 10.5%, with maturity between 2024-2053 (31 March 2023: 8% to 10.5%, with maturity between 2023-2036)

The following are the amounts recognised in the statement of profit or loss:

Particulars	As at 31 March 2024	As at 31 March 2023
Amortisation expense of right-of-use assets	114.87	171.79
Interest expense on lease liabilities	97.97	116.04
Expense relating to short-term leases and low-value assets (included in other expenses)	243.16	155.07
Total amount recognised in profit or loss	**456.00**	**442.91**

The Group had total cash outflows for leases of Rs. 802.44 in 31 March 2024 (31 March 2023: Rs. 567.31).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.25 Lease (Contd..)

Set out below are the undiscounted potential future rental payments relating to periods included in the lease term:

	As at 31 March 2024	As at 31 March 2023
Within less than one year	292.60	220.61
Between one and five years	1,397.63	923.76
After more than five years	6,016.83	1,237.09
Total	**7,707.06**	**2,381.46**

Operating lease in the capacity of lessor

b) The Group has given certain property, plant and equipment on cancellable leases to various parties. The rental income earned from such leases recognised in other income is Rs.4.73 (31 March 2023: Rs. 5.70).

2.26 Employee benefits

(i) Defined benefit plan

The Group operates post-employment defined benefit plan that provide gratuity. The Group accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive 15 days salary for each year of completed services at the time of retirement/exit. The gratuity fund is administered by trust formed for this purpose and is managed by Life Insurance Corporation of India. The Group's obligation in respect of gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's Consolidated balance sheet as at reporting date:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation	354.33	309.60
Fair value of plan assets	68.30	67.94
Total employee benefit liability	**286.03**	**241.66**
Non-current	274.20	236.25
Current	11.83	5.41

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation, plan assets and its components.

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation as at beginning of the year	309.60	227.08
Addition on acquisition of subsidiaries	-	52.07
Benefits paid	(25.84)	(22.71)
Current service cost	53.68	49.03
Interest cost	20.60	15.72

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.26 Employee benefits (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	2.95	(17.22)
- Changes in demographic assumptions	-	-
- experience changes	(6.66)	6.88
Sale of subsidiary	-	(1.24)
Defined benefit obligation as at the end of the year	**354.33**	**309.60**

ii) Reconciliation to fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets at beginning of the year	67.94	56.50
Addition on acquisition of subsidiaries	-	11.23
Contributions paid into the plan	21.88	18.77
Interest income	3.67	3.36
Benefits paid	(25.84)	(22.71)
Return on plan assets	0.65	1.29
Sale of subsidiary	-	(0.49)
Plan assets at end of the year	**68.30**	**67.94**

C i) Expenses recognised in the consolidated statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	53.68	49.03
Interest on defined benefit obligation / plan assets (net)	16.93	12.36
Net gratuity cost, included in 'employee benefits expense'	**70.61**	**61.39**

ii) Re-measurements recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain) / loss on net defined benefit obligation	(3.71)	(10.34)
Actual return on plan assets less interest on plan assets	(0.65)	(1.29)

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2024	As at 31 March 2023
Fund managed by Insurer	68.30	67.94

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.26 Employee benefits (Contd..)

E Defined benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Attrition rate	Medical - 12% to 42% Non-medical - 9% to 32%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	7.15%	7.30%
Salary escalation rate	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

F Maturity profile of defined benefit obligation

The following payments are expected contributions to the defined benefit plan in future years

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	62.84	54.92
Year 2 to 5	191.76	166.40
Year 6 to 9	117.37	107.13
Year 10 and above	209.49	185.95

ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions would have affected the defined benefit obligation

by the amounts shown below:

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(40.80)	20.95	10.45	81.58
Salary escalation rate (1% movement)	19.70	(40.18)	80.42	11.08

Although, the analysis does not take account the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumption shown

(ii) Defined contribution plan

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amount recognised in the consolidated statement of profit and loss towards		
i) Provident fund	152.73	120.87
ii) Employee state insurance	38.42	32.70

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.26 Employee benefits (Contd..)

which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code and will record any related impact in the period of the Code becomes effective.

2.27 Related party disclosures

(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director
	Dr. B Abhinay - Chief Executive Officer (CEO)
	Mr. Uma Shanker Mantha - Company Secretary
	Mr. Vikas Maheshwari - Chief Financial Officer (resigned w.e.f 31 May 2023)
	Mr. Sachin Ashok Salvi - Chief Financial Officer (Joined w.e.f 01 August 2023)
	Mrs. Dandamudi Anitha -Whole-time Director
Directors	Mr G Rajeswara Rao (resigned w.e.f 25 Jan 2024)
	Mr. Saumen Chakraborty
	Mr. Pankaj Vaish (resigned w.e.f 08 Jan 2024)
	Mr. Venkata Ramudu Jasthi
	Mr. Kaza Ratna Kishore
	Mrs. Y.Prameela Rani
	Mr. Shantanu Rastogi (resigned w.e.f 07 Nov 2023)
	Mr. Adwik Bollineni (Joined w.e.f 28 Nov 2023)
Close member of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of KMP and other relative (where transaction exists)	Sri Viswa Medicare Limited
	KIMS Foundation and Research Centre
Associate	Kondapur Healthcare Limited(formerly known as RVM Healthcare Limited)*

