



years of
Dedication,
Diligence
and
Distinction

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Chairman and Managing Director

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25 years of Dedication, Diligence and Distinction

A silver jubilee is a landmark occasion in the life of an organisation. As KIMS completes 25 years, we look back with immense satisfaction and look ahead with hope and confidence. This illuminating journey has sharpened our passion and deepened our conviction to make healthcare more accessible and affordable.

As charity begins at home, so does service. It was with this guiding principle that Dr Bhaskara Rao Bollineni laid the foundation for what would become KIMS Limited-A strong corporate chain of healthcare. The journey began 25 years ago in his native town of Nellore, where the first KIMS hospital was established. It was a modest beginning that has grown into a flourishing tree of compassionate care. Two decades ago, this vision expanded with the launch of our flagship unit in Secunderabad, setting new standards in multispecialty healthcare. Today, this legacy continues through a growing network of hospitals committed to excellence, quality and dedicated service across five states.

This year marks a significant milestone in our journey, 25 years of compassionate care, medical excellence and steadfast service to the communities we serve.

From our humble beginnings to becoming a trusted name in healthcare, our journey has been guided by a clear mission to make healthcare more accessible and affordable. Over the past two and a half decades, we have evolved with the times, embraced cutting edge technologies, expanded our specialties and built a culture where clinical excellence and the human touch go hand in hand.

As we celebrate this silver jubilee year, we reflect with pride on the countless lives touched, the smiles

shared, the milestones achieved and the trust we have earned. At the same time, we look ahead with renewed purpose to redefine benchmarks in quality healthcare, continue to invest in next generation innovations and extend our reach to more and more people in need of healthcare.

Our 25 year legacy stands as a testament to the dedication of our doctors, nurses, staff and partners, and above all to the enduring faith of our patients. Together, we step into the future with confidence, guided by our core values and inspired by the belief that every life deserves the best attention and care.

What began in Nellore as a 100-bed hospital with fewer than 100 dedicated staff members has today blossomed into one of the most trusted names in healthcare. Driven by a deep purpose to serve, we have grown steadily over the past two and a half decades, guided by a mission to provide high quality, accessible and affordable healthcare rooted in ethics and values.

Today, we proudly operate 25 world class healthcare facilities across multiple regions, offering a comprehensive range of over 40 medical and surgical specialties. Our journey has been marked by countless stories of healing and hope, fuelled by clinical expertise, technological advancement and a culture grounded in empathy.

FY 2025 at a Glance



Financial*

INR 30,670 mn

Revenue

INR 8,148 mn

EBITDA

26.6%

EBITDA Margin

INR 4,148 mn

Profit After Tax

12.4%

Return on Capital Employed (ROCE)

22%

Revenue Growth (YoY)

INR 5,818 mn

Operating Cash Flow



Operational*

20,47,658

Patients Treated in FY 25

2,212

Clinicians Across Network

45,000+

Surgeries Performed

1,000+

Nurses Trained

1 Rehabilitation

New Specialties Introduced



Capacity expansion*

1,204 beds

New Beds added in FY25

Presence in

5

States

Facilities Commissioned

325 beds

Nashik

30.3%

Increase in Bed Capacity

189

Kannur

320

Kollam

2,370

Beds to be added shortly

10

Meda (Foot Clinic)

5+

Cities identified for expansion

(Cities, including Mumbai, Bangalore, Bhubaneswar, as well as regions in Telangana and Andhra Pradesh)

*Does not include the financial operation and capacity expansion due O & M arrangement

ABOUT THE COMPANY

Where Expertise Meets Accessibility

KIMS stands as a trusted name among India's largest corporate healthcare providers, with a robust footprint across South and West India. Operating under the 'KIMS Hospitals' brand, our integrated network offers a comprehensive range of multi-disciplinary services, while prioritising affordable tertiary and quaternary care. With our hospitals equipped to provide world-class clinical expertise in patient care, we tailor our approaches to the evolving needs of diverse patients, thereby, catering to all lives in need.

Our journey began with a single hospital, which has now grown steadily under visionary leadership. Through strategic expansion and targeted acquisitions, KIMS has emerged as a trusted destination for wide array of patients. Our hospitals are recognised for their clinical depth supported by skilled professionals and advanced medical infrastructure with an inherent human touch

Deeply rooted in the geographies we serve, we bring forth a nuanced understanding of regional healthcare needs. Moreover, this local expertise allows us to provide culturally conscious, compassionate and accessible patient care. Our continued focus on quality, affordability and community-centric practices, positions us at the clinical forefront, as a healthcare group that balances scale with operational excellence.



Values

Our values drive everything that we do.

- Patient is paramount
- Take pride in what we do
- Act with transparency and integrity
- Compassion - We are sincere, caring, courteous and understanding
- The best single word - 'We' not 'I'
- The best two words - Serve others
- The best three words - Be the best
- The best four words - Let us all grow
- The best five words - Fruits of efforts to society



Vision

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



Mission

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

KIMS is regarded as the **most preferred healthcare** provider, offering value to every stakeholder group



Patients – Affordable, quality care supported by best-in-class facilities and patient-centric systems



Doctors – Clinical excellence driven by outcomes, advanced medical technology and a strong academic and research ecosystem



Employees – A collaborative, growth-focused environment that fosters professional development and an enriching workplace experience



Investors – Strong operational performance, a consistent growth trajectory and transparent governance leading to value accretion.

Our multidisciplinary model delivers integrated care addressing all aspects of patient's health. We maintain high ethical standards and ensure trust in every interaction. We create a safe and comfortable care environment backed by advanced infrastructure. We also embrace eco-friendly practices to minimise environmental impact and invest in future-ready healthcare to enhance outcomes through innovation.

Service with

PASSION

Growth with

VISION

That's KIMS

MISSION

OPERATIONAL ACHIEVEMENTS

Setting the Benchmark High

KIMS always has pride in setting its own Benchmark high and feel even pride when we surpass our set benchmark. We have in credit many milestone which ae first in asia India, South India and maiden programmes across nation.

Firsts in India & Asia Milestones

- First in Asia to perform Transcatheter Tricuspid Valve Replacement procedure (2018)
- First in India to do Tetralogy of Fallot (TOF) repair using CorMatrix patch for pulmonary valve reconstruction (2017)
- First in the country to perform Robotic spleen-preserving distal pancreatectomy
- India's first COVID Double Lung transplant (2020)
- India's first Breathing Lung transplant (2021)
- First hospital in India to perform Arch Repair in neonates and infants without TCA
- **Biplane Cath Lab (2024 launch)** – First in India
- **Tulsa Pro** – First installation in South Asia
- **MRgFUS (Magnetic Resonance guided Focused Ultrasound)** – Second in India

