

INDEPENDENT AUDITOR'S REPORT

To the Members of KIMS Hospital Bengaluru Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of KIMS Hospital Bengaluru Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the 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 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, 2026, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 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 Directors' report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the 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 the Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;
 - (d) In our opinion, the aforesaid 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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 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, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 196 read with schedule V to the Act;
 - (h) 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:

The Company does not have any pending litigations which would impact on its financial position;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- 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. Based on our examination which included test checks, the Company has used accounting software 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 software (refer Note 2.32 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. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Navneet Rai Kabra**

Partner

Membership Number: 102328

UDIN: 26102328DWEJZC9215

Place of Signature: Hyderabad

Date: May 14, 2026



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: KIMS Hospital Bengaluru Private 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 intangibles assets.
 - b) Some of the Property, Plant and Equipment have been physically verified by the management during the year in accordance with 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) There is no immovable property, (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held in the name of the Company and accordingly, the requirements to report on clause 3(i)(c) is not applicable to 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, 2026.
 - 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) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.
 - b) As disclosed in note 2.4 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions 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 and financial institutions are in agreement with the books of accounts of the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (iii) a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- 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) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to 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, 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) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, cess, and other statutory dues which have not been deposited on account of any dispute.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (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 willful 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) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(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 complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares / optionally convertible preference shares respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.
- (xi) a) No material fraud by the Company and no 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.
- The Company is not a nidhi Company as per the provisions of the Companies Act, 2013.
- b) Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- The Company is not a nidhi Company as per the provisions of the Companies Act, 2013.
- c) Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (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) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 1,489 million in the current financial year and amounting to Rs. 87 million 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 2.33 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 and considering the Company's current liabilities exceeds the current assets by INR 1,055 Mn, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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



S.R. BATLIBOI & ASSOCIATES LLP

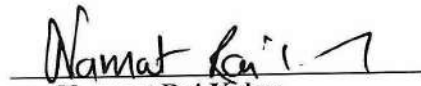
Chartered Accountants

- (xx) a) The provision of Section 135 to the Companies Act, 2013 in relation to corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 26102328DWEJZC9215

Place of Signature: Hyderabad

Date: May 14, 2026



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KIMS HOSPITAL BENGALURU PRIVATE LIMITED

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 financial statements of KIMS Hospital Bengaluru Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 in accordance with authorisations of management and directors of the company; and (3) provide



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

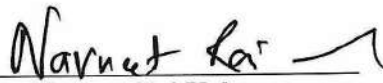
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, 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: 26102328DWEJZC9215

Place of Signature: Hyderabad

Date: May 14, 2026



KIMS Hospital Bengaluru Private Limited
CIN:U85300TG2017PTC115987

Balance Sheet as at 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Note	As at 31 March 2026	As at 31 March 2025
ASSETS		
Non-current assets		
Property, plant and equipment	2.1(a) 9,992	-
Capital work-in-progress	2.1(b) 163	4,619
Right-of-use assets	2.21 4,390	3,666
Financial assets		
(i) Other financial assets	2.2(a) 201	131
Deferred tax assets (net)	2.30 454	0
Non-current tax assets (net)	2.6 8	-
Other non-current assets	2.3(a) 292	886
Total non-current assets	15,500	9,302
Current assets		
Inventories	2.4 133	-
Financial assets		
(i) Trade Receivables	2.5 76	-
(ii) Cash and cash equivalents	2.7(a) 58	74
(iii) Bank balances other than (ii) above	2.7(b) 110	103
(iv) Other financial assets	2.2(b) 58	-
Other current assets	2.3(b) 95	1
Total current assets	530	178
Total assets	16,030	9,480
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	2.8(a) 1	0
Instruments entirely equity in nature	2.8(b) 1,463	713
Other equity	2.8(c) (778)	2
Total equity	686	715
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	2.9(a) 9,158	4,413
(ii) Lease liabilities	2.21 4,182	3,887
(iii) Other financial liabilities	2.10(a) 144	31
Provisions	2.11 5	-
Other non-current liabilities	2.13(a) 270	85
Total non-current liabilities	13,759	8,416
Current liabilities		
Financial liabilities		
(i) Borrowings	2.9(b) 742	-
(ii) Lease liabilities	2.21 16	-
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises;	2.12 7	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.12 250	2
(iv) Other financial liabilities	2.10(b) 497	332
Other current liabilities	2.13(b) 73	15
Total current liabilities	1,585	349
Total equity and liabilities	16,030	9,480

"0" represents less than Rs. 1 million

Material accounting policies

1.3

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

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: 14 May 2026

for and on behalf of the Board of Directors of
KIMS Hospital Bengaluru Private Limited

Dr Bhaskara Rao Bollineni
Director

DIN: 00008985

Mittapalli Anil Kumar
Chief Financial Officer

Place: Hyderabad
Date: 14 May 2026

Dr Nitish Shetty
Managing Director

DIN: 03069292

Harshita Agarwal
Company Secretary
M.No.: A59984



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Statement of profit and loss for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	2.14	1,012	-
Other income	2.15	12	5
Total income		1,024	5
Expenses			
Purchase of medical consumables, drugs and surgical instruments	2.16(a)	416	-
Increase in inventories of medical consumables, drugs and surgical instruments	2.16(b)	(133)	-
Employee benefits expense	2.17	456	-
Finance costs	2.18	578	91
Depreciation and amortisation expense	2.19	330	-
Other expenses	2.20	1,195	1
Total expenses		2,842	92
Loss before tax		(1,818)	(87)
Tax expense			
- Current tax	2.30	-	-
- Deferred tax charge	2.30	(454)	-
- Adjustment of tax relating to earlier years	2.30	1	-
Total tax expense		(453)	-
Loss for the year (A)		(1,365)	(87)
Other comprehensive loss			
Items that will not be reclassified subsequently to profit and loss			
- Re-measurement gain/(loss) on defined benefit plans		(1)	-
- Income tax effect		0	-
Other comprehensive loss, net of tax (B)		(1)	-
Total Comprehensive loss for the year (A)+(B)		(1,366)	(87)
Earning per share (face value of share Rs. 10 each)	2.25		
- Basic (Rs.)		(31,054.70)	(8,761.23)
- Diluted (Rs.)		(31,054.70)	(8,761.23)

"0" represents less than Rs. 1 million

Material accounting policies

1.3

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration no.: 101049W/ E300004

Navneet Rai Kabra
per Navneet Rai Kabra
Partner

Membership no.: 102328



Place: Hyderabad
Date: 14 May 2026

for and on behalf of the Board of Directors of
KIMS Hospital Bengaluru Private Limited

Dr Bhaskara Rao Bollineni

Dr Bhaskara Rao Bollineni
Director
DIN: 00008985

Mittapalli Anil Kumar
Mittapalli Anil Kumar
Chief Financial Officer

Place: Hyderabad
Date: 14 May 2026

Dr Nitish Shetty

Dr Nitish Shetty
Managing Director
DIN: 03069292

Harshita Agarwal
Harshita Agarwal
Company Secretary
M.No : A39984



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Statement of cash flows for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Particulars