*Acquired interest from 15 September 2023

(b) Transactions with related parties

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
i. Professional fee to KMP		
Dr. B Bhaskara Rao	14.98	17.23
ii. Professional fee to close member of KMP		
Dr. Raavi Swetha	2.16	2.16
iii Rent to KMP		
Dr. B Bhaskara Rao	0.10	0.10
iv. Managerial remuneration*		
Dr. B Bhaskara Rao	38.67	36.00
Mrs. Dandamudi Anitha	5.80	5.25
Dr. B Abhinay	22.00	15.00
Mr. Vikas Maheshwari	5.94	11.00
Mr. Sachin Ashok Salvi	7.32	-
Mr. Uma Shankar Mantha	4.76	3.50
v. Expenditure towards CSR		
KIMS Foundation and Research Centre	91.82	70.54

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.27 Related party disclosures (Contd..)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
vi. Commission to Directors		
Mr G Rajeswara Rao	0.62	0.82
Mr. Saumen Chakraborty	3.52	3.52
Mr. Pankaj Vaish	1.32	1.76
Mr. Kaza Ratna Kishore	1.06	0.82
Mr. Venkata Ramudu Jasthi	1.06	0.82
Mrs. Y.Prameela Rani	1.06	0.71
vii. Loans given		
Kondapur Healthcare Limited	260.00	-
viii. Interest income earned on loans given		
Kondapur Healthcare Limited	3.31	-
ix. Investment in Associate		
Kondapur Healthcare Limited	741.08	-
x. Share of loss from associate, net of tax		
Kondapur Healthcare Limited	(2.71)	-

(c) The balances receivables from and payable to related parties

Particulars	As at 31 March 2024	As at 31 March 2023
i. Trade receivables		
Sri Viswa Medicare Limited	2.21	2.21
ii. Trade payables		
Dr. B Bhaskara Rao	1.10	1.20
Dr. Raavi Swetha	0.17	0.17
iii. Commission payable to Directors		
Mr G Rajeswara Rao	-	0.16
Mr. Saumen Chakraborty	0.68	0.68
Mr. Pankaj Vaish	-	0.34
Mr. Kaza Ratna Kishore	0.34	0.16
Mr. Venkata Ramudu Jasthi	0.34	0.16
Mrs. Y.Prameela Rani	0.34	0.16
iv. Loans		
Kondapur Healthcare Limited	260.00	-
v. Interest accrued on loans		
Kondapur Healthcare Limited	3.31	-

* The managerial personnel are covered by the Group's gratuity policy and are eligible for leave encashment along with other employees of the Group. The proportionate amount of gratuity and leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are determined on an actuarial basis for the Group as a whole.

Terms and conditions:

All transactions with these related parties are priced on an arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash within a range of 30-120 days of the transaction date. None of the balances are secured.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.28 Earnings per share (EPS)

	As at 31 March 2024	As at 31 March 2023
Earnings		
Profit attributable to equity shareholders	3,101.47	3,363.22
Shares		
Number of shares at the beginning of the year	8,00,27,787	8,00,27,787
Add: Equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	**8,00,27,787**	**8,00,27,787**
Weighted average number of equity shares outstanding during the year - Basic	8,00,27,787	8,00,27,787
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS	-	-
Weighted average number of equity shares outstanding during the year - used in calculating Diluted EPS	8,00,27,787	8,00,27,787
Earnings per share of par value Rs. 10 - Basic (Rs.)	38.75	42.03
Earnings per share of par value Rs. 10 - Diluted (Rs.)	38.75	42.03

2.29 Segment information

The Managing Director of the Group takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Group's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the Consolidated Financial Statements. Presently, the Group's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Group's total revenue.

2.30 Due to Micro and Small 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 amount payable to such enterprises as at 31 March 2024 has been made in the consolidated financial statements based on information received and available with the Group. 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 Group has not received any claim for interest from any supplier.

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	125.03	108.98
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.30 Due to Micro and Small Enterprises (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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 enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

2.31 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from hospital services	16,761.97	14,198.43
Income from pharmacy	7,977.98	7,478.21
Total revenue from contracts with customers	**24,739.95**	**21,676.64**
India	24,739.95	21,676.64
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	16,761.97	14,198.43
Goods transferred at a point of time	7,977.98	7,478.21
Total revenue from contracts with customers	**24,739.95**	**21,676.64**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	26,014.57	22,806.88
Less: Discounts and disallowances	(1,274.62)	(1,130.24)
Total revenue from contracts with customers	**24,739.95**	**21,676.64**

Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Trade receivables	2,943.99	2,526.53	1,286.35
Contract assets	260.15	170.45	152.33
Contract liabilities	241.70	169.69	135.13

Contract liabilities: During the financial year ended 31 March 2024, the Group has recognised revenue of Rs. 169.69 from advance received from patients outstanding as on 31 March 2023. During the financial year ended 31 March 2023, the company has recognised revenue of Rs. 123.67 from advance received from patients outstanding as on 31 March 2022. It expects similarly to recognise revenue in year ended 31 March 2025 from the closing balance of advance from customers as at 31 March 2024.

Contract asset: During the financial year ended 31 March 2024, the company has transferred Rs. 170.45 of contract assets as at 31 March 2023 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2023, the company has transferred Rs. 152.33 of contract assets as at 31 March 2022 to trade receivables on completion of performance obligation.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.32 Capital management

The Group's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the 'net debt' to 'total equity' ratio.

The Group's net debt to equity ratio as of 31 March 2024 and 31 March 2023 was as follows:

Particulars*	As at 31 March 2024	As at 31 March 2023
Total borrowings	10,462.38	5,332.16
Less: Cash and cash equivalents	(468.91)	(616.11)
Net debt	**9,993.47**	**4,716.05**
Total equity	**18,351.75**	**16,523.46**
Net debt to equity ratio - Gearing ratio	**54.46%**	**28.54%**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.There have been no breaches in financial covenants of any interest-bearing loans and borrowing in the current year.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components Total equity attributable to owners of the Group excluding adjustment reserve and capital contribution.