Firsts in South India

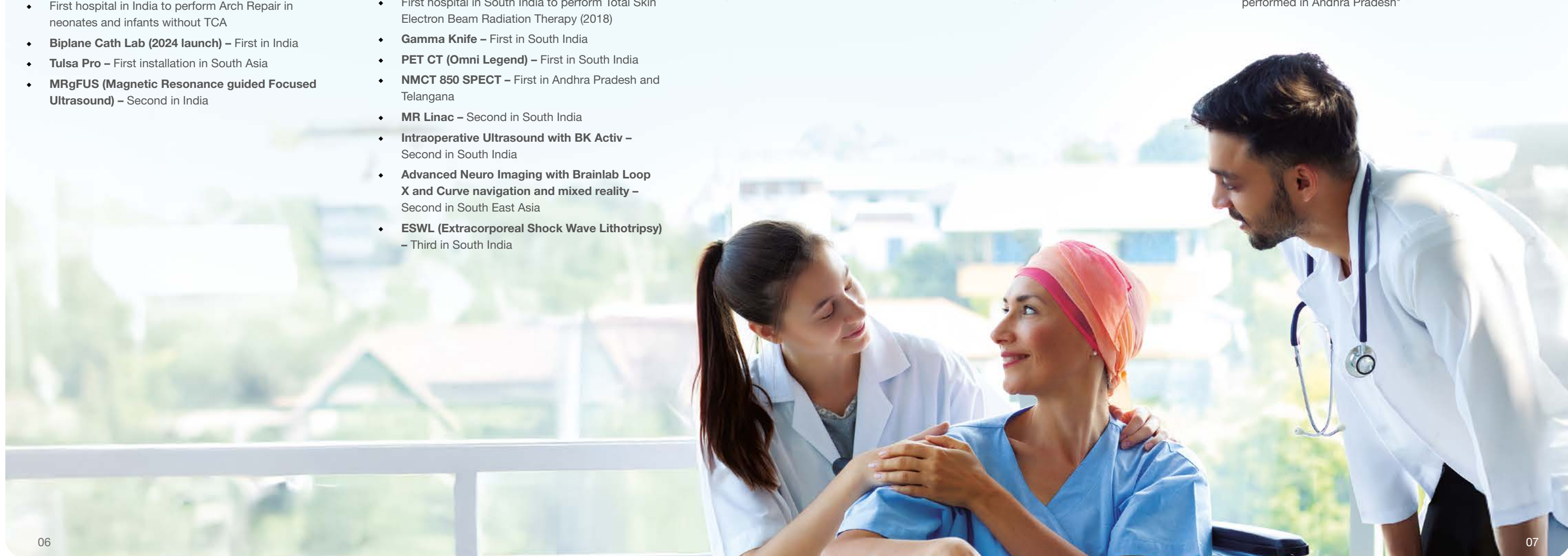
- First hospital in Hyderabad to use an Extracorporeal Membrane Oxygenation (ECMO) machine (2013)
- First hospital in Hyderabad to perform a Neonatal ECMO
- First hospital in South India to introduce Da Vinci Robotic System
- First hospital in Andhra Pradesh and Telangana to be Green OT certified (2016)
- First hospital in South India to perform Total Skin Electron Beam Radiation Therapy (2018)
- **Gamma Knife** – First in South India
- **PET CT (Omni Legend)** – First in South India
- **NMCT 850 SPECT** – First in Andhra Pradesh and Telangana
- **MR Linac** – Second in South India
- **Intraoperative Ultrasound with BK Activ** – Second in South India
- **Advanced Neuro Imaging with Brainlab Loop X and Curve navigation and mixed reality** – Second in South East Asia
- **ESWL (Extracorporeal Shock Wave Lithotripsy)** – Third in South India

Leading Programmes

- Largest Joint Replacement Programme in South Asia
- One of the largest neuroscience programmes for epilepsy among private hospitals in India
- Largest ECMO programme (18 machines) in India

Number Ones

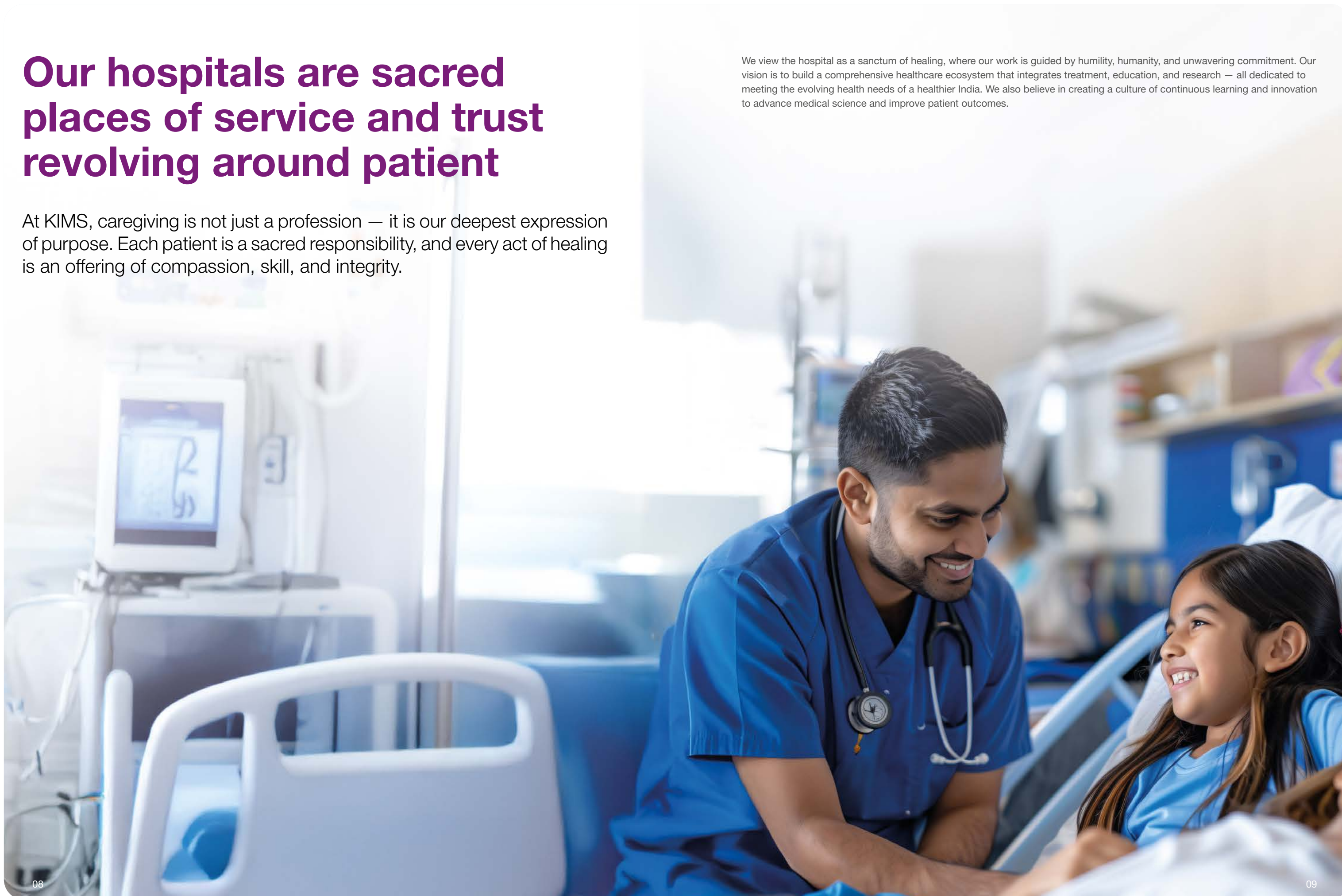
- Number 1 player in Organ Transplantation (Heart, Lung, Liver, and Kidney) *
- Number 1 in Nephrology treatments in Andhra Pradesh*
- Number 1 in Neurosurgery and Polytrauma treatments in Andhra Pradesh*
- Number 1 in Cardio-related surgeries and treatment programmes in Andhra Pradesh*
- Number 1 in Urology (Genito-Urinary) surgeries performed in Andhra Pradesh*



Our hospitals are sacred places of service and trust revolving around patient

At KIMS, caregiving is not just a profession — it is our deepest expression of purpose. Each patient is a sacred responsibility, and every act of healing is an offering of compassion, skill, and integrity.

We view the hospital as a sanctum of healing, where our work is guided by humility, humanity, and unwavering commitment. Our vision is to build a comprehensive healthcare ecosystem that integrates treatment, education, and research — all dedicated to meeting the evolving health needs of a healthier India. We also believe in creating a culture of continuous learning and innovation to advance medical science and improve patient outcomes.