I. Cash flows from operating activities:

Loss before tax for the year

Adjustments for operating activities:

Depreciation and amortisation expense

Interest income

Finance costs

Operating cash flows before working capital changes

Adjustments for:

Increase in inventories

Increase in trade receivables

Increase in loans and other assets

Increase in liabilities and provisions

Cash generated from operations

Income-taxes paid, net of refunds

Net cash flow used in operating activities (A)

II. Cash flows from investing activities

Purchase of property, plant and equipment and other intangible assets, including capital work-in-progress and capital advances

Redemption of bank deposits (having original maturity of more than three months)

Investment in bank deposits (having original maturity of more than three months)

Interest received

Net cash flows used in investing activities (B)

III. Cash flows from financing activities

Proceeds from long-term borrowings

Repayment of borrowings

Proceeds from loan taken from related party

Repayment of loan taken from related party

Proceeds from short-term borrowings (net)

Proceeds from issue of equity share

Proceeds from issue of preference shares

Payment of interest portion of lease liabilities

Interest paid

Net cash flows generated from financing activities (C)

Net (decrease) /increase in cash and cash equivalents (A+B+C)

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of the year

	For the year ended 31 March 2026	For the year ended 31 March 2025
	(1,818)	(87)
	330	-
	(8)	(4)
	578	91
	(918)	(0)
	(133)	-
	(76)	-
	(159)	(52)
	316	13
	(970)	(39)
	(8)	(0)
	(978)	(39)
	(4,216)	(2,383)
	7	45
	(178)	(156)
	8	2
	(4,378)	(2,492)
	3,256	1,958
	(1,673)	-
	4,435	984
	(1,151)	(628)
	450	-
	3	-
	750	713
	(222)	(139)
	(506)	(290)
	5,342	2,598
	(15)	67
	74	7
	59	74



KIMS Hospital Bengaluru Private Limited
CIN:U85300TG2017PTC115987

Statement of cash flows for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Note:

a) The 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:

Cash on hand
Balances with banks
- in current accounts
- In deposit accounts (with original maturity of 3 months or less)

Total

c) Refer note 2.7 (c) for changes in liabilities arising from financing activities

"0" represents less than Rs.1 million.

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

for S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration no.: 101049W/ E300004

Navneet Rai Kabra
per Navneet Rai Kabra
Partner

Membership no.: 102328



Place: Hyderabad
Date: 14 May 2026

For the year ended 31 March 2026	For the year ended 31 March 2025
57	12
-	62
58	74

for and on behalf of the Board of Directors of
KIMS Hospital Bengaluru Private Limited

Dr Bhaskara Rao Bollineni
Director

DIN: 00008985

Mittapalli Anil Kumar
Chief Financial Officer

Dr Nitish Shetty
Managing Director

DIN: 03069292

Harshita Agarwal
Company Secretary
M.No : A59984

Place: Hyderabad
Date: 14 May 2026



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Statement of changes in equity for the year ended 31 March 2026

(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 (31 March 2025: Rs.10 each) issued, subscribed and fully paid	No of shares	Amount
At 1 April 2024	10,000	0
Add: Shares issued during the year	-	-
At 31 March 2025	10,000	0
Add: Shares issued during the year	90,080	1
At 31 March 2026	1,00,080	1

b) Instruments entirely equity in nature

0.001% optionally convertible redeemable preference shares	Number of shares	Amount
At 1 April 2024	-	-
Add: Shares issued during the year	7,12,750	713
At 31 March 2025	7,12,750	713
Add: Shares issued during the year	7,50,000	750
At 31 March 2026	14,62,750	1,463

c) Other Equity

Particulars	Other equity			Total of other equity
	Security Premium	Retained earnings	Capital Contribution	
Balance as at 1 April 2024	-	(7)	48	41
Loss for the year	-	(87)	-	(87)
Guarantee Commission	-	-	48	48
Balance as at 31 March 2025	-	(94)	96	2
Loss for the year	-	(1,365)	-	(1,365)
Capital contribution on leasehold land	-	-	583	583
Security Premium	3	-	-	3
Remeasurement of net defined benefit liability (net of tax)	-	(1)	-	(1)
Balance as at 31 March 2026	3	(1,460)	679	(778)

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration no.: 101049W/ E300004

Navneet Rai
per Navneet Rai Kabra

Partner

Membership no.: 102328



Place: Hyderabad

Date: 14 May 2026

for and on behalf of the Board of Directors of

KIMS Hospital Bengaluru Private Limited

B. Bhaskara Rao Bollineni

Dr Bhaskara Rao Bollineni

Director

DIN: 00008985

Mittapalli Anil Kumar
Mittapalli Anil Kumar
Chief Financial Officer

Place: Hyderabad

Date: 14 May 2026

Dr Nitish Shetty

Dr Nitish Shetty

Managing Director

DIN: 03069292

Harshita Agarwal
Harshita Agarwal
Company Secretary
M.No : A59984



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

1.1 Company Overview

KIMS Hospital Bengaluru Private Limited ('the Company') is private company domiciled in India and is incorporated on 20 March 2017 under the provisions of Companies Act, 2013. The registered office of the company is located at Building No.1-111/55/E, Block 1, 1st Floor, Kondapur, Serilingampally, Hyderabad, Telangana, India – 500084.

The Company is primarily engaged in the business of rendering medical and healthcare services.

The financial statements were approved for issue by the Company's Board of Directors on 14th May 2026.

1.2 Basis of preparation of financial statements**a) Statement of Compliances:**

The financial statements of the Company as at and for the year ended 31 March 2026, 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, except share data, unless otherwise stated.

b) Basis of measurement:

The 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 financial statements are presented in Indian Rupees, which is also the Company's functional currency. All financial information presented, except information related to share and per share data, in Indian rupees has been rounded to the nearest million.

d) 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 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants.

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current.

e) Significant accounting judgement, estimates and assumptions:

The preparation of Company's financial statements are 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 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 Unbilled Revenues

The Company uses a provision matrix to calculate ECLs for trade receivables and Unbilled Revenues. 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.

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.

The disclosures of significant estimates and assumptions relating to the ECLs for trade receivables and Unbilled Revenues are provided in Note 2.5 & Note 2.31.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 2.30 – 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 2.24 - 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 2.32 for further disclosures.

Leases - Estimating the incremental borrowing rate

The Company 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 Company 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 Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company 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 Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 Company 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).

The disclosures of significant estimates and assumptions relating to the Leases are provided in Note 2.21.

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.

Classification of financial instruments as equity

The company had issued 0.001% optionally convertible redeemable preference shares ("OCRPS") to Krishna Institute of Medical Sciences Limited ("KIMS" or "Holding Company"). As per terms of the OCRPS, the Company needs to convert at any time after 15th year but before 19th year from the date of issuance and allotment of the OCRPS or redeem anytime before the end of 20th year from the date of issuance, which is in the control of the Company. Accordingly, the company has classified and measured the aforesaid instruments as equity, carried at cost.