2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2024	Carrying value	Fair value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	2,943.99	2,943.99	
Cash and cash equivalents	468.91	468.91	
Bank balances other than above	21.17	21.17	
Other financial assets	708.06	708.06	
Loans	260.00	260.00	Level 3
Total	**4,402.13**	**4,402.13**	
Financial asset at fair value through other comprehensive income (Refer note below)			
Other investments in equity shares (unquoted)	5.97	5.97	
	5.97	**5.97**	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds (quoted)	829.74	829.74	Level 1
Total	**829.74**	**829.74**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	9,547.68	9,547.68	
Lease liabilities	3,090.89	3,090.89	
Current borrowings	914.70	914.70	Level 3
Trade payables	1,971.50	1,971.50	
Other financial liabilities	676.33	676.33	
Total	**16,201.10**	**16,201.10**	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.33 Financial instruments : Fair value and risk management (Contd..)

As at 31 March 2023	Carrying value	Fair value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	2,526.53	2,526.53	
Cash and cash equivalents	616.11	616.11	Level 3
Bank balances other than above	47.59	47.59	
Other financial assets	930.88	930.88	
Total	**4,121.11**	**4,121.11**	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds (quoted)	678.88	678.88	Level 1
Total	**678.88**	**678.88**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	5,136.64	5,136.64	
Lease liabilities	1,449.58	1,449.58	
Current borrowings	195.52	195.52	Level 3
Trade payables	1,742.55	1,742.55	
Other financial liabilities	308.80	308.80	
Total	**8,833.09**	**8,833.09**	

The carrying amounts of trade receivables, trade payables, other financials assets, other financial liabilities, current borrowings and cash and cash equivalents and bank balances other than cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values of long term borrowings and lease liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.

The fair values of Investment in mutual funds are based on the market value using net asset value. They are classified as level 1 fair value hierarchy due to the use of quoted prices in an active market.

The fair values of Investments in other equity are measured at fair value through Other comprehensive income in accordance with Ind AS 109.

Long-term fixed-rate receivables are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the party. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

B. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.33 Financial instruments : Fair value and risk management (Contd..)

Group. The audit committee is assisted in its oversight role by the internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) Credit risk

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and contract assets amounting to Rs. 3,743.70 as on 31 March 2024 (31 March 2023 : Rs. 3,308.56). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	As at 31 March 2024	As at 31 March 2023
Opening balance	611.58	403.90
Credit loss (reversed)/added	(72.02)	207.68
Closing Balance	539.56	611.58
Trade receivable write off not routed through the above movement	41.00	92.25

The Group uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and contract assets and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Accordingly, the Group creates provision for past due receivables less than one year ranging between 2% to 25% and beyond one year ranging between 46% to 100%. Set out below is the information about the credit risk exposure of the Group's trade receivables and contract asset using provision matrix:

	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and contract assets
For the year ended 31 March 2024	1,367.59	1,395.90	980.21	3,743.70
For the year ended 31 March 2023	1,183.86	1,316.77	807.93	3,308.56

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.33 Financial instruments : Fair value and risk management (Contd..)

Customer Concentration

No single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2024 and 31 March 2023. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2024:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	9,547.68	276.34	3,811.52	5,504.74	9,592.60
Lease liabilities	3,090.89	292.60	1,397.63	6,016.83	7,707.05
Current borrowings	914.70	914.70	-	-	914.70
Trade payables	1,971.50	1,971.50	-	-	1,971.50
Other financial liabilities	676.33	615.10	61.38	14.21	690.70
Total	**16,201.10**	**4,070.24**	**5,270.53**	**11,535.78**	**20,876.55**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	5,136.64	162.23	2,243.53	2,749.96	5,155.72
Lease liabilities	1,449.58	220.61	923.76	1,237.09	2,381.46
Current borrowings	195.52	195.52	-	-	195.52
Trade payables	1,742.55	1,742.55	-	-	1,742.55
Other financial liabilities	308.80	304.55	4.11	0.14	308.80
Total	**8,833.09**	**2,625.46**	**3,171.40**	**3,987.19**	**9,784.05**

The Group has secured loans from bank that contain loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.33 Financial instruments : Fair value and risk management (Contd..)

C. Market risk

(i) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term borrowings with variable interest rates.

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate long term borrowings and short term borrowings	10,462.38	5,328.13
Total borrowings	**10,462.38**	**5,328.13**

(i) Sensitivity

Particulars	Impact on profit or loss	
	As at 31 March 2024	As at 31 March 2023
Sensitivity		
1% increase in MCLR	(104.62)	(53.28)
1% decrease in MCLR	104.62	53.28

The interest rate sensitivity is based on the closing balance of secured term loans and working capital loans from banks.

D. Currency risk

The Group is not exposed to currency risk.

2.34 Business combinations and acquisition of non-controlling interests

Acquisitions of additional interests during the year ended 31 March 2024

The Group has increased its stake in Sarvejana Healthcare Private Limited ("Sunshine Hospitals") from 56.61% to 64.22% through purchase of 2,779,080 equity shares fully paid up from existing shareholders for a total amount of Rs.1,100.19. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 329.75 and Rs. 770.44 respectively.