A Sparkling and Successful Saga of 2 ½ decades

Our journey has been one of a steady growth, strategic expansion across key locations with a sharp focus on clinical quality. Since our inception, KIMS Hospitals has evolved into a distinguished multi-speciality healthcare group, with a growing footprint across South and Central India. Each milestone marks our ongoing effort of improving healthcare access, strengthening regional presence and building long-term institutional strength.



QUALITY AND SAFETY - OUR WATCHWORD

Excellence in Quality is a way of life across the KIMS Hospitals

Quality at KIMS is all pervasive encompassing clinical excellence, Diagnostics, timely attendance, care and concern, ensuring patients comfort at every stage from entry to the point patient is discharged.

Our doctors, nurses, staff are imbued with a sense of quality consciousness, The system and process are designed and continuously improved to exude quality at every stage. Thus, quality is not a target but a way of life or us.

A conscious and structured effort is blend into the system. Every nerve in the organisation and sinew in the system is tuned to echo the patient needs and comfort is tuned to respond to patient needs effectively, quickly.

At KIMS Hospitals, our efforts towards focus on quality, safety and patient-centric care continue to earn us recognition at international, national and regional levels. Each award, certification and milestone reflect the collective discipline and dedication of our teams across the KIMS network.

Development of robust systems and efficient clinical governance sets us apart from the rest.. A notable example is the standardisation of case sheets across all KIMS units.

This initiative has improved clinical documentation ensuring continuity of care, strengthening internal audits and contributing to better patient outcomes.

EXCELLENCE IN STANDARDS is our day-to-day **PASSWORD** for our actions. Adherence to highest standards is not meant for pursuing accreditations but remains a way of life for KIMS. We implement robust protocols because they form the foundation of safe, high quality and consistent care. The Heads of Departments, consultants and clinical teams are actively involved in deploying and refining protocols. A culture of collaboration, continuous communication and timely dissemination of revised guidelines enables hospital-wide alignment on care, standards and safety.



CMD Dr. Bhaskara Rao with our "QUALITY" team

International Patient Safety Goals: A Daily Practice

All KIMS Hospitals have adopted the Joint Commission International Patient Safety Goals, integrating them into everyday clinical operations.

- Correct Patient Identification**
Every patient is identified using two unique identifiers prior to treatment. There have been no errors observed in patient identification.
- Effective Communication**
Critical patient information is clearly and promptly communicated across teams. Interactions with patients and caregivers are thorough and well documented.
- Safety of High Alert Medications**
Stringent protocols are followed to manage high alert medications, covering labelling, storage and administration. No major incidents have been reported.
- Correct Site, Correct Procedure, Correct Patient Surgery**
The WHO Surgical Safety Checklist is strictly followed including site marking and time out protocols. There have been no instances of wrong site or wrong patient surgeries.
- Infection Prevention and Control**
Measures such as rigorous hand hygiene, sterilisation and use of PPE are implemented across all locations.
- Fall Prevention**
All patients are assessed for fall risk, with safety mechanisms like washroom alarms, bedside rails and monitoring in place. Plans are underway to introduce night time bed exit alarms for high-risk patients.

Awards and Accreditations: A Rewarding Journey

KIMS Hospitals has been recognised by reputed organisations such as AHPI, CAHO, Times of India, APSIC and others for excellence across areas like

- Quality systems and clinical operations
- Nursing excellence and stroke rehabilitation
- CSSD protocols and endoscopy services
- Antibiotic stewardship and many more

Since initiating our quality journey in 2007, we have secured several certifications and accreditations, including:

- ISO for Quality Management Systems
- NABL for Laboratory Accreditation
- NABH for Hospital, Emergency Department and Nursing Excellence
- PDQ for Progressive Quality Certification
- FSMS for Food Safety Management Systems
- NABH for Digital Health Standards
- AACI from the American Accreditation Commission International

Strengthening Preparedness and Compliance

Across all our hospitals, emergency escape routes and exits are clearly demarcated. Staff are regularly trained in emergency codes, with frequent mock drills conducted to prepare for fire, disaster or medical emergencies.

Operational protocols and hospital manuals are reviewed and updated annually. This ensures our practices remain current with national and global standards, reinforcing both legal compliance and patient safety.

Our Vision Ahead

Our progress from ISO certifications to recent digital health recognitions illustrates our continued focus on excellence and innovation. As we look ahead, we remain anchored in our vision:

To be the most preferred healthcare services brand, delivering affordable quality care with the best clinical outcomes.



KIMS receives award for EXCELLENCE IN HEALTHCARE.

CHAIRMAN AND MANAGING DIRECTOR'S STATEMENT



Dear shareholders,

I am delighted as ever in welcoming you to the Annual General Meeting 2024-25. As I present the Annual Report, two events stand out in my mind. One fills the heart with terrific horror and the other with sublime joy.

I am referring to the dastardly terrorist attack at Pahalgam in April 2025, where 26 innocent tourists were killed. In a heroic retaliatory attack aptly titled OPERATION SINDHOOR, India taught a fitting lesson to the enemy nation. In confronting terrorism, India stood united, resolute and unambiguous in its message to the world.

Second event is the Maha- Kumbh mela in January 2025 lasting 45 days which turned out to be the largest human congregation in the world symbolising faith and tradition. It proved what faith and determination can accomplish despite numerous hurdles. People from all walks of life - rich and poor, famous and ordinary, the rulers and the ruled took part in the joyous event.

On both occasions, the nation stood as one in condemning the former and celebrating the latter.

Our Silver Jubilee journey

This year assumes special significance as it is our Silver Jubilee year. KIMS was born 25 years ago in my native town- Nellore with a staff strength of less than hundred. Over the years, it has evolved into a *Reservoir of Healthcare* with presence in five states

and a bed capacity of 8000+ and a strong workforce of 20,400. In this Silver jubilee year, we made our foray into Mumbai and Karnataka. In April 2025, we launched our Thane unit followed by two units at Bangalore.

These units constitute a big leap for your company as they are going to be new growth centres catering to a wide array of patients. We also opened two units at Kannur and Kollam in Kerala. All these are full-fledged centres with all specialties, super specialties and latest equipment.

Expansion has no meaning unless it is accompanied by Excellence. Each new unit is yet another TEMPLE OF HEALTH brimming with passion and expertise.

With the launch of new centres, KIMS further strengthens its mission of pursuing excellence in ethical and sustainable healthcare, backed by advanced technology. It represents a seamless blend of modern infrastructure and a deep-rooted value system. It not only stands for Medical Excellence but also embodies our unwavering faith in Equity, Empathy and Ethical care.

Our core agenda is to make healthcare available at places where people earlier had to travel to far off cities for surgeries and specialist services. It gladdens my heart to see that today even Organ transplantations are taking place in remote towns, thanks to the presence of KIMS.

The first liver transplantation in Rayalaseema region in Andhra Pradesh took place in KIMS hospitals at Kurnool. Similarly, another liver transplantation took place at KIMS in Srikakulam, a backward district in the same state. These accomplishments offer a strong hope that top class healthcare can truly reach the remote corners of the nation.

Quality

Our lives are encompassed by quest for quality which remains elusive in most cases. We want quality food, quality sleep, quality air, quality time for family and quality in everything. Quality is not a by-product. It is essentially the result of a conscious and continuous and an on-going effort.

At KIMS, quality is all pervasive. It includes clinical excellence, timely attendance, care and concern, ensuring patient comfort at every stage from entry to the point when patient is discharged. Our doctors, nurses and staff are imbued with quality consciousness and the systems and the process are designed to exude quality at every stage.

KIMS was born with fundamental principle of quality, and we nurtured it in letter and spirit. That remains the secret of our success, sustainability and growth.