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;
- 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:



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

- 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 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 financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 Executive 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.

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 2.29 – 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. The Company has generally concluded that it is the principal in its revenue arrangements.

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.

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



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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

Unbilled Revenues 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.

Unbilled Revenues 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 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. Other Income

Interest on deposits 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 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.



E. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in profit and loss except to the extent that it 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



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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.

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.

F. 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.



KIMS Hospital Bengaluru Private Limited**CIN: U85300TG2017PTC115987****Notes to the financial statements for the year ended 31 March 2026****(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)**

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 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)
Medical and surgical equipment	2-13
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8-10
Buildings	30
Lease Hold Improvements	23-25

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.

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 its assessment of expected useful lives and estimated residual values.

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



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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.

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 for those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

The Company also applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets, with a value of up to Rs. 1 mn on date of recognition. In making this assessment, the company also factors below key aspects:

- The assessment is conducted on an absolute basis and is independent of the size, nature, or circumstances of the lessee.
- The assessment is based on the value of the asset when new, regardless of the asset's age at the time of the lease.
- The lessee can benefit from the use of the underlying asset either independently or in combination with other readily available resources, and the asset is not highly dependent on or interrelated with other assets.
- If the asset is subleased or expected to be subleased, the head lease does not qualify as a lease of a low-value asset.

Based on the above criteria, the company has classified multiple leases such as IT equipment, office equipments, accommodations for hospital and nursing staff etc. as leases of low value assets.

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 measured at the lower of cost and net realisable value. The cost of inventories is based on the monthly moving weighted average method. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition and also includes expenditure incurred towards Goods and Services Tax (GST) wherever credit is not available. The comparison of cost and net realisable value is made on an item by item basis.

Net realisable value is the estimated selling price in the ordinary course of business.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life and price changes. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic 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.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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.

An assessment is made for all assets 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 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 financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 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 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.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 the objective of both holding to collect contractual cash flows and selling.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 included under other non-current financial assets. For more information on receivables, refer to Note 2.5 & 2.29.

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 financial 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:



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

- 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 Unbilled Revenues, 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 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.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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 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.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

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. Preference Shares

0.001% optionally convertible redeemable preference shares ("OCRPS") are accounted as equity component based on the terms of the contract. The proceeds are included in the equity since shares met Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not measured in subsequent years

P. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

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.

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.



KIMS Hospital Bengaluru Private Limited
CIN: U85300TG2017PTC115987
Notes to the financial statements for the year ended 31 March 2026
(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 Improvements	Buildings	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 2025	-	-	-	-	-	-	-	-	-	-	-
Additions	607	3,268	2,248	2,744	44	102	788	203	246	5	10,255
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	607	3,268	2,248	2,744	44	102	788	203	246	5	10,255
Accumulated depreciation											
Balance as at 1 April 2025	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	56	50	81	1	7	34	21	13	0	263
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	-	56	50	81	1	7	34	21	13	0	263
Carrying amounts (net)											
At 31 March 2025	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2026	607	3,212	2,198	2,663	43	95	754	182	233	5	9,992

Notes:

- 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.
- The Company has not revalued any of its Property, Plant and Equipment during the year.
- Refer note 2.9 for details of assets pledged as security.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(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 2026	As at 31 March 2025
Gross carrying amount		
Balance as at beginning of the year	4,619	2,068
Additions	4,533	2,551
Capitalised during the year	8,989	-
Balance as at end of the year	163	4,619

i) For capital work in progress, aging Schedule as on 31 March 2026

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	163	-	-	-	163
-Projects temporarily suspended	-	-	-	-	-
Total	163	-	-	-	163

ii) For capital work in progress, aging Schedule as on 31 March 2025

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	2,551	598	1,470	-	4,619
-Projects temporarily suspended	-	-	-	-	-
Total	2,551	598	1,470	-	4,619

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 2026 and 31 March 2025.

Notes :

1 Refer note 2.9 for details of assets pledged as security.

2 Capitalised borrowing and salary cost:

The amount of borrowing costs on loans capitalised during the year ended 31 March 2026 was Rs.246 (31 March 2025: Rs.261). The rate used to determine the amount of borrowing costs eligible for capitalisation was in the range of 7.80% - 8.15% (31 March 2025 : 9.00% - 9.15%), which is the effective interest rate of the specific borrowings.

The amount of salary costs capitalised during the year ended 31 March 2026 is Rs.144 (31 March 2025: Nil).



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
2.2 Other financial assets (at amortised cost) (Unsecured, considered good)		
(a) Non-current		
Deposits with remaining maturity more than 12 months*	174	10
Security deposits	27	121
Total	201	131
* Includes Rs. 174 (31 March 2025: Rs. 10) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date. Includes interest accrued but not due of Rs. 2 (31 March 2025: Rs. 0) reclassified to deposits for better presentation.		
(b) Current (at amortised cost)		
Unbilled revenue (refer note 2.31)	58	-
Total	58	-
2.3 Other assets (Unsecured, considered good)		
(a) Non-current		
Capital advances	242	836
Prepaid Rent	50	50
Total	292	886
(b) Current		
Advance to suppliers	88	-
Staff advances	2	0
Prepaid expenses	4	-
Other Receivables	1	1
Total	95	1
"0" represents less than Rs. 1 million		
2.4 Inventories (Valued at lower of cost or net realizable value)		
Medical consumables, drug and surgical instruments	133	-
Total	133	-
Inventories are hypothecated against the loans taken by the Company from banks and financial institutions. Refer note 2.9 for details. 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.		



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.5 Trade receivables (amortised cost)

(Unsecured)

Trade receivables - Considered good - Unsecured

Total

	As at 31 March 2026	As at 31 March 2025
	76	-
	76	-
	76	-

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 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	4	72	-	-	-	-	76
(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	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							76
Less : Allowance for expected credit loss							76
Balance at the end of the year							

2.6 Non-current tax assets (net)

Advance tax (net of provision for taxation)

	As at 31 March 2026	As at 31 March 2025
	8	0
	8	0

"0" represents less than Rs. 1 million

2.7 Cash and bank balances

(a) Cash and cash equivalents

Cash on hand

Balances with banks

- in current accounts

- in deposit accounts (with original maturity of 3 months or less)*

Total

(b) Bank balances others than (a) Above

Deposit with Remaining maturity less than 12 Months**

Total

	As at 31 March 2026	As at 31 March 2025
	1	-
	57	12
	-	62
	58	74
	110	103
	110	103

*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.

** Includes Rs. 109 (31 March 2025: Rs. 101) deposits placed which are restrictive in nature as it pertains to letters of credit. These letters are maturing within 12 months of the reporting date. Includes interest accrued but not due of Rs. 4 (31 March 2025: Rs. 2) reclassified to deposits for better presentation.