The Group has increased its stake in Spanv Medisearch Lifesciences Private Limited ("Spanv") from 51.00% to 69.30% through purchase of 3,200,000 equity shares fully paid up from existing shareholders for a total amount of Rs.710.36. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 204.97 and Rs. 505.39 respectively.

Acquisitions during the year ended 31 March 2023

Acquisition of Subsidiaries:

(a) On April 01, 2022, the Group has increased its stake in Sarvejana Healthcare Private Limited (""Sunshine Hospitals"") from 49.38% to 51.07% through payment of last call on 12,232,890 equity shares for a total amount of Rs. 398.07. Sunshine Hospitals is principally engaged in the business of rendering medical and healthcare services. Sunshine Hospitals became a subsidiary of the Krishna Institute of Medical Sciences Limited effective April 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 3,434.71. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired.

The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 2,116.71 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.34 Business combinations and acquisition of non-controlling interests (Contd..)

(b) On September 01, 2022, the Group has invested in Spanv Medisearch Lifesciences Private Limited (""Spanv"") by acquiring 51.00% through purchase of 8,917,989 equity shares fully paid up for a total amount of Rs. 800.03. Spanv is principally engaged in the business of rendering medical and healthcare services. Spanv became a subsidiary of the Krishna Institute of Medical Sciences Limited effective September 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 1,342.43. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired. The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 115.61 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

From the date of acquisition, Spanv has contributed Rs. 861.97 of revenue and Rs. (128.93) to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been Rs. 1,445.01 and the profit before tax from continuing operations for the Group would have been Rs. (410.64).

(c) On July 01, 2022, the Group has invested in KIMS Manavata Hospital Private Limited ("Manavata"), a newly incorporated entity by acquiring 51.00% through purchase of 510,000 equity shares fully paid up for a total amount of Rs. 5.10. Manavata became a subsidiary of the Krishna Institute of Medical Sciences Limited effective July 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 10. Refer table below for summary of net assets acquired.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of subsidiaries as at the date of acquisition were:

Particulars	Sunshine Hospitals	Spanv	Manavata	Total
Assets				
Property, plant and equipment including CWIP (Note 2.1(a),(b))	1,372.02	2,775.32	12.80	4,160.14
Right-of-use assets (Note 2.25)	566.53	56.05	-	622.58
Trade Receivables	380.72	115.92	-	496.64
Deferred Tax assets	74.72	223.84	-	298.56
Cash and bank (including deposits)	1,226.00	833.82	5.74	2,065.56
Patents and licences (Note 2.1(c))	468.27	39.68	-	507.95
Other assets	589.37	159.41	0.76	749.54
	4,677.63	**4,204.04**	**19.30**	**8,900.97**
Liabilities				
Borrowings (Note 2.7 (c))	-	2,229.56	9.30	2,238.86
Lease liability (Note 2.25)	738.57	52.82	-	791.40
Trade Payables	455.94	414.24	-	870.18
Other liabilities	48.41	164.99	-	213.39
	1,242.92	**2,861.61**	**9.30**	**4,113.83**
Total identifiable net assets at fair value	**3,434.71**	**1,342.43**	**10.00**	**4,787.14**
Non-controlling interests measured at fair value	(1,680.31)	(658.00)	(4.90)	(2,343.22)
Goodwill arising on acquisition (Note 2.40)	2,116.71	115.61	-	2,232.32
Purchase consideration transferred*	**3,871.11**	**800.03**	**5.10**	**4,676.24**

*During the year, the Group has completed acquisition of 51.07% of the equity share capital of Sunshine Hospitals for a total cash consideration of Rs. 3,627.71 Mn and Sunshine Hospitals had accordingly become a subsidiary. The transaction was accounted in accordance with Ind AS 103 - Business Combinations ("Ind AS 103"). The exceptional item for the current year represents a gain of Rs 148.29 Mn on completion of purchase price allocation upon conversion of Sunshine Hospitals from a Joint Venture to a Subsidiary.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.34 Business combinations and acquisition of non-controlling interests (Contd..)

Acquisition of additional interests during the year ended 31 March 2023

(i) The Group has increased its stake in KIMS Hospital Enterprises Private Limited from 86.67 % to 90.74% through secondary purchase of 1,000,000 equity shares from existing shareholders for a total amount of Rs. 200.00. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 57.19 and Rs. 142.81 respectively.

(ii) The Group has further increased its stake in Sunshine Hospitals from 51.07% to 56.61% through purchase of 2,020,571 equity shares fully paid up from existing shareholders for a total amount of Rs.686.99. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 213.55 and Rs. 473.45 respectively.

(iii) The Group has increased its stake in Arunodaya Hospital Private Limited from 57.83 % to 67.66% through secondary purchase of 199,256 equity shares from existing shareholders for a total amount of Rs.73.72. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 26.28 and Rs. 47.44 respectively.

(v) The Group has transferred 3.5% of the shares (350 shares) in Saveera Institute of Medical Sciences Private Limited to the promoter shareholders on fulfilling conditions pursuant to the Shareholders agreement dated September 05, 2018. This has resulted in reduction of non controlling interest and increase in other equity amounting to Rs. 0.46.

Accounting Policy choice for non-controlling interests

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by- acquisition basis. The group has elected to recognise the non-controlling interests at proportionate share of the acquired net identifiable assets for the acquisitions during the year.