Service and humanity are central to our ethos

We made the right investments - not just in Projects, but in ideas and people to redefine healthcare. The 4 Ps that define our journey are Purpose, People, Process and Performance.

On this occasion, I am overwhelmed with a sense of gratitude, pride, and determination — gratitude to the millions of patients for their trust; pride in having lived up to their expectations; and determination to serve them even better in the coming years by blending technology with our trademark hospitality and personalised care.

Financial and Operational Highlights

I am pleased to state that your company recorded impressive growth in all areas as can be seen from the following financial analysis.

- Our consolidated revenue stood at ₹ 30,670 Mn for FY 25 compared to ₹ 25,143 Mn in FY 24, showing a growth of 22%.
- EBIDTA stood at ₹ 8,148 Mn against ₹ 6,533 Mn in FY 24 recording a growth of 25%.
- PAT for the year stood at ₹ 4,148 Mn against ₹ 3,359 Mn in the previous year FY 24 recording a growth of 23%.
- IP & OP volumes grew by 11.6 % & 14.1% respectively.
- ARPOB for FY 25 stood at ₹ 39,158 against ₹ 31,916 in FY 24, registering an increase of 22.7%.

Health in general

As a healthcare professional, I tend to dwell about health on every occasion and today is no exception. The age-old adage - PREVENTION IS BETTER THAN CURE, sounds more relevant now than ever because of the upsurge we are witnessing in lifestyle diseases. The country has already got the dubious distinction of being the global capital of diabetes contributing 23.7% of global diabetic patients. Obesity has become a silent epidemic and the studies reveal that over 20% Indian men and Women are obese. This increases the public health challenge by exacerbating conditions such as Type 2 diabetes, cardiovascular diseases and musculoskeletal disorders. The Prime Minister took the 'weight' upon himself in launching a drive against the obesity. It had an electrifying ripple effect.

The CBSE directed all its schools to establish 'sugar boards' to educate students about perils of excessive sugar or oil. In tune with CBSE directive, several Private schools also have launched awareness campaigns. In the wake of Prime Minister's call, now all government offices including various ministries, hospitals, railway stations and even airports will display 'oil and sugar boards' to promote healthy lifestyles and combat non- communicable diseases (NCDs). On our part, we have intensified our campaigns for creating awareness on healthy food habits. However, in addition to the awareness programs initiated at various levels, fiscal policies must be introduced to make healthy food options affordable and accessible while discouraging unhealthy choices through higher taxes on sugar-sweetened beverages and ultra-processed foods.

Let's try to give coming generations a great future — not a sweet future, meaning a future not littered with oil- and sugar-triggered disorders.

CHAIRMAN AND MANAGING DIRECTOR'S STATEMENT CONTD...

Unlike earlier times when focus was more on curative aspects, the future demands that we need to concentrate our energies and strategies on preventive measures. The government, the hospitals and the society must take an active part in ushering awareness and implementing necessary initiatives.

Considering that the senior citizens population is increasing, we must gear up the infrastructure for increased palliative and end-of-life care to ensure a better quality of life. The rehabilitation centres also assume increased importance in this context. We have recently opened an exclusive Rehabilitation center at Hyderabad and we are planning to add more. Thus, PREVENTIVE CARE AND CARE FOR THE AGED are the areas that deserve immediate attention and action.

Our main strength – Human Resources

We have a vast intersection of humanity, each with a distinct cadence of thought, vision and dreams.

The WOMEN STRENGTH is more than our MANPOWER. Women employees comprising of eminent Doctors, scientists, technicians, nurses, administrators and others constitute 53 percent of our total workforce.

A crucial function of leaders at all levels is to replicate their leadership by nurturing and mentoring talent. We have a congenial and competitive work environment that fosters dynamic teamwork to excel and achieve the corporate objectives. The crux is to optimise professional accomplishment and personal fulfilment that is curated by our work culture.

Corporate Governance

KIMS upholds highest standards of corporate governance ensuring transparency, accountability and integrity in all our operations. Corporate governance is not merely a statutory requirement but a fundamental pillar of our culture, guiding our decision-making process and actions to create long-term value for our stakeholders.

Corporate Social Responsibility (CSR)

The company's transformative CSR initiatives are a source of pride and fulfilment for us. From addressing public health to imparting skill education to empowering women, KIMS is playing a key role through its CSR activities. We conduct camps continuously in remote parts creating awareness and distributing medicines. A special Cancer Mobile Unit is always on the move, spreading knowledge and conducting screening tests for early detection. Special focus is laid on providing education to underprivileged sections of society.

As a part of CSR initiatives, we launched National Tele Medicine facility for the deaf and dumb which offers sign language- enabled virtual care ensuring communication and access to medical consultations. Majority of deaf people don't approach the doctors because of the communication problem and our initiative will help in mitigating such obstacles and make healthcare accessible to them.

Another stellar contribution worth mentioning is - DRISTI, an AI based smart vision glasses that provide real-time audio guidance and object detection to visually impaired users enabling independent mobility and digital integration for care monitoring. The product was launched and free distribution of glasses was done in a solemn function graced by the governor of Telangana Sri Jishnu Dev Varma and other luminaries like Padma Sri awardee Gullapalli Nageswara Rao, founder- LV Prasad eye institute. This apparatus will greatly help the visually impaired to be on their own.

Our Shareholders

Our relationship with our shareholders is much more than a transaction. Their shares are interwoven with improving health of people and saving lives. The thought that your investment is saving a life somewhere is very fulfilling.

Recently a promising youth came and told me that his father sold his KIMS shares purchased four years ago to fund his education abroad as the value quadrupled. These are the things that keep us driving to add value to your investment. Stakeholder value through 'purposeful performance' is indeed the bedrock on which healthy enterprises are built. This kind of value addition is sure to spawn further growth.

Health Insurance

A wide health insurance coverage is essential to make healthcare more affordable and accessible. What is causing concern is the down trend in insurance penetration. The share of total premiums to GDP edged down to 4 percent in 2022-23 from 4.2 percent in 2021-22. The concerns were recently reiterated by the Union government which asked the Insurance Regulatory and Development Authority (IRDAI) to rein in the skyrocketing premiums and speed up claims settlement.

Astronomical premiums and complex claim process with high rejection rates are the main factors impeding Insurance penetration. A recent survey showed that health insurance premiums have soared 73 percent since 2020. The steep rise in premiums from pre- Covid levels and rising rejection rates have pushed a larger section of consumers to opt out of coverage altogether.

It is observed that 11 percent of health insurance claims are usually denied, while 6 percent are kept pending for long. Apart from rejections, as many as half of claims suffer from partial approvals and delays. There has to be a clear, transparent and swift process for settlement of claims and government is nudging the Insurance authorities in this direction. There is also long standing demand for the GST council to waive the 18% tax on premiums. Waiving GST for all health Insurance products would be a good start towards greater affordability and broader coverage.

The consumers should not consider insurance as a burden but as a gift to themselves and their families since it provides great relief in the hour of need.

It will be useful to have a roundtable conference of all concerned including the government and insurance authorities, hospitals and consumer forums to arrive at solutions for making health insurance mechanism more transparent, efficient and patient friendly so as to widen its coverage paving way for more accessible and affordable healthcare.

Artificial intelligence (AI)

Artificial intelligence is no longer emerging, it is embedding. It has made fast inroads into healthcare as well. One of its most significant impacts on healthcare is the ability to enhance diagnostic accuracy and speed. AI algorithms can analyse vast amounts of medical data, including images, genetic information and electronic health records to identify patterns and anomalies that may indicate disease leading to earlier detection and more efficient treatment. Moreover, AI is being used to develop personalised treatment plans based on individual patient characteristics by analysing genetic and medical history. These technologies have heralded unparalleled precision, efficiency and patient-centricity into healthcare.

