



KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

NABH Accredited Hospital

Excellence in Healthcare

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Fax : (0422) 2627782 | Web : www.kmchhospitals.com | CIN No : L85110TZ1985PLC001659



Ref: KMCH/SEC/SE/2020-21/1073

June 4, 2020

To

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P.J.Towers
Dalal Street, Fort
Mumbai – 400 001

Dear Sirs,

Sub: Disclosure on impact of CoVID-19 pandemic on the business as advised vide
SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.

Ref: Security Name: KOVAI, Security Code: 523323

We are herewith enclosing the disclosure of material impact of CoVID-19 pandemic on
Kovai Medical Center and Hospital Limited.

We request you to take this to your record and oblige.

Thanking you

Yours faithfully

For KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

S.P. Chittibabu

S.P.CHITTIBABU
COMPANY SECRETARY





Pursuant to regulation 30 of SEBI LODR and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/84 dated May 20, 2020, we inform the following;

- **Impact of the CoVID-19 pandemic on the business;**

The lockdowns and restrictions imposed on various activities due to COVID-19 has materially impacted our business, because of the following reasons:

- Severe restriction on movement of people (both within city and inter-city) has affected patient flow.
- Patients choosing to postpone elective procedures – these form the bulk of in-patient business for a super specialty Hospital.
- Following the request of Government of Tamil Nadu, KMCH Medical College Hospital has converted its 128 bed Hospital into to a dedicated COVID-19 Hospital. A separate team of Doctors, Nurses and para medical staff were formed and the Hospital is run with necessary equipment including Personal Protective Equipment (PPE), Ventilators and other allied equipment.
- Substantial precaution being taken to avoid cross-contamination resulting in reduction / rotation of staff in shifts, equipping with complete Personal Protection Equipment (PPE).
- One of the divisions of KMCH – its Molecular Biology Department was recently accredited by National Accreditation Board for Testing & Calibration Laboratories (NABL) for Testing of COVID-19 Virus. This accreditation has helped us in becoming one of the approved COVID-19 Testing Laboratory.

- **Ability to maintain operations functioning and closed down;**

- Hospital's other specialties have been constrained consequent to reduction in elective surgeries. However, all Emergency, Nephrology (Dialysis) and Oncology related cases were handled in its normal course. Cardiology, Obstetrics and Gynaecology Departments also functioned depending on the inflow of patients.
- Drop in patient footfalls, diagnostic testing, elective surgeries will definitely have an impact on the performance of the Company.
- The Company has taken all standard and mandatory precautionary protections as per the guidelines issued by the Ministry of Health and Family Welfare, Government of India and Government of Tamil Nadu to ensure that the Doctors, Nurses, Staffs and Para Medical Team and all patients are safe. Hygiene procedures like Wearing Face Masks, Using Hand Wash / Rub and Social Distancing was implemented extensively across all the Hospital Centers in the Company.





- **Schedule, if any, for restarting the operations;**

Company's operations were fully functional during the Lockdown periods.

- **Steps taken to ensure smooth functioning of operations;**

As a Health care institution, the Company has adopted a standard precaution for the management of CoVID-19 patients which includes:

- a) Establishment of a core team and key internal and external contact points
- b) Hand hygiene, personal protective equipment (PPE) and waste management
- c) Equipment disinfection
- d) Decontamination of Ambulances

In addition to this, the Company has put in place strict monitoring process ensuring the following:

- a) Thermal Screening of all staffs, patients and visitors
- b) Sanitizing the premises and vehicles on regular basis
- c) Maintenance of social distancing in the premises
- d) Enforcing wearing of masks and regular cleaning of hands

- **Estimation of the future impact of CoVID-19 on its operations;**

The Government of India has released guidelines for the hospitals to prepare for the coronavirus outbreak. Amongst other things, Hospitals are required to reserve beds, create isolation wards, mobilise additional manpower and train staff, in addition to arranging for adequate high-oxygen masks and ventilators.

The infrastructure and the resources required to be created and / or diverted to meet the requirement of coronavirus patients could impact the profitability of the hospitals in the short-term.

We are still in the process of assessing the complete impact of this pandemic on our business. Notwithstanding the current challenges, operational trends have improved since the relaxations in lockdown restrictions.

- **Details of impact of CoVID-19 on listed entity**

- **Capital and Financial resources;**

The Company is comfortably placed with regard to financial resources and manages its Cash through Internal accruals and debt. Hence there is no impact.





- **Profitability;**
Profitability will reduce consequent to scaled down operations
- **Liquidity Position;**
Collections from Insurance Companies would be deferred due to Lockdown scenarios across the country. There will be a marginal impact on the liquidity position, however the Company has been able to meet all its financial obligations.
- **Ability to service debt and other financing arrangements;**
The Company has NOT availed any moratorium for servicing its debt obligations and has been regular in meeting all its commitments and has not defaulted in any interest or loan payment.
- **Assets;**
None of the assets of the Company have been impacted or impaired by the Covid-19.
- **Internal Financial reporting and control;**
There is no impact on internal financial reporting and control.
- **Supply Chain;**
There has been no impact in the Supply Chain as Medicines, Surgical Consumables comes under the "Essential Service" Category
- **Demand for its Products / Services;**
During these difficult times, Patient footfalls had significantly reduced. Only critical care patients were diagnosed and treated.
- **Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;**

Nil
- **Other relevant material updates about the listed entity's business.**

Nil