2.35 Investment in associate

The Group acquired a 33.73% interest in Kondapur Healthcare Limited (KHL) w.e.f 15 September 2023, which is engaged in business of rendering medical and healthcare services in India.The financial statements of KHL are prepared for the same reporting period as the Group. The accounting policies of the KHL is aligned with those of the Group. The Group’s interest in KHL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associate, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

	31 March 2024
Current assets	19.55
Non-current assets	3,222.21
Current liabilities	293.88
Non-current liabilities	846.70
Equity	**2,101.18**
Group’s share in equity- 33.73%	708.73
Consolidation adjustment	29.64
Group’s carrying amount of the investment	738.37
Depreciation and amortisation expense	(1.80)
Employee benefits expense	(0.04)
Other expenses	(6.21)
Profit before tax	**(8.04)**
Income tax expense	-
Profit for the period	(8.04)
Group’s share of profit for the period @33.73%	**(2.71)**
Less: Consolidation adjustments	(0.00)
Group’s share of profit for the period	**(2.71)**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs 475.18 Mn

The associate has no contingent liabilities as at 31 March 2024.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.36 Non-controlling interest

The following table summarises the financial information relating to each of the Group's subsidiaries, before any intra-group eliminations

As at 31 March 2024	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	Spanv Medisearch Lifesciences Private Limited
NCI Percentage	32.34%	49.00%	9.26%	23.50%	45.00%	35.78%	49.00%	30.70%
Non-current assets	458.84	505.01	2,717.18	1,054.00	500.49	6,850.67	1,013.40	3,517.61
Current assets	118.36	226.10	500.74	321.95	158.98	978.71	9.99	334.98
Non-current liabilities	(177.60)	(199.65)	(893.05)	(680.31)	(593.16)	(2,781.01)	(250.16)	(1,755.45)
Current liabilities	(117.57)	(230.12)	(260.72)	(281.82)	(193.99)	(789.66)	(54.86)	(540.56)
Net Assets	282.03	301.34	2,064.15	413.83	(127.68)	4,258.71	718.39	1,556.58
Net Assets attributable to NCI (before adjustments)	91.21	147.66	191.16	97.25	(57.45)	1,523.93	352.01	477.87
Business combination and other adjustment on consolidation	(0.40)	6.79	(1.23)	(83.00)	(15.82)	48.02	-	(129.19)
Net Assets attributable to NCI	90.81	154.45	189.93	14.25	(73.27)	1,571.95	352.01	348.68
Revenue	383.33	1,314.78	2,902.28	1,068.85	811.61	4,658.19	0.52	1,795.95
Profit	13.37	41.65	502.77	73.98	19.22	561.41	(0.71)	(82.92)
Other comprehensive income/(loss) ('OCI')	(0.03)	0.08	(0.99)	(0.53)	(0.30)	1.66	-	0.87
Total comprehensive income	13.34	41.74	501.77	73.44	18.92	563.07	(0.71)	(82.05)
Profit allocated to NCI	4.32	20.41	46.54	17.39	8.65	228.64	(0.35)	(40.12)
OCI allocated to NCI	(0.01)	0.04	(0.09)	(0.13)	(0.13)	0.60	-	0.32
Business combination and other adjustment on consolidation	0.68	(2.30)	-	-	(0.82)	(26.78)	-	2.34
Total comprehensive income allocated to NCI	4.99	18.15	46.44	17.26	7.70	202.46	(0.35)	(37.46)
Cash flows								
Cash flow from operating activities	35.92	99.06	1,107.25	138.31	88.69	962.74	(4.07)	162.31
Cash flow from investing activities	(208.63)	(25.40)	(992.14)	(259.82)	(22.97)	(1,718.43)	(561.43)	(97.52)
Cash flow from financing activities	174.42	(71.26)	(99.94)	122.86	(65.02)	902.98	542.23	(64.53)
Net increase / (decrease) in cash and cash equivalents	1.71	2.40	15.17	1.35	0.70	147.29	(23.27)	0.26
Cash flows attributable to NCI	0.55	1.18	1.40	0.32	0.32	52.71	(11.40)	0.08

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.36 Non-controlling interest (Contd..)

As at 31 March 2023	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	Spanv Medisearch Lifesciences Private Limited
NCI Percentage	**32.34%**	**49.00%**	**9.26%**	**23.50%**	**45.00%**	**43.39%**	**49.00%**	**49.00%**
Non-current assets	231.07	476.75	2,158.01	814.41	501.62	4,966.97	397.48	3,510.63
Current assets	133.93	226.69	506.96	258.29	149.43	732.89	28.58	245.74
Non-current liabilities	(9.67)	(254.78)	(808.90)	(529.80)	(602.05)	(1,545.49)	(5.59)	(1,765.30)
Current liabilities	(86.70)	(189.05)	(293.68)	(202.51)	(195.61)	(458.76)	(16.37)	(352.46)
Net Assets	**268.64**	**259.60**	**1,562.39**	**340.40**	**(146.61)**	**3,695.61**	**404.10**	**1,638.60**
Net Assets attributable to NCI (before adjustments)	86.88	127.21	144.36	79.99	(65.97)	1,603.69	198.01	802.92
Business combination and other adjustment on consolidation	(1.06)	9.09	(1.11)	(83.00)	(14.93)	93.83	(85.75)	(210.14)
Net Assets attributable to NCI	**85.82**	**136.30**	**143.25**	**(3.01)**	**(80.90)**	**1,697.52**	**112.26**	**592.78**
Revenue	365.56	1,078.39	2,528.72	942.43	715.18	4,303.98	0.86	883.62
Profit	40.50	66.52	470.25	77.64	30.92	557.72	(4.98)	(129.92)
Other comprehensive income/(loss) ('OCI')	0.53	(0.62)	(0.72)	(0.52)	0.37	1.01	-	0.24
Total comprehensive income	**41.02**	**65.89**	**469.54**	**77.12**	**31.29**	**558.73**	**(4.98)**	**(129.67)**
Profit allocated to NCI	16.95	32.59	56.71	15.54	13.92	266.46	(2.44)	(63.66)
OCI allocated to NCI	0.22	(0.31)	(0.10)	(0.10)	0.17	0.48	-	0.12
Business combination and other adjustment on consolidation	(0.17)	(2.30)	-	-	(0.82)	(36.61)	-	(1.26)
Total comprehensive income allocated to NCI	**17.01**	**29.99**	**56.61**	**15.43**	**13.26**	**230.33**	**(2.44)**	**(64.80)**
Cash flows								
Cash flow from operating activities	13.18	52.39	611.13	166.41	86.42	976.08	(4.95)	(233.51)
Cash flow from investing activities	(15.46)	(190.87)	(465.26)	(39.80)	(53.28)	(2,168.22)	(152.10)	(137.81)
Cash flow from financing activities	(0.80)	133.93	(150.58)	(126.01)	(51.43)	1,160.95	185.00	357.78
Net increase / (decrease) in cash and cash equivalents	**(3.08)**	**(4.55)**	**(4.71)**	**0.60**	**(18.29)**	**(31.19)**	**27.95**	**(13.54)**
Cash flows attributable to NCI	**(1.00)**	**(2.23)**	**(0.46)**	**0.14**	**(8.23)**	**(13.53)**	**13.70**	**(6.63)**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.37 Disclosure of additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013:

31 March 2024

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Krishna Institute of Medical Sciences Limited	89.17%	18,664.52	70.04%	2,353.42	76.99%	2.51	70.05%	2,355.93
Subsidiary								
Arunodaya Hospitals Private Limited	1.35%	282.03	0.27%	9.05	-0.61%	(0.02)	0.27%	9.03
KIMS Hospitals Private Limited	0.60%	126.46	-0.14%	(4.70)	0.00%	-	-0.14%	(4.70)
KIMS Swastha Private Limited	0.00%	0.10	0.01%	0.20	0.00%	-	0.01%	0.20
KIMS Hospital Bengaluru Private Limited	0.20%	41.37	-0.02%	(0.66)	0.00%	-	-0.02%	(0.66)
KIMS Hospital Enterprises Private Limited	9.86%	2,064.15	13.58%	456.21	-27.91%	(0.91)	13.54%	455.30
Iconkrishi Institute of Medical Sciences Private Limited	1.44%	301.34	0.63%	21.24	1.23%	0.04	0.63%	21.28
Saveera Institute of Medical Sciences Private Limited	1.98%	413.83	1.68%	56.60	-12.58%	(0.41)	1.67%	56.19
KIMS Hospitals Kurnool Private Limited	-0.61%	(127.68)	0.31%	10.58	-4.91%	(0.16)	0.31%	10.42
Sarvejana Healthcare Private Limited	20.35%	4,258.71	9.90%	332.78	32.21%	1.05	9.93%	333.83
KIMS Manavata Hospital Private Limited	3.43%	718.39	-0.01%	(0.36)	0.00%	-	-0.01%	(0.36)
Spanv Medisearch Lifesciences Private Limited	7.44%	1,556.58	-1.27%	(42.80)	16.87%	0.55	-1.26%	(42.25)
Associate								
Kondapur Healthcare Limited	NA	NA	-0.08%	(2.71)	NA	NA	-0.08%	(2.71)
Non-controlling interests in all subsidiaries	12.65%	2,648.82	7.70%	258.60	18.40%	0.60	7.71%	259.20
Eliminations	-47.85%	(10,016.23)	-2.60%	(87.38)	0.31%	0.01	-2.60%	(87.37)
Total	**100.00%**	**20,932.39**	**100.00%**	**3,360.07**	**100.00%**	**3.26**	**100.00%**	**3,363.33**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.37 Disclosure of additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013: (Contd..)

31 March 2023

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Krishna Institute of Medical Sciences Limited	84.15%	16,308.59	69.02%	2,524.89	96.71%	8.23	69.09%	2,533.12
Subsidiary								
Arunodaya Hospitals Private Limited	1.39%	268.64	0.64%	23.53	3.41%	0.29	0.65%	23.82
KIMS Hospitals Private Limited	0.58%	113.06	-0.09%	(3.23)	0.00%	-	-0.09%	(3.23)
KIMS Swastha Private Limited	0.00%	(0.10)	0.08%	2.90	0.00%	-	0.08%	2.90
KIMS Hospital Bengaluru Private Limited	0.14%	27.88	-0.05%	(1.84)	0.00%	-	-0.05%	(1.84)
KIMS Hospital Enterprises Private Limited	8.06%	1,562.39	11.30%	413.55	-7.40%	(0.63)	11.26%	412.92
Iconkrishi Institute of Medical Sciences Private Limited	1.34%	259.60	0.93%	33.92	-3.76%	(0.32)	0.92%	33.60
Saveera Institute of Medical Sciences Private Limited	1.76%	340.40	1.70%	62.11	-4.94%	(0.42)	1.68%	61.69
KIMS Hospitals Kurnool Private Limited	-0.76%	(146.61)	0.46%	17.01	2.35%	0.20	0.47%	17.21
Sarvejana Healthcare Private Limited	19.07%	3,695.61	7.96%	291.26	6.23%	0.53	7.96%	291.79
KIMS Manavata Hospital Private Limited	2.09%	404.10	-0.07%	(2.54)	0.00%	-	-0.07%	(2.54)
Spanv Medisearch Lifesciences Private Limited	8.46%	1,638.60	-1.81%	(66.26)	1.41%	0.12	-1.80%	(66.14)
Non-controlling interests in all subsidiaries	13.85%	2,684.24	8.06%	294.91	5.64%	0.48	8.06%	295.39
Eliminations	-40.13%	(7,776.78)	1.86%	67.92	0.35%	0.03	1.85%	67.95
Total	**100.00%**	**19,379.62**	**100.00%**	**3,658.13**	**100.00%**	**8.51**	**100.00%**	**3,666.64**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.38 Income tax