However, we can't remain indifferent to the challenges and risks these technologies bring along in the form of cyber-attacks and unethical deployment of AI. Despite soaring trends of AI enterprise adoption, only 19% of Indian organisations have implemented clear policies and training for Gen AI use. Also, only a few maintain a comprehensive inventory of AI systems which is crucial for managing supply chain risks.

AI is not to be considered a panacea- a cure for everything and anything but a tool to assist in improving the quality

and quantity of our services. Terms like ethics, values and standards which are fundamental to our existence are alien to AI. It is no substitute to empathy, compassion, dedication and intuition of a doctor. Clinical care still requires the pulse of human presence. We have to be conscious of its limitations and also guard ourselves against the risks. You cannot endow even the best machine with initiative, which is human prerogative.

Each organisation has to deploy security governance framework and operating model with resilient systems that proactively address emerging threats and enhance detection capabilities to detect threats sooner.

As I begin to end my address, I intend to recall a recent event that greatly inspired me.

We are used to phrases like - Sky is the limit. Here is the new norm. India's group captain Shubhanshu Shukla who is also the Mission Pilot of AXIOM -4 Mission spoke thus to Prime Minister Modi from the International Space Station (ISS)- SKY IS NEVER THE LIMIT, NOT FOR ME, NOT FOR YOU, NOT FOR THE 140 CRORE INDIANS, a distinct departure from the age-old motto of SKY IS THE LIMIT. The message from the young astronaut is indeed inspiring and **we need to aim beyond the Sky. Sky is no longer the limit.**

Our first Prime Minister Jawaharlal Nehru in his well acclaimed book - DISCOVERY OF INDIA, unearthed the roots and strengths of India.

A DISCOVERY OF NEW INDIA is taking place under the dynamic leadership of our present Prime Minister Narendra Modi who awakened the dormant potential of the nation. The world is witnessing a resilient, resurging and bold India

I would like to thank our Doctors and staff, the distinguished Board of Directors, Investors, Bankers and above all our PATIENTS and their families for their trust and support.

I conclude now reaffirming our resolute commitment to the future of healthcare that is not only technologically advanced but also rooted in trust, humility and humanity. We continue to play pivotal role in delivering ethical and affordable healthcare. The future of healthcare involves keeping people healthy, not just treating the sick.

Regards,

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director

CEO'S STATEMENT



Dear shareholders,

This year stands as a momentous chapter in the journey of Krishna Institute of Medical Sciences (KIMS) — marking 25 years of Dedication, Diligence and Distinction in delivering trusted, accessible and advanced healthcare.

Twenty-five years ago, we began a journey with a simple yet profound mission: to build temples of health where high-quality, advanced medical care was both accessible and affordable. What began in Nellore as a single hospital rooted in the purpose of service has today evolved into one of India's most trusted and advanced healthcare networks. Our growth over this quarter-century has been driven not by infrastructure alone, but by the enduring trust of millions of patients and the unswerving commitment of our clinical and non-clinical teams.

The financial year 2024-25 has been a reflection of this legacy, marked by robust growth, strategic expansion and a reinforced commitment to our core values. We strengthened our leadership in core markets while making decisive inroads into new geographies, laying a strong foundation for the next phase of our growth journey.

Delivering on Our Promises: A Year of Strategic Expansion

This year was defined by action and execution. We significantly expanded our geographical footprint, bringing the KIMS standard of care to new communities. Our hospitals in Nashik and Sangli in Maharashtra, Kannur and Kollam in Kerala and Guntur in Andhra Pradesh were successfully commissioned, marking a meaningful step in our growth journey.

Moreover, we marked a significant milestone with our entry into the crucial western India market through the soft launch of our state-of-the-art, 300-bed facility in Thane, Mumbai. This development, along with two upcoming hospitals in Bengaluru that are nearing completion, will play a pivotal role in accelerating our future growth and reducing geographical concentration risk.

These new assets are not just additions to our network; they are gateways to serving millions of new patients and establishing KIMS as a pan-Indian healthcare provider. Our ability to deliver complex care was also showcased by our Kurnool unit successfully completing 50 renal transplants—a remarkable feat for a hospital in a Tier-2 city, reflecting our commitment to decentralising clinical excellence.

Redefining Care through Operational and Technological Excellence

Our strategic expansion has been underpinned by exceptional operational performance. For FY 2024-25, our consolidated revenue grew by an impressive 22.0% to reach ₹30,670 million. More importantly, our focus on operational efficiency and a superior case mix led to a 24.7% increase in EBITDA to ₹8,148 million, with a healthy EBITDA margin of 26.6%. This strong financial performance is a direct result of our clinical leadership. Our Average Revenue Per Occupied Bed (ARPOB) grew by a robust 22.7%, while our Average Length of Stay (ALOS) improved to 3.66 days, reflecting our ability to handle more complex procedures with greater efficiency.

At KIMS, we believe technology is a powerful enabler of compassionate care. This year, we cemented our position as a technology pioneer by introducing several first-in-region and first-in-country medical systems.

The installation of South India's first Gamma Knife offers a non-invasive, high-precision solution for brain conditions. We are also proud to be the first and only hospital in India to offer TULSA-PRO, a revolutionary, incision-free technology for prostate treatment. These technologies, along with our advanced robotic surgery systems, allow us to offer treatments that are safer, less painful and ensure a much quicker recovery for our patients.

Charting Our Course for the Next Decade

As we look to the future, our strategy is clear; to pursue disciplined, sustainable and profitable growth. Our immediate

priority is to successfully ramp up operations at our new hospitals in Thane and Bengaluru, establishing a strong foothold in these vital metropolitan markets.

Simultaneously, we will continue to deepen our presence in our core states through a combination of brownfield expansion and new greenfield projects. We have already identified opportunities to add significant capacity in Kondapur, Srikakulam, Ongole and Anantapur. We will also leverage asset-light Operations & Management (O&M) models, which allow for rapid, capital-efficient expansion. While we pursue this growth, we remain committed to maintaining a strong balance sheet and a prudent approach to debt.

Our vision for the next decade is to continue the growth trajectory we have established, building a resilient and diversified healthcare institution that consistently creates value for its stakeholders. We are confident that our strategic roadmap, backed by our proven execution capabilities, will enable us to achieve this vision.

On behalf of the entire KIMS family, I extend my heartfelt gratitude to you, our shareholders, for your continued trust and support. Your faith in our mission empowers us to reach for greater heights. We look forward to embarking on the next 25 years of this incredible journey with you.

Regards,

Dr. Abhinay Bollineni
Chief Executive Officer

BOARD OF DIRECTORS

Visionary guidance



Dr. Bhaskara Rao Bollineni
Founder and CMD

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



Dr. Abhinay Bollineni
Executive Director & CEO

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



Ms. Anitha Dandamudi
Whole-time Director

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

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



Mr. Adwik Bollineni
Non-executive Director

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

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



Dr. Saumen Chakraborty
Independent Director

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



Mr. Venkata Ramudu Jasthi IPS (Retd.)
Independent Director

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



Mr. Ratna Kishore Kaza
Independent Director

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



Ms. Prameela Rani
Independent Director

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



Mr. Suresh Natwarlal Patel
Independent Director

Suresh N Patel held many distinguished positions in his illustrious career. He had a long banking career culminating in heading Andhra Bank as its MD & CEO from November 2015 to December, 2017. He was the Vigilance Commissioner/ Central Vigilance Commissioner (CVC) from 29th April 2020 to 24th December, 2022. His long experience in banking and administration will be a valuable asset to our organisation.