(c) Changes in liabilities arising from financing activities

Particulars	1 April 2025	Cash flows	Other	31 March 2026
Long term borrowings (including current maturities)	4,413	4,867	171	9,451
Short term borrowings	-	450	-	450
Current and Non-current lease liabilities	3,887	(222)	533	4,198
Total liabilities from financing activities	8,300	5,094	704	14,099

Particulars	1 April 2024	Cash flows	Other	31 March 2025
Long term borrowings (including current maturities)	2,066	2,314	33	4,413
Current and Non-current lease liabilities	1,473	(139)	2,553	3,887
Total liabilities from financing activities	3,539	2,175	2,586	8,300

*The 'Other' column under long term borrowings during the year ended 31 March 2026 and 31 March 2025 includes interest accounted through effective rate of interest method and interest accrued but not due. The 'Other' column under lease liabilities includes addition of lease liabilities of Rs.181 (31 March 2025: Rs. 2,320), accretion of interest setoff by adjustment of lease rent against the security deposit paid in previous year. (refer note 2.21)



KIMS Hospital Bengaluru Private Limited
CIN:U85300TG2017PTC115987
Notes to the financial statements for the year ended 31 March 2026
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.8(a) Equity share capital

	As at 31 March 2026	As at 31 March 2025
Authorised Equity shares 1,015,000 (31 March 2025: 10,000) equity shares of Rs. 10 each	10	0
Issued Equity shares 102,158 (31 March 2025: 10,000) equity shares of Rs. 10 each fully paid-up	1	0
Subscribed and paid-up 100,080 (31 March 2025: 10,000) equity shares of Rs. 10 each fully paid-up	1	0

(i) Reconciliation of number of equity shares of Rs. 10 each (31 March 2025; Rs.10 each), fully paid up outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	10,000	0	10,000	0
Add: Shares issued during the year	90,080	1	-	-
Shares outstanding at the end of the year	1,00,080	1	10,000	0

(ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. 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% of equity shares of Rs.10 each, fully paid

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% of Holding	Number of shares	% of Holding
Krishna Institute of Medical Sciences Limited (including 1 share held by a nominee shareholder)	80,000	80%	10,000	100%
Care Hospital Bengaluru Private Limited	20,080	20%	-	-

(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 2026							
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	Krishna Institute of Medical sciences Limited	10,000	70,000	80,000	80%	-20%
Total			10,000	70,000	80,000	80%	-20%
As at 31 March 2025							
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	Krishna Institute of Medical sciences Limited (including 1 share held by a nominee shareholder)	10,000	-	10,000	100%	0%
Total			10,000	-	10,000	100%	0%

*Promoters are as per the annual return filed by the Company
Note: "0" represents less than Rs. 1 million

2.8(b) Instruments entirely equity in nature

Authorised 0.001% optionally convertible redeemable preference shares (OCRPS) 2,619,850 (31 March 2025: 1,200,000) 0.001% cumulative optionally convertible redeemable preference shares of Rs. 1,000 each	2,620	1,200
Issued 0.001% optionally convertible redeemable preference shares (OCRPS) 2,619,850 (31 March 2025: 712,750) 0.001% cumulative optionally convertible redeemable preference shares of Rs. 1,000 each	2,620	713
Subscribed and paid-up 0.001% optionally convertible redeemable preference shares (OCRPS) 1,462,750 (31 March 2025: 712,750) 0.001% cumulative optionally convertible redeemable preference shares of Rs. 1,000 each	1,463	713

(i) Reconciliation of number of 0.001% cumulative optionally convertible redeemable preference shares (OCRPS) of Rs. 1,000 each, fully paid outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	7,12,750	713	-	-
Issued during the period year	7,50,000	750	7,12,750	713
	14,62,750	1,463	7,12,750	713

(ii) Rights, preferences and restrictions attached to 0.001% optionally convertible redeemable preference shares (OCRPS) of Rs. 1,000 each

OCRPS were issued at par to its parent Company, Krishna Institute of Medical Sciences Limited. Following are the terms and conditions: OCRPS carry a dividend rate of 0.001% p.a. OCRPS have a preferential right of dividend and repayment of capital over equity shareholders. Following are the terms and conditions:

(i) The OCRPS can be converted into 146,275,000 equity shares (31 March 2025: 71,275,000 equity shares) of Rs. 1,000/- each at par (i.e. each OCRPS shall be converted into 100 (one hundred) Equity Share of the Company) at any time after the 15th year from the date of issuance and allotment of the OCRPS at the option of the Company. Any decision relating to the conversion of the OCRPS on behalf of the Company will be taken by the board of directors of the Company. Once the board on behalf of the Company takes the decision to exercise of its option, the Company issues a notice ("Conversion Notice") to KIMS informing them about the Company's intention to convert the OCRPS into Equity shares.

(ii) The OCRPS may be redeemable at the option of the Company either of by way of (i) conversion of OCRPS after 15th year but before 19th year from the date of issuance and allotment of the OCRPS or (ii) any time before the end of the 20th year from the date of issuance. All the action and decision on the behalf of the Company in relation to the OCRPS will be taken only by the board of directors of the Company. The OCRPS will be redeemed at the price at which such OCRPS are issued and no other premium will be payable at the time of redemption.

(iii) The OCRPS shall be entitled to participate in the surplus assets and profits of the Company on winding up which may remain after the entire capital has been repaid, as per the applicable laws.

(iv) The OCRPS shall have voting rights only in respect of certain matters as per the provisions of section 47(2) of the Companies act 2013.



KIMS Hospital Bengaluru Private Limited

CIN:U55300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

iii) Particulars of shareholders holding more than 5% of 0.001% cumulative optionally convertible redeemable preference shares (OCRPS) of Rs. 1,000 each

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Krishna Institute of Medical Sciences Limited	14,62,750	100%	7,12,750	100

iv) 0.001% Optionally convertible redeemable preference shares (OCRPS) of Rs.1000 each of the Company held by holding company

Name of shareholder	As at		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Krishna Institute of Medical Sciences Limited	14,62,750	1,463	7,12,750	713

2.8(c) Other equity

(i) Capital contribution (refer note 2)

Balance as per last financial statements

Movement during the year

Closing balance

As at	As at
31 March 2026	31 March 2025
96	48
583	48
679	96

(ii) Retained earnings (refer note 1)

Balance as per last financial statements

Add: Loss for the year

Add: Other comprehensive (Loss) for year

Closing balance

As at	As at
31 March 2026	31 March 2025
(94)	(7)
(1,365)	(87)
(1)	-
(1,460)	(94)

(iii) Securities Premium (refer note 3)

Balance as per last financial statements

Movement during the year

Closing balance

As at	As at
31 March 2026	31 March 2025
3	-
3	-

Total other equity

As at	As at
31 March 2026	31 March 2025
(778)	2

Nature and purpose of reserves:

1. Retained earnings

Retained earnings are the profits/losses (net of appropriations) of the Company earned till date, including items of other comprehensive income.