a. Amount recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	1,161.82	1,183.91
Deferred tax attributable to temporary differences	40.25	24.84
Adjustment of tax relating to earlier years	34.23	(17.81)
Tax expenses for the year	**1,236.30**	**1,190.94**

b. Amount recognised in other comprehensive income

Particulars	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	4.36	(1.10)	3.26	11.63	(3.12)	8.51

c. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	**4,599.08**	**4,700.78**
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	1,157.50	1,183.09
Adjustment of tax relating to earlier years	34.23	(17.81)
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	18.36	14.34
Others	26.21	11.32
Total	**1,236.30**	**1,190.94**

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
Expected credit loss for trade receivables	117.02	133.31
Provision for employee benefits	131.37	107.50
Property, Plant and Equipment	0.70	2.15
Carry forward of tax losses (including unabsorbed depreciation)	24.64	75.49
Fair valuation of net assets on business combination	224.67	227.32
Others	96.89	76.37
Total deferred tax asset	**595.29**	**622.13**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.38 Income tax (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		-
Property, Plant and Equipment (including intangible assets)	735.97	711.87
Others	2.93	0.56
Total deferred tax liability	**738.90**	**712.43**
Deferred tax asset	**(143.61)**	**(90.30)**
Net deferred tax liabilities	**(462.83)**	**(492.24)**
Net deferred tax asset	**319.22**	**401.94**

(ii) Movement in temporary differences

Particulars	Expected credit loss for trade receivables	Carry forward of tax losses (including unabsorbed depreciation)	Fair valuation of net assets on business combination	Provision for employee benefits	Others - assets	Property, plant and equipment (asset)	Property, plant and equipment (including intangible assets) (liability)	Others - liability	Total
Balance as at 1 April 2022	**102.83**	**21.03**	**-**	**87.88**	**43.30**	**3.45**	**(586.88)**	**(1.00)**	**(329.39)**
Addition on acquisition of subsidiaries	84.33	83.45	231.08	13.60	12.11	(1.30)	(157.20)	-	266.07
Recognised in profit or loss during the year	(42.76)	(28.99)	(3.76)	9.49	-	-	29.94	0.44	(35.64)
Recognised in OCI during the year	-	-	-	(3.12)	-	-	-	-	(3.12)
Deletion on account of sale of subsidiary	(11.09)	-	-	(0.35)	(4.50)	-	2.28	-	(13.66)
Balance as at 31 March 2023	**133.31**	**75.49**	**227.32**	**107.50**	**76.37**	**2.15**	**(711.87)**	**(0.56)**	**(90.30)**
Recognised in profit or loss during the year *	(16.29)	(50.85)	(2.65)	24.97	20.52	(1.45)	(24.10)	(2.37)	(52.21)
Recognised in OCI during the year	-	-	-	(1.10)	-	-	-	-	(1.10)
Balance as at 31 March 2024	**117.02**	**24.64**	**224.67**	**131.37**	**96.89**	**0.70**	**(735.97)**	**(2.93)**	**(143.61)**

* Includes adjustment of deferred taxes for earlier years amounting to Rs 13.06

Tax loss and unabsorbed depreciation carry-forward for which no deferred tax assets were recorded with expiry date:

	As at 31 March 2024	As at 31 March 2023
Expiry within 1-5 years	36.82	45.52
Expiry within 6-8 years	-	11.10
Indefinite	123.61	125.95
Total	**160.43**	**182.57**

Amount of deferred tax asset that has not been recorded as at year end:

	As at 31 March 2024	As at 31 March 2023
Tax rate	25.17%	25.17%
Deferred tax asset not recorded as at year end	**40.38**	**45.95**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.39 Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule III of the Companies Act, 2013 and activities approved by the CSR committee:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Gross amount required to be spent by the Company during the year	90.86	68.84
b) Amount approved by the Board to be spent during the year	91.82	70.54

c) Amount spent during the year ending on 31 March 2024:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	91.82	-	91.82

d) Amount spent during the year ending on 31 March 2023:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	70.54	-	70.54

e) Details related to spent / unspent obligations:

Particulars	As at 31 March 2024	As at 31 March 2023
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	91.82	70.54
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-
	91.82	**70.54**

2.40 Goodwill

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	3,080.07	847.75
Goodwill on business combination (refer note 2.34)	-	2,232.32
Balance at the end of the year	**3,080.07**	**3,080.07**
Goodwill on acquisition of subsidiaries	314.17	314.17
Goodwill on consolidation	2,765.90	2,765.90

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level within the Company at which goodwill is monitored for internal management purposes and which is not higher than the Company's operating segment. The carrying amount of goodwill of Rs. 3080.07 was allocated to the medical and healthcare services CGU.

The group has performed its annual impairment testing for the year ended 31 March 2024 and 31 March 2023.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.40 Goodwill (Contd..)