KEY MANAGERIAL PERSONNEL



Mr. Sachin Ashok Salvi
Chief Financial Officer

Salvi is a Chartered Accountant with over 20 years of experience in finance, accounting, financial reporting, and regulatory compliance. He has played a key role in managing IPO processes, including financial restatements and due diligence. His expertise spans IndAS, ICDS, ICDR regulations, GST, direct and indirect taxation, and regulatory liaison with SEBI, RBI, and tax authorities.

He began his career with SD Khanolkar & Co., Mumbai, and later served as Finance Controller and CFO at Thyrocare Group, Navi Mumbai.



Dr. J.R. Nagajayanthi
Company Secretary and Compliance Officer

J.R. Nagajayanthi (FCS-7148) is a Fellow Member of the Institute of Company Secretaries of India. She holds a B.A. (Honours) in Economics from Delhi University, a Law degree from Osmania University, and has completed both a Master's degree and a Doctorate in Financial Management. Ms. Nagajayanthi brings with her over 25 years of experience in the fields of Secretarial practice, Legal affairs, Corporate Finance, and Compliance.



Prioritising Growth, Expanding Wellness Horizons

At KIMS, our journey is catalysed by dynamic and calibrated strategies. By identifying key areas of growth that align with our strengths, we enter into new markets. Expansion does not mean mere quantity but includes quality. It is built on clinical excellence, operational efficiency and deep regional insight.

FY 2025 marked a progress towards geographical expansion embracing natural extensions of our core markets. As we strengthen our presence in Southern India and foray into Central and Western regions, we maintain scalable and sustainable growth.

OUR STRATEGIC PRIORITIES

Advancing Access, Enhancing Care

In FY 2025, KIMS Hospitals remains firmly committed to its mission of delivering accessible, high-quality patient care across the nation. Our strategic focus has been on expanding our geographical footprint, integrating advanced medical technologies and enhancing healthcare services. These combined efforts have driven sustained growth and strengthened our position as a leading healthcare provider in India.



Strengthening Our Geographical Footprint

We expanded our presence to serve more communities, providing accessibility to speciality services across states. These efforts, therefore, widened our presence and enhanced patient access.

- **New Hospital Launches:** Operationalised full-fledged units in Nashik and Sangli (Maharashtra), Kannur and Kollam (Kerala) and Guntur (Andhra Pradesh).
- **Presence in Vizag:** Launched our second unit at Seethammadhara, with a **fertility centre, Paediatric and Childcare unit** under the 'Cuddles' brand and a **specialty care centre**.
- **Expansion in Hyderabad:** Introduced a dedicated foot care clinic and a rehabilitation facility.
- **Growth in the West and South:** Soft-launched in Thane, Mumbai and two hospitals in Bengaluru which are expected to be fully operational in the near future.

Integrating Leading-edge Technology

Having invested in world-class medical technologies, it establishes our position as a one-stop provider for advanced diagnostics and treatments, while setting standards for quality and precision-driven procedures.

- **Gamma Knife at Secunderabad:** First installation in South India for non-invasive neurosurgery, offering patient-centric treatment.
- **MRI-guided Focused Ultrasound:** India's first installation for treating tremors linked to Parkinson's disease and related tremor disorders.
- **TULSA-PRO:** An innovative, incision-free therapy for prostate conditions, with minimal side effects and swift recovery.
- **Robotic Technologies:** MR-Linacs and Mako Robotic Systems are enhancing clinical accuracy, particularly in Orthopaedics and Oncology.

Enhancing Speciality Services

With a strengthened profile across high-growth specialities, we continue to build centres of excellence and targeted care pathways, that foster patient trust, thereby, driving long-term value.

- **Cuddles Brand:** Focused on paediatrics, neonatal care and fertility, with new centres established in Vizag.
- **Advanced Urology and Renal Care:** Kurnool unit successfully operated 50 renal transplants, a key milestone for a regional facility.

- **Dedicated Foot Care and Rehab:** Introduced in Hyderabad to provide specialised recovery services for chronic and post-surgical patients.
- **Integrated Neurology and Oncology Services:** Offers coordinated care for complex neurological and cancer conditions through multidisciplinary teams and advanced technologies

Clinical Excellence and Academic Contribution

We provided high standards of clinical care, while strengthening our presence in academic and research forums. Our doctors regularly participate in the national and international events and many have won acclaim.

We emerged successful with 50 renal transplant cases at our Kurnool unit, reaching a significant benchmark for a tertiary facility in a small town. Our teams presented five original research papers at the International Abdominal Wall Reconstruction (AWR) Conference in Chennai. KIMS Secunderabad hosted a nationwide Paediatric and Urology summit that drew over 300 delegates from various parts of the country. Our lung transplant team did India's first double lung re-transplant. It also performed successful multi organ Heart and Kidney transplant besides successful Bilateral lobar cadaveric lung transplant. The team launched '**MY Transplant App**' for the better patients follow up across the world. We hosted 4th edition of **LUPUS Ramp Walk**, a powerful initiative to raise awareness to about lupus, an autoimmune disease that predominantly affects women. The event enthused both the participants and audience. These are but only few of the examples of our clinical excellence and academic contributions.

Public Engagement and Health Awareness

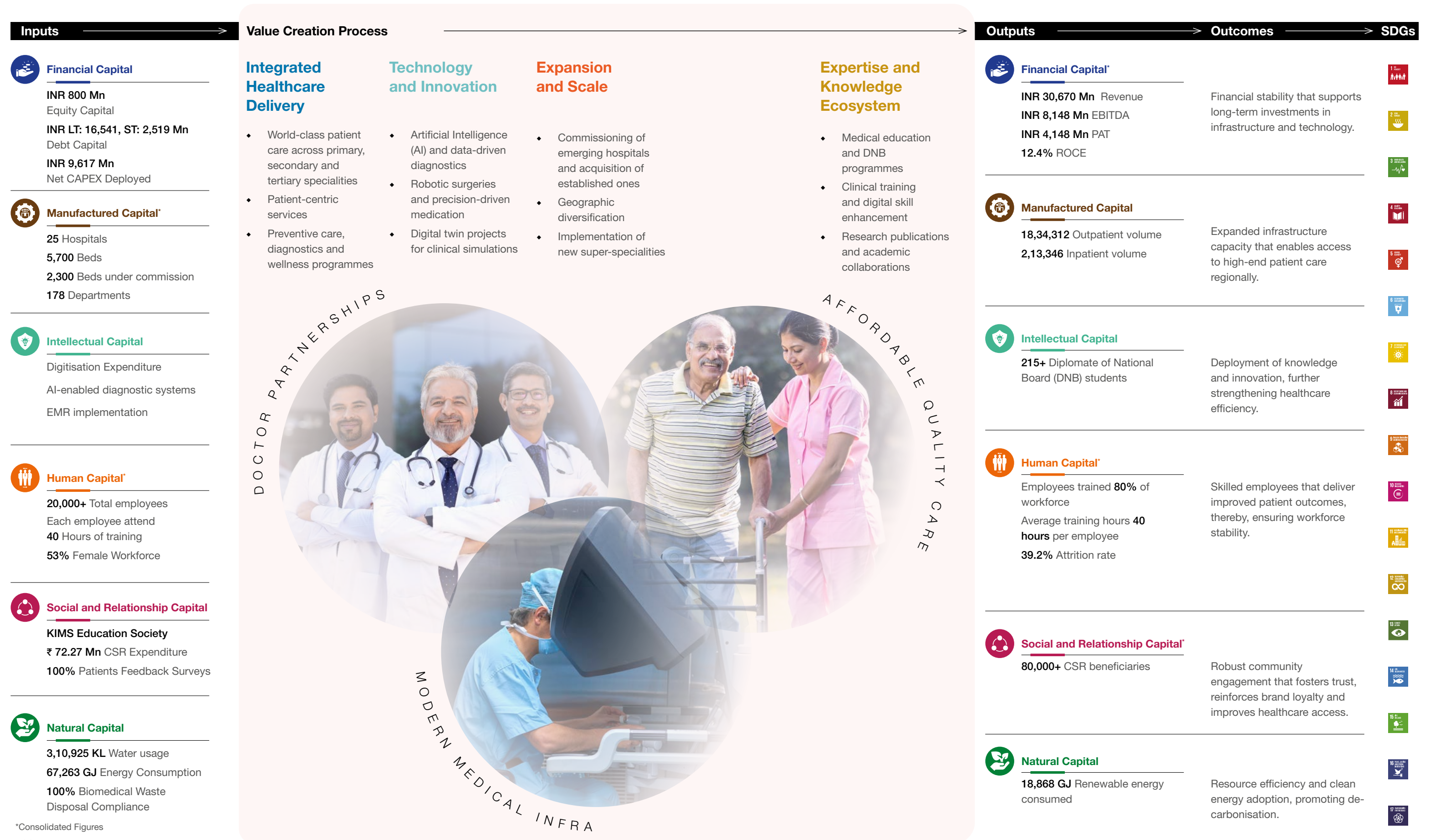
Beyond physical care, we promoted awareness on critical health issues by engaging with the community. During the year health awareness camp are conducted on regular basis across the state. Our mobile cancer unit reached remote areas in Telangana, Andhra and Odisha to screen the women for early detection and create awareness.