2. Capital contribution

a) Financial guarantee contracts are recognised as a financial liability at the time of issue of guarantee in accordance with Ind AS 109 - Financial Instruments. The liability is measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

Where guarantee in relation to loans or other payables of subsidiary is provided for no compensation by the shareholder, fair values of such guarantees are accounted as capital contribution in the books of the Company.

b) Capital Contribution of Rs. 583 million pertains to concessional land lease agreement of 30 years entered with the CURO Hospital Bangalore Private limited

3. Securities Premium

Securities Premium is used to record the premium received on issue of shares.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.9 Borrowings (at amortised cost)

(a) Non-current borrowings

Secured

Term loans from bank (refer notes (a) to (c) below)

Total loans from bank (A)

Unsecured

Loan from related party (refer note (e) below)*

Total unsecured loans (B)

Total non-current borrowings (A) + (B)

(b) Current borrowings

Secured

Loan repayable on demand (from bank)

Bank overdrafts (refer note (d) below)

Current maturity of long term borrowings (Refer notes (a) to (c) below)

Loan from related party (refer note (e) below)

Loan from others

Total current borrowings

	As at 31 March 2026	As at 31 March 2025
	4,737	3,379
	4,737	3,379
	4,421	1,034
	4,421	1,034
	9,158	4,413
	450	-
	166	-
	120	-
	6	-
	742	-

*Includes interest accrued but not due of Rs.261 (31 March 2025: Rs. 33) reclassified to borrowings for better presentation.

Notes:

a) Term loan from ICICI Bank is secured by the exclusive charge by way of equitable mortgage over the immovable fixed assets located at Mahadevapura unit (excluding lease hold portion), movable fixed assets and current assets of the Mahadevapura unit (both present and future). The loan shall be repaid in 32 structured quarterly instalments starting from 01 September 2026. The loan carries an interest rate of 1Y MCLR+ 0.15% per annum.

b) Term loan from AXIS Bank is secured by the exclusive charge by way of equitable mortgage over the medical and other equipment located at PES unit (both present and future). Further, the loan is secured by personal guarantee of Dr. Bhaskara Rao Bollineni. The loan shall be repaid in 32 structured quarterly instalments starting from 30th June 2027. The loan carries an interest rate mutually agreed with the bank.

c) Term loan from AXIS Bank is secured by the exclusive charge by way of equitable mortgage over the medical and other equipment located at PES unit (both present and future). Further, the loan is secured by personal guarantee of Dr. Bhaskara Rao Bollineni. The loan shall be repaid in 30 structured quarterly instalments. The loan carries an interest rate mutually agreed with the bank.

d) WCDL facility from AXIS Bank is secured by first pari passu charge on all movable and immovable fixed assets of the Company both present and future pertaining to Mahadevapura unit. Further, the loan is secured by personal guarantee of Dr. Bhaskara Rao Bollineni. The loan repayable on demand and carries an interest rate of 8.25% per annum linked to 3 months MCLR (31 March 2025: 8.25% per annum).

e) Unsecured loan from related party represents loan obtained from Krishna Institute of Medical Sciences Limited, Sarvejana Healthcare Private Limited, Chalasani Hospital Private Limited and KIMS Hospital Enterprises Private Limited and carries an interest rate of 12% per annum (31 March 2025: 12% per annum). Refer note 2.23 for related party balances.



KIMS Hospital Bengaluru Private Limited

CIN: U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.10 Other financial liabilities (at amortised cost)

(a) Non-current

-To parties other than related parties

Capital creditors*

Total

	As at 31 March 2026	As at 31 March 2025
-To parties other than related parties	144	31
Capital creditors*	144	31
Total		

* Includes retention money of Rs. 83 (31 March 2025 : 31)

(b) Current

-To parties other than related parties

Capital creditors

Employee related liabilities

Security deposit

Total

-To parties other than related parties	495	332
Capital creditors	1	-
Employee related liabilities	1	-
Security deposit	497	332
Total		

2.11 Non-current provisions

Provision for employee benefits

Gratuity (Refer note 2.24)

Total

Provision for employee benefits	5	-
Gratuity (Refer note 2.24)	5	-
Total		

2.12 Trade payables (at amortised cost)

Trade payables

- total outstanding dues of micro enterprises and small enterprises (refer note 2.27)

- total outstanding dues of creditors other than micro enterprises and small enterprises

Total

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

Trade payables	7	-
- total outstanding dues of micro enterprises and small enterprises (refer note 2.27)	250	2
- total outstanding dues of creditors other than micro enterprises and small enterprises	257	2
Total		

Trade Payable Aging Schedule as on 31 March 2026

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	-	7	-	-	-	7
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	144	106	-	-	-	250
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Balance at the end of the year						257

Trade Payable Aging Schedule as on 31 March 2025

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	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2	-	-	-	-	2
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Balance at the end of the year						2

2.13 Other liabilities

(a) Non-current

Deferred Government grants*

Deferred Government grants*	270	85
	270	85

(b) Current

Statutory dues payable

Contract liabilities (refer note 2.31)

Total

Statutory dues payable	36	15
Contract liabilities (refer note 2.31)	37	-
Total	73	15

*Represents government grant under Export Promotion Capital Goods (EPCG) accounted at fair value as per Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance. (Refer note 2.22(a))



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025
2.14 Revenue from operations		
A Revenue from contract with customers		
Revenue from medical and healthcare services (Refer note 2.31)		
Revenue from hospital services	697	-
Revenue from pharmacy	301	-
Total	998	-
B Other operating income		
Income from sale of food and beverages	14	-
Total	14	-
Total Revenue from operations (A+B)	1,012	-
2.15 Other income		
Interest income on:		
- fixed deposits	8	4
Other non operating income:		
-Miscellaneous income	4	1
Total	12	5
2.16(a) Purchase of medical consumables, drugs and surgical instruments		
Purchases during the year	416	-
Total	416	-
2.16(b) Increase in inventories of medical consumables, drugs and surgical instruments		
Opening stock	-	-
Less: Closing stock	133	-
Total	(133)	-
2.17 Employee benefits expense		
Salaries, wages and bonus	422	-
Contribution to provident and other funds (Refer note 2.24)	23	-
Staff welfare expenses	11	-
Total	456	-
2.18 Finance costs		
Interest from banks and financial institutions		
- term loans	224	-
- Other loans	6	-
- Interest on loan from related party (Refer note 2.23)	197	-
Guarantee commission expense (Refer note 2.23)	-	91
Interest expense on lease liabilities (Refer note 2.21)	147	-
Other borrowing costs	4	-
Total	578	91



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025
2.19 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer note 2.1(a))	263	-
Amortisation of right-of-use assets (Refer note 2.21)	67	-
Total	330	-
2.20 Other expenses		
Consultancy charges	726	-
House keeping expenses	127	-
Power and fuel	33	-
Catering and patient welfare expenses	48	-
Rent (Refer note 2.21)	22	-
Repairs and maintenance:		
- Medical equipment	23	-
- Hospital building and others	17	-
Printing and stationery	13	-
Audit fee (Refer note A)	2	1
Legal and professional charges	10	-
Rates and taxes	12	-
Travelling and conveyance	8	-
Insurance	1	-
Bank Charges	6	-
Advertisement and publicity	125	-
Miscellaneous Expenses	22	-
Total	1,195	1

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Audit fee	2	1
Out of pocket expenses	0	0

"0" represents less than Rs. 1 million



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees except share data or unless otherwise stated)

2.21 Lease

Company as a lessee

The Company has lease contracts of buildings used in its operations with lease term between 25-30 years. The Company's obligations under its lease is secured by the lessor's title to the leased assets.