Medical and Health care Services CGU

The recoverable amount of the CGU, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a eight-year period. The pre-tax discount rate applied to cash flow projections for impairment testing during the years is stated in the below table and cash flows beyond the eight-year period are extrapolated using a long term growth rate as stated in the below table that is the same as the long-term average growth rate for the Medical and Health care industry.

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	12.99%	12.69%
Long term growth rate	5.00%	5.00%

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU.

There is no impairment noted in the Medical and Healthcare Services CGU based on the assessment performed by the Management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount of the Medical and Healthcare Services CGU lower than the carrying amount of CGU.

2.41 Other Statutory Information

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

(ii) The Group does not have any transactions with companies struck off.

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

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

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

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

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

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.41 Other Statutory Information (Contd..)

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(ix) The Group has not declared/paid any dividend during the year.

2.42 The Holding Company, subsidiaries and associate which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except in respect of Holding Company and 8 subsidiaries where, for new accounting software, the audit trail feature is not enabled for certain changes made, if any, using privileged/administrative access rights to the new accounting software and the underlying database.

2.43 Events after the reporting period

There are no significant adjusting events that occurred subsequent to the reporting period.

As per our report attached of even date

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Place: Hyderabad
Date: May 16, 2024

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

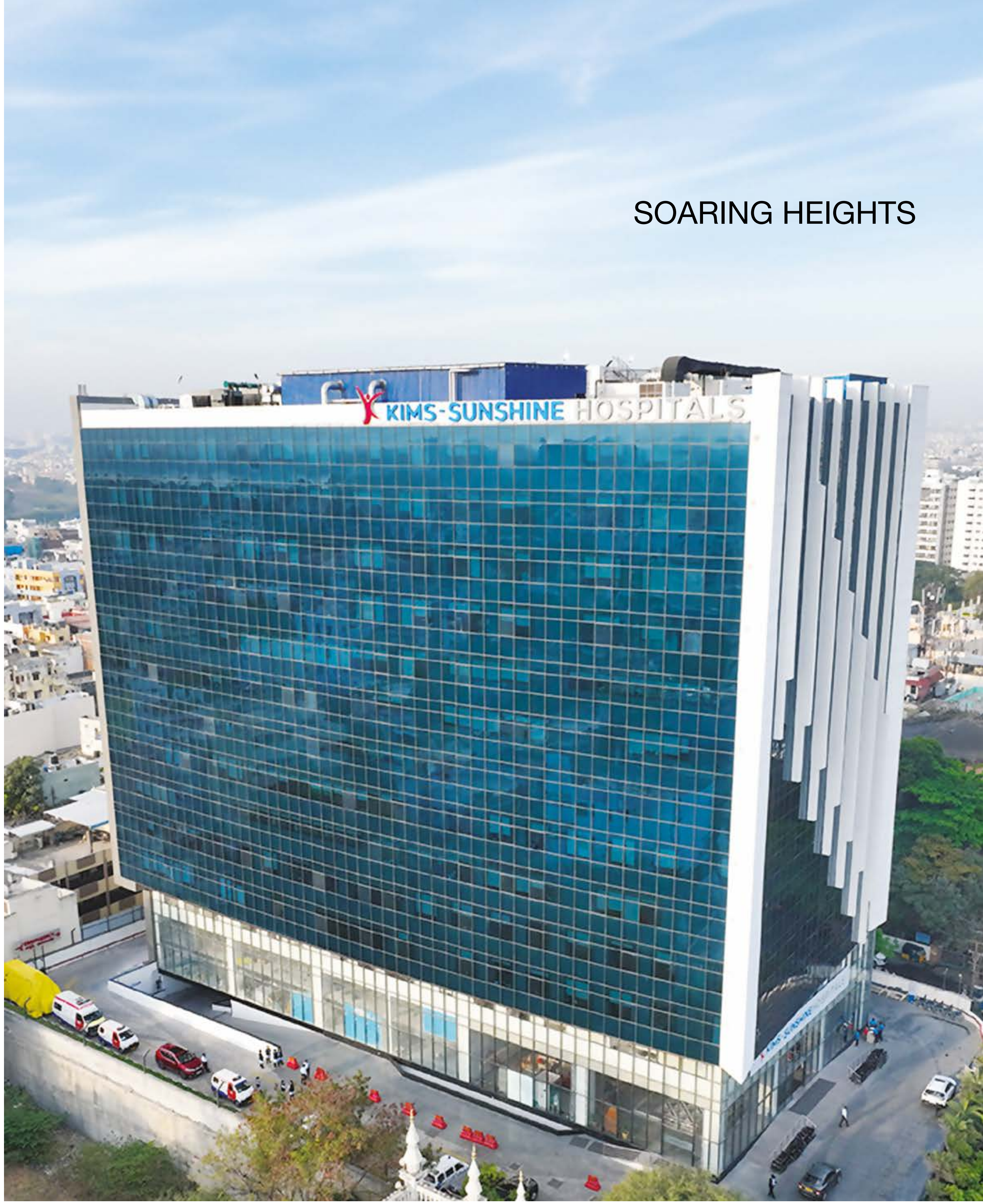
Place: Hyderabad
Date: May 16, 2024

Notes

Notes

Notes

SOARING HEIGHTS



KIMS sunshine is relocated to Company's New sprawling premises in the heart of the city, bringing more facilities, convenience and comfort to the patients.

KIMS HOSPITALS™

Krishna Institute of Medical Sciences Ltd.

Regd. Office: 1-8-31/1, Minister Road,
Secunderabad - 500 003, Telangana, India.
Ph: +91-40-4488 5000/5184, Fax: +91 -40-27840980
cs@kimshospitals.com