Our Ushalakshmi Breast Centre Director, Dr Raghuram, set two Guinness World Records — one for the largest in-person breast cancer awareness lesson with over 5,000 participants and another, for the highest YouTube views for a single-day awareness video.

Key Operational and Financial Metrics

In FY 2025, we achieved robust growth supported by operational efficiency and a balanced service. Revenues and profitability improved with better margins, while patient volumes surged at a steady rate for both inpatient and outpatient services. This performance reflects growing patient trust and effective utilisation of our resources.

OUR VALUE-ACCRETIVE Business Model



*Consolidated Figures

STAKEHOLDER ENGAGEMENT

Building Bonds of Trust

We engage effectively with our stakeholders through an inclusive, collaborative and responsive approach by prioritising shared value-creation and integrated decision-making. Their perspectives, insights and feedback shape our decisions, influence our strategies and ultimately contribute to our success, built on a legacy of trust.



Our Stakeholder Engagement Process

Identifying Stakeholders → Understanding Expectations → Developing Engagement and Communication Strategies → Capturing Feedback → Integrated Decision-Making → Responding Effectively → Consistent Monitoring and Collaboration



Investors

Priorities



- Business and financial performance
- Strategic roadmap for growth
- Return on Capital Employed (ROCE)
- Dividends and long-term value creation

Key Concerns



- Profitability and efficiency metrics
- Governance and transparency
- Risk management practices

Mode of engagement



- Regular updates via website, emails, newspapers and meetings
- Quarterly and annual reports
- Investor presentations and Annual General Meetings (AGMs)



Patients

Priorities



- Quality of healthcare services
- Affordable treatment options
- Patient-centric care
- Transparent and respectful communication

Key Concerns



- Data privacy and confidentiality
- Treatment accessibility and affordability
- Efficient appointment scheduling

Mode of engagement



- Multi-channel communication: website, SMS, newspapers, emails and pamphlets
- Patient feedback mechanisms
- 24x7 helpline and online consultation services
- Health awareness campaigns



Healthcare Professionals

Priorities



- Supportive infrastructure and systems
- Opportunities for Research and Development (R&D)
- Professional recognition and growth
- Technological and clinical excellence

Key Concerns



- Investment in advanced medical infrastructure
- Transparent evaluation mechanisms

Mode of engagement



- Communication via email, website, newspapers, SMS and meetings
- Internal medical board discussions
- Periodic feedback sessions



Employees

Priorities



- Career progression opportunities
- Safe, inclusive and supportive work environment
- Recognition and rewards for performance
- Learning and development

Key Concerns



- Work-life balance and mental well-being
- Diversity and inclusion at all levels
- Transparent HR policies

Mode of engagement



- Internal platforms: emails, SMS, notice boards, intranet and meetings
- Grievance redressal forums
- HR town halls and training workshops

STAKEHOLDER ENGAGEMENT CONTD...



Regulators

Priorities

- Compliance with health and safety standards
- Ethical business practices
- Transparent disclosures
- Alignment with public health policies

Key Concerns

- Timely and accurate regulatory submissions
- Adherence to licensing norms and audits
- Quality and safety compliance

Mode of engagement

- Regular communication via website, emails and direct meetings
- Participation in audits, reviews and consultations
- Proactive compliance reporting



Community

Priorities

- Accessible and affordable healthcare
- Public health awareness and outreach
- Environmental responsibility

Key Concerns

- Better access to preventive healthcare
- Affordability of services
- Nutrition and child health

Mode of engagement

- Awareness through newspapers, websites, pamphlets and advertisements
- Health camps and mobile medical units
- CSR initiatives in preventive care



Suppliers/Vendors

Priorities

- Timely payments and fair contracts
- Clear procurement guidelines
- Long-term business partnerships
- Ethical sourcing

Key Concerns

- Supply chain transparency
- Shared risks and expectations

Mode of engagement

- Meetings, contracts and periodic reviews
- Supplier audits and onboarding programmes
- Performance-based feedback



Industry Associations

Priorities

- Sectoral innovation and standard establishment
- Policy advocacy and representation

Key Concerns

- Access to emerging healthcare trends
- Support for collaborative R&D
- Sectoral regulatory alignment