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	Building	Total
As at 1 April 2024	1,442	1,442
Addition	2,320	2,320
Amortization expense transferred to CWIP	(96)	(96)
As at 1 April 2025	3,666	3,666
Addition	879	879
Amortization expense charged to P&L	(67)	(67)
Amortization expense transferred to CWIP	(88)	(88)
As at 31 March 2026	4,390	4,390

The effective interest rate for lease liabilities ranges between 8% - 8.85% (31 March 2025: 8.63%-8.85%) with maturity between 2028-2055.

Set out below are the carrying amounts of lease liabilities (included under borrowings) and the movements during the period:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Balance	3,887	1,473
Addition	181	2,320
Accretion of interest charged to P&L	147	-
Accretion of interest charged to CWIP	205	233
Payments	(222)	(139)
Closing Balance	4,198	3,887
Current	16	-
Non-current	4,182	3,887

The following are the amounts recognised in capital work-in-progress*:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation expense of right-of-use assets	88	96
Accretion of interest	205	233
Total amount recognised in capital work-in-progress	293	329

* The commercial operations has been started from 14th Aug-2025 for MDP unit and 14th December-2025 for PES unit, till then they are in the construction phase, hence the interest on lease liabilities and depreciation on Right-of-use assets are recognised in capital work-in-progress.

	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation expense of right-of-use assets	67	-
Accretion of interest	147	-
Expense relating to short-term leases and low-value assets (included in other expenses)	22	-
Total amount recognised in profit or loss	236	-

The Company had total cash outflows for leases of Rs. 222 in 31 March 2026 (31 March 2025: Rs. 139)

Set out below are the undiscounted potential future rental payments:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Within one year	301	247
Between one and five years	3,760	1,150
After more than five years	18,207	10,730
Total	22,267	12,127



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.22 Contingent liabilities and commitments

(a) Contingent liabilities

The Company, has applied for benefits under EPCG scheme to import capital goods availing customs duty exemption under which it has an export obligation of six times the duty saved on import of capital goods on FOB basis within a period of six years. As at 31 March 2026, the benefit availed under EPCG scheme amounts to Rs.270 (31 March 2025 : 85). In the event of failure of the export obligations as specified in the said notifications and the licence, the Company is liable to pay the customs duty for the exemption and also the interest as applicable.

a) Commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,054	3,281

2.23 Related party disclosures

(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Holding Company	Krishna Institute of Medical Sciences Limited
Directors	Dr Bhaskara Rao Bollineni (Director) Dr Bollineni Abhinay (Director) Dr Chebrolu Harini (Director) Dr Nitish Shetty (Managing director - W.e.f 01.02.2025) Mitapalli Anil Kumar (Chief Financial Officer- W.e.f 01.02.2025) Harshita Agarwal (Company Secretary - W.e.f 01.02.2025) Rajeswara Rao Gandu (Independent Director) Sreenath Reddy (Whole Time Director) Suresh Natwarlal Patel (Independent Director)
Fellow Subsidiaries	Sarvejana Healthcare Private Limited KIMS Hospital Enterprises Private Limited Chalasani Hospital Private Limited KIMS Manavatha Hospital Private Limited
Enterprise having significant influence	Curo Hospital Bangalore Private Limited (W.e.f 03.06.2025)

(b) Transaction with related parties

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
I. Loan received		
Krishna Institute of Medical Sciences Limited	3,819	639
Sarvejana Healthcare Private Limited	290	205
KIMS Hospital Enterprises Private Limited	284	140
Chalasani Hospital Private Limited	42	-
II. Key Managerial Personnel		
Managerial remuneration		
Dr Nitish Shetty	24	4
Sreenath Reddy	14	-
Mitapalli Anil Kumar	5	1
Harshita Agarwal	0	0
III. Loan repaid		
Krishna Institute of Medical Sciences Limited	734	628
Sarvejana Healthcare Private Limited	32	-
KIMS Hospital Enterprises Private Limited	385	-
IV. Interest on unsecured loan forming part of capital work-in-progress		
Krishna Institute of Medical Sciences Limited	77	70
Sarvejana Healthcare Private Limited	21	-
KIMS Hospital Enterprises Private Limited	20	-
V. Interest on unsecured loan forming part of Profit and Loss		
Krishna Institute of Medical Sciences Limited	160	-
Sarvejana Healthcare Private Limited	28	1
KIMS Hospital Enterprises Private Limited	8	0
Chalasani Hospital Private Limited	1	-
VI. Purchases during the year		
Krishna Institute of Medical Sciences Limited	3	-



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

VII Commission expense on corporate guarantee		
Krishna Institute of Medical Sciences Limited	-	91
VIII Corporate guarantee closed		
Krishna Institute of Medical Sciences Limited	-	2,950
IX Capital contribution on account of financial guarantee		
Krishna Institute of Medical Sciences Limited	-	48
X Issue of preference shares		
Krishna Institute of Medical Sciences Limited	750	713
XI Issue of equity shares		
Krishna Institute of Medical Sciences Limited	1	-
Curo Hospital Bangalore Private Limited	0	-
XII Capital contribution on account of concessional lease		
Curo Hospital Bangalore Private Limited	583	-

(c) The balances received from and payable to related parties

Particulars	As at 31 March 2026	As at 31 March 2025
I. Unsecured loan payable		
Krishna Institute of Medical Sciences Limited	3,742	656
Sarvejana Healthcare Private Limited	464	205
KIMS Hospital Enterprises Private Limited	39	140
Chalasani Hospital Private Limited	42	-
II Interest accrued on unsecured loan		
Krishna Institute of Medical Sciences Limited	186	31
Sarvejana Healthcare Private Limited	42	1
KIMS Hospital Enterprises Private Limited	25	-
Chalasani Hospital Private Limited	1	-
III. Trade payables		
Krishna Institute of Medical Sciences Limited	3	-

Terms and conditions:

i) All transactions with these related parties are priced on 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.

ii) The Company has taken loan from its holding company and fellow subsidiaries for general corporate purposes and it has been utilized for the purpose it was obtained. This loan is unsecured, repayable in monthly instalments over a period of 60-81 months after initial moratorium of 15-24 months from the date of disbursement and carries interest at the rate of 12% p.a. (31 March 2025: 12% p.a.).

iii) *The amounts disclosed in the table are the amounts recognised as an expense during the financial year related to KMP. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of key managerial personnel. Such expenses are measured based on an actuarial valuation. Hence, amounts attributable to KMPs are not separately determinable.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.24 Employee benefits

(i) Defined benefit plan

The Company operates 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 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 2026	As at 31 March 2025
Defined benefit obligations	5	-
Fair value of plan assets	-	-
Net defined benefit obligations	5	-
Non-current	5	-
Current	-	-

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 2026	As at 31 March 2025
Defined benefit obligation as at beginning of the year	-	-
Benefits paid	-	-
Current service cost	3	-
Past service cost	1	-
Interest cost	0	-
Liabilities settled	(0)	-
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	0	-
- Changes in demographic assumptions	-	-
- Experience adjustments	1	-
Defined benefit obligation at the end of the year	5	-

ii) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Plan assets at beginning of the year	-	-
Contributions paid into the plan	0	-
Interest income	-	-
Benefits paid	-	-
Return on plan assets	0	-
Plan assets at end of the year	0	-

C i) Expenses recognised in the statement of profit and loss

Particulars	As at 31 March 2026	As at 31 March 2025
Current service cost	3	-
Past service cost	1	-
Interest on net defined benefit obligation	0	-
Net gratuity cost, included in 'employee benefits expense'	4	-

C ii) Re-measurements recognised in other comprehensive income (OCI)

Particulars	As at 31 March 2026	As at 31 March 2025
Actuarial (loss) / gain on net defined benefit obligation	(1)	-



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.24 Employee benefits (continued)

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 2026	As at 31 March 2025
Attrition rate	Medical - 8% to 38% Non-medical - 12% to 46%	-
Discount rate	6.65%	-
Salary escalation rate	7.00%	-
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	-
Retirement age	58	-

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
1st following year	-	-
Year 2 to 5	3	-
Year 6 to 9	3	-
Year 10 and above	3	-

The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the Funds during the estimated term of the obligations.

Assumptions regarding future mortality and experience are set in accordance with published rates under Indian assured lives mortality 2012-2014. The discount rate is based on the prevailing market yield in Indian government securities as at balance sheet date for estimated term of obligation. The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years (31 March 2025: Nil).

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 2026	
	Increase	Decrease
Discount rate (1% movement)	(0)	0
Salary escalation rate (1% movement)	0	(0)

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	As at 31 March 2026	As at 31 March 2025
Amount recognised in the statement of profit and loss towards		
i) Provident fund	19	-
ii) Employee state insurance	0	-

- (iii) Effective 21 November 2025, the Government of India consolidated multiple existing labour laws into a unified framework comprising four Labour Codes, collectively referred to as the "New Labour Codes". In accordance with Ind AS 19 - Employee Benefits, the impact of such legislative changes is treated as a plan amendment requiring immediate recognition of the resultant past service cost in the statement of profit and loss. The Company has assessed the impact of the changes in line with the Labour Codes, draft rules and FAQs. The Company continues to monitor the finalisation of Central and State rules, as well as Government clarifications on other aspects of the New Labour Codes and will incorporate appropriate accounting treatment based on these developments as required.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.25 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Company 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.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars		For the year ended 31 March 2026	For the year ended 31 March 2025
Earnings			
Loss for the year attributable to equity shareholders		(1,365)	(87)
Less: Dividend payable to preference shareholders		-	-
Loss considered for EPS calculation	(A)	(1,365)	(87)
Shares			
Number shares at the beginning of the year		10,000	10,000
Add: Weighted average number of equity shares issued during the year		33,952	-
Total number of equity shares outstanding at the end of the year		43,952	10,000
Weighted average number of equity shares outstanding during the year - Basic	(B)	43,952	10,000
Weighted average number of equity shares arising out of issue of potential equity shares		10,58,777	4,19,839
Weighted average number of equity shares outstanding during the year - Diluted	(C)	11,02,729	4,29,839
Earnings per share of par value Rs 10 - Basic (Rs)	(A) / (B)	(31,054.70)	(8,761.23)
Diluted per share of par value Rs 10 - Diluted (Rs)	(A) / (B)	(31,054.70)	(8,761.23)

*Potential equity shares of the Company are anti-dilutive in nature during the year end 31 March 2026, hence, diluted earnings per share is considered as equal to basic earnings per share.

2.26 Segment information

The Board of Directors 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 financial statements. Presently, the Company's operations are predominantly confined in India. All non-current assets other than financial instruments of the Company are located in India.

2.27 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 2026 has been made in the 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 2026	As at 31 March 2025
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	7	-
- 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.	-	-



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.28 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 of all components of equity excluding capital contribution.

The Company's net debt to equity ratio as of 31 March 2026 and 31 March 2025 was as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Total borrowings	9,901	4,413
Less: Cash and cash equivalents	58	74
Net debt	9,843	4,339
Total equity	7	619
Net debt to equity ratio - Gearing ratio	135728%	701%

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2026 and 31 March 2025.

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 year.

2.29 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2026	Carrying Value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Cash and cash equivalents	58	58	
Bank balances other than above	110	110	
Other financial assets	259	259	
Total	427	427	NA
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	9,451	9,451	
Short-term borrowings	450	450	
Lease liabilities	4,198	4,198	
Trade payables	257	257	
Other financial liabilities	641	641	
Total	14,996	14,996	
As at 31 March 2025	Carrying Value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Cash and cash equivalents	74	74	
Bank balances other than above	103	103	
Other financial assets	131	131	
Total	308	308	NA
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	4,413	4,413	
Lease liabilities	3,887	3,887	
Trade payables	2	2	
Other financial liabilities	363	363	
Total	8,665	8,665	



KIMS Hospital Bengaluru Private Limited
CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.29 Financial instruments : Fair value and risk management (continued)

B. Measurement of fair values

The following methods and assumptions were used to estimate fair values:

- (a) The fair values of long term borrowings & Lease liabilities are based on discounted cash flows using a current borrowing rate.
- (b) The fair values of trade receivables, trade payables, other financial 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 carrying amounts, due to their short-term nature.

(i) Risk management framework

The Company's Board of Directors has 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 and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the 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 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 unbilled revenue) 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 unbilled revenue 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 unbilled revenue 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 unbilled revenue amounting to Rs. 134 as on 31 March 2026 (31 March 2025: Rs. Nil). Allowance for credit loss in respect of trade receivables during the current and previous years is Nil.

Customer Concentration

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2026 and 31 March 2025. 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.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

(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 2026:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	9,451	212	6,631	2,608	9,451
Short-term borrowings	450	450	-	-	450
Lease liabilities	4,198	301	3,760	18,207	22,267
Trade payables	257	257	-	-	257
Other financial liabilities	641	497	144	-	641
Total	14,996	1,716	10,535	20,815	33,066

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2025:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	4,413	-	1,942	2,471	4,413
Lease liabilities	3,887	247	1,150	10,730	12,127
Trade payables	2	2	-	-	2
Other financial liabilities	363	299	64	-	363
Total	8,665	548	3,156	13,201	16,905

The Company has secured loans from bank that contain loan covenants. A future breach of covenants may require the Company to repay the loan earlier than indicated in the above table.

iv. Market risk

(a) 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 period are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate long term borrowings (including current maturities) and short term borrowings	5,354	3,379
Total borrowings	5,354	3,379

(b) Cash flow sensitivity analysis

Particulars	Impact on profit or loss		Impact on equity, net of tax	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Sensitivity				
1% increase in MCLR	(54)	(34)	(40)	(34)
1% decrease in MCLR	54	34	40	34

The interest rate sensitivity is based on the closing balance of secured term loans and working capital loan from banks.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Company does not have any financial instruments which are affected by market risk.

(v) Currency risk

Currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency payables and receivables. The currency in which these transactions are denominated are US dollar (USD). There are no outstanding balances in any other currency apart from USD. The Company evaluates exchange rate exposure arising from foreign currency transactions.

The following table analyses foreign currency risk from non derivative financial instruments as at 31 March 2026 and 31 March 2025.

Particulars	As at 31 March 2026	As at 31 March 2025
Assets		
Trade receivables	1	-
Liabilities		
Trade payables	448	155

Sensitivity Analysis:

A reasonably possible strengthening/weakening of the USD against all other currencies as at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Impact on profit / (loss) before tax and equity before tax due to 5% change in foreign currency rates

Particulars	As at 31 March 2026		As at 31 March 2025	
	Strengthening	Weakening	Strengthening	Weakening
USD	(22)	22	(8)	8



KIMS HOSPITAL BENGALURU PRIVATE LIMITED
CIN:U85300TG2017PTC115987
Notes to the financial statements for the year ended 31 March 2026
All amounts are in million of Indian Rupees except share data or unless otherwise stated

2.30 Income tax

a. Amount recognised in statement of profit and loss			
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025	
Current year tax	-	-	
Deferred tax attributable to temporary differences	(454)	-	
Adjustment of tax related to earlier years	1	-	
Tax expenses for the year	(453)	-	

b. Amount recognized in other comprehensive income			
Particulars	For the year ended 31 March 2026		
	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	(1)	0	(1)

c. Reconciliation of effective tax rate			
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025	
Profit before tax	(1,818)	(87)	
Enacted tax rates	25.17%	25.17%	
Tax expense at enacted rates	(458)	(22)	
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income			
Non-deductible expenses	3	22	
Adjustment of tax related to earlier years	1	-	
Total	(454)	(0)	

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following			
Particulars	As at 31 March 2026	As at 31 March 2025	
Deferred tax asset	590	-	
On business losses	1,056	-	
On lease liabilities	1	-	
Provision for employee benefits	-	62	
Others	1,647	62	
Total deferred tax asset			
Deferred tax liability	270	-	
Excess of depreciation on the Property, plant and equipment under Companies Act over depreciation under income-tax act, 1961	923	-	
On right of use assets	-	62	
Capital work-in-progress	1,193	62	
Total deferred tax liability	454	-	
Deferred tax asset (net)			

(ii) Movement in temporary differences					
Particulars	On Business Losses	Provision for employee benefits	ROU Asset and Lease liabilities	Property, plant and equipment (liability)	Total
Balance as at 1 April 2024	-	-	-	-	-
Recognised in profit or loss during 2024-25	-	-	-	-	-
Recognised in OCI during 2024-25	-	-	-	-	-
Balance as at 31 March 2025	590	1	133	(270)	454
Recognised in profit or loss during 2025-26	-	0	-	-	0
Recognised in OCI during 2025-26	-	-	-	-	-
Balance as at 31 March 2026	590	1	133	(270)	454



KIMS HOSPITAL BENGALURU PRIVATE LIMITED

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

All amounts are in million of Indian Rupees except share data or unless otherwise stated

2.31 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 2026	For the year ended 31 March 2025
Revenue from hospital services	697	-
Revenue from pharmacy	301	-
Total revenue from contracts with customers	998	-
India	998	-
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	697	-
Goods transferred at a point of time	301	-
Total revenue from contracts with customers	998	-
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	1,226	-
Less: Discounts and disallowances	(228)	-
Total revenue from contracts with customers	998	-

Contract balances

Particulars	As at 31 March 2026
Trade receivables	76
Unbilled revenue	58
Contract liabilities	37

Contract liability: The Company expects to recognise revenue in year ended 31 March 2027 from the closing balance of advance from customers as at 31 March 2026.

Unbilled revenue: The Company expects to transfer entire amount of outstanding unbilled revenue to trade receivables in next year.

- 2.32** The Company has used accounting software 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 software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.33 Ratio Analysis and its elements

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% change*
a) Current Ratio ⁽¹⁾	Current Assets	Current Liabilities	0.33	0.51	-34.43%
b) Debt-Equity ratio	Total Debts ⁽¹⁾	Shareholder's Equity	14.43	6.17	133.75%
c) Debt service coverage ratio	Earnings for debts service ⁽²⁾	Debt service ⁽³⁾	(0.92)	0.01	100.00%
d) Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	2.13	-	100.00%
e) Trade Receivable turnover Ratio	Net Credit Sales ⁽⁴⁾	Average Trade Receivables	2.90	-	100.00%
f) Trade Payable turnover Ratio	Net credit Purchases	Average Trade Payables	1.62	-	100.00%
g) Net Capital turnover ratio	Net Sales	Working capital	(0.97)	-	100.00%
d) Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	-194.81%	-24.57%	692.80%
e) Net Profit ratio	Net profit	Net Sales	-133.37%	0.00%	100.00%
e) Return on Capital employed	Earnings before interest and taxes	Capital Employed ⁽⁴⁾	-11.71%	0.08%	-15114.59%
k) Return on Investment	Interest (Finance Income)	Time weighted average investment	2.15%	2.29%	-5.79%

⁽¹⁾ Debt includes Lease Liabilities

⁽²⁾ Net profit after taxes + Non-Operating expenses

⁽³⁾ Interest and lease payments + Principal Repayments

⁽⁴⁾ Tangible Net Worth + Total Debts + Deferred Tax Liability

* Change in ratios in due to operations commenced during the year.

⁽¹⁾ The current liability of the Company exceeds its current assets. Based on projected cashflows of the Company and letter of support received from the Holding Company, the management is confident 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.



KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Notes to the financial statements for the year ended 31 March 2026

(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

2.34 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 2026 and 31 March 2025.

2.35 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (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.

2.36 Events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period.

As per our report of even date attached

for S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration no.: 101049W/ E300004

per Navdeep Rai Kabra

Partner

Membership no.: 102328



Place: Hyderabad

Date: 14 May 2026

for and on behalf of the Board of Directors of

KIMS Hospital Bengaluru Private Limited

CIN:U85300TG2017PTC115987

Dr Bhaskara Rao Bollineni

Director

DIN: 00008985

Mittapalli Anil Kumar

Chief Financial Officer

Place: Hyderabad

Date: 14 May 2026

Dr Nitish Shetty

Managing Director

DIN: 03069292

Harshita Agarwal

Company Secretary

M.No : A59984