Mode of engagement

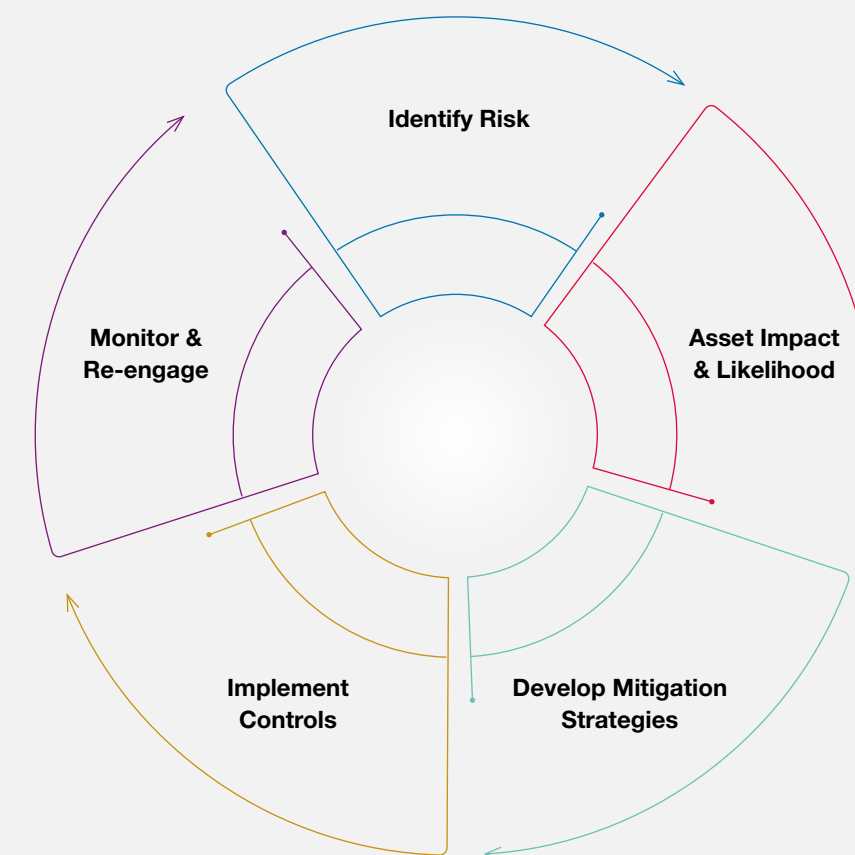
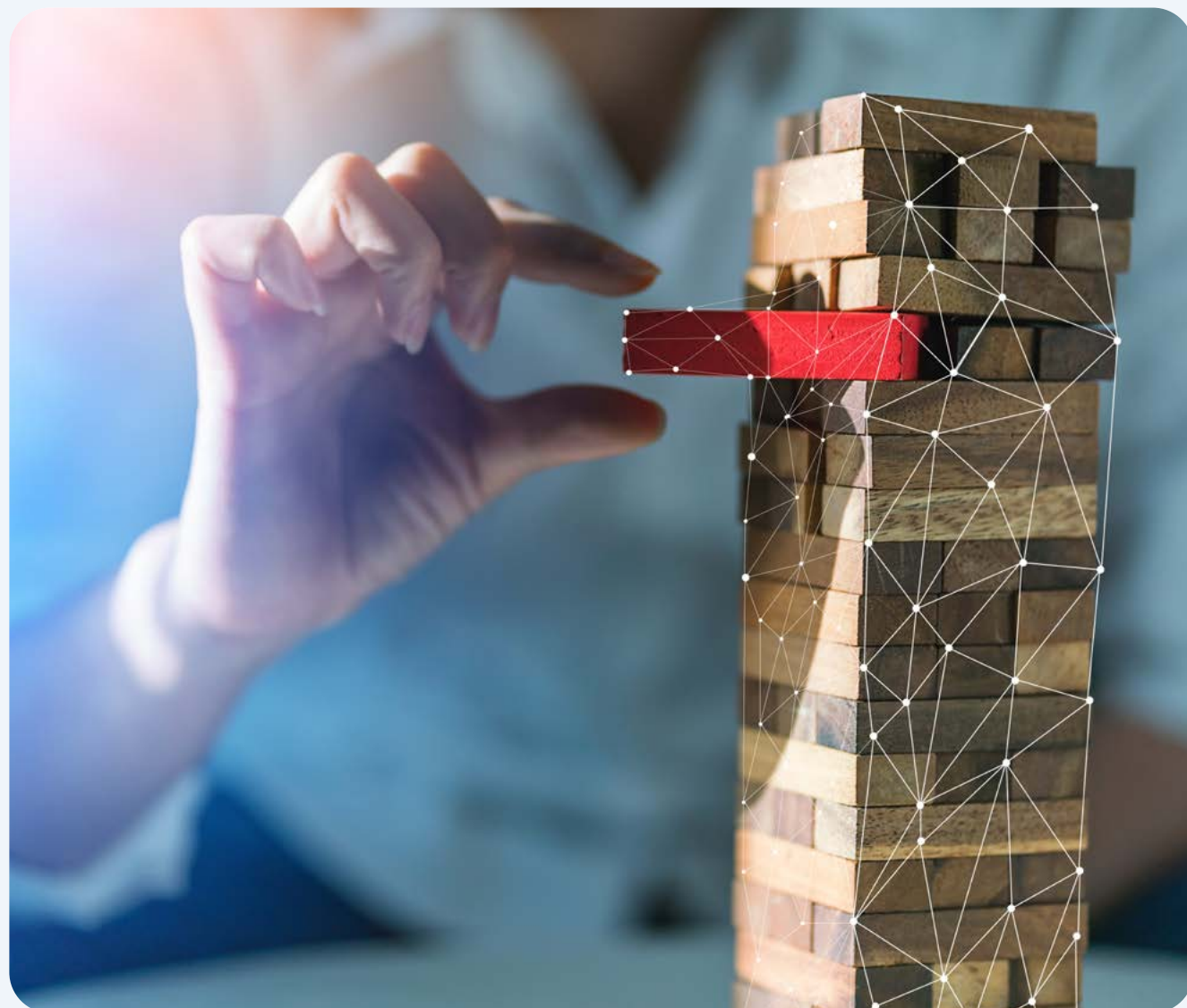
- Participation in seminars and forums
- Collaborations through newsletters, websites, pamphlets
- R&D tie-ups and clinical knowledge exchange



APPROACH TO RISK MANAGEMENT

Managing Risks Effectively

In the dynamic healthcare landscape, effective risk management is imperative for operational stability, safeguard patient outcomes and support strategic growth. At KIMS Hospitals, we have institutionalised a robust risk governance framework that enables us to identify, assess and mitigate a multitude of clinical, regulatory, financial, technological and reputational risks. By embedding risk oversight into an integrated decision-making model, we bolster organisational resilience, thereby, creating sustained value for all our stakeholders.



Key Risks and Mitigation Measures

Regulatory and Compliance Risk

Risk

Operating across multiple states with evolving regulatory environments increases our exposure to changes in licensing norms, price caps, and healthcare policies. Unprecedented regulatory shifts could impact our service delivery models or profitability.

Mitigation

Our central compliance team ensures proactive monitoring of applicable regulations and coordinates timely alignment. Regular internal audits, third-party reviews and stakeholder engagement bolster our preparedness and responsiveness.

Clinical and Patient Safety Risk

Risk

Any lapse in clinical protocol, infection control or treatment safety could adversely impact patient outcomes, consequently affecting brand reputation through litigation measures. The risk amplifies with high volumes and surgical complexity.

Mitigation

We have standardised clinical SOPs, stringent infection control protocol and enforced a well-trained quality and patient safety team. Consistent medical training, peer review systems and regular audits reinforce patient safety.

APPROACH TO RISK MANAGEMENT CONTD...

Cybersecurity and Data Privacy Risk

Risk

Increased digitalisation of medical records and teleconsultation raises vulnerability to cyberattacks, data theft and IT system disruptions. Such breaches could compromise patient confidentiality, leading to regulatory penalties.

Mitigation

We have deployed a comprehensive cybersecurity framework by conducting periodic security assessments and investing in state-of-the-art infrastructure. Employees are trained in data protection practices to ensure compliance with applicable IT and data privacy norms.

Geographic Concentration Risk

Risk

A significant portion of our capacity and revenue is concentrated in Andhra Pradesh and Telangana, exposing us to regional vulnerabilities like natural disasters, political shifts or policy volatility.

Mitigation

We are expanding our geographical footprint in Maharashtra and Karnataka through greenfield projects and asset-light models. This reduces concentration risk and provides access to a diversified customer base.

Talent Retention and Availability Risk

Risk

The healthcare sector faces acute shortages of skilled professionals, especially in Tier 2 and 3 cities. High attrition rates or recruitment challenges could compromise service quality and hinder capacity utilisation.

Mitigation

We promote in-house talent development through Diplome of National Board (DNB) programmes and offer competitive benefits, housing support and career-oriented development opportunities. Our employee engagement and recognition initiatives foster long-term retention.

Project Execution and Expansion Risk

Risk

Expansion through greenfield projects or acquisitions involves risks in terms of delay, budget overrun or integration issues. Such challenges may disrupt scheduled timelines and impact capital efficiency.

Mitigation

Projects are meticulously evaluated by dedicated project management teams and governed by board supervision. Our cluster-based expansion strategy facilitates regulated phase-wise execution with efficient scaling.

Reputation and Service Quality Risk

Risk

Negative patient experiences, social media counter-reactions or medico-legal incidents can severely impact brand recognition, recall and referral rates. Reputation is a critical intangible asset in the healthcare sector.

Mitigation

We maintain patient-first practices, prompt grievance redressal and proactive public opinion tracking. An efficient ethics committee and quality control systems ensure service consistency and transparent engagement.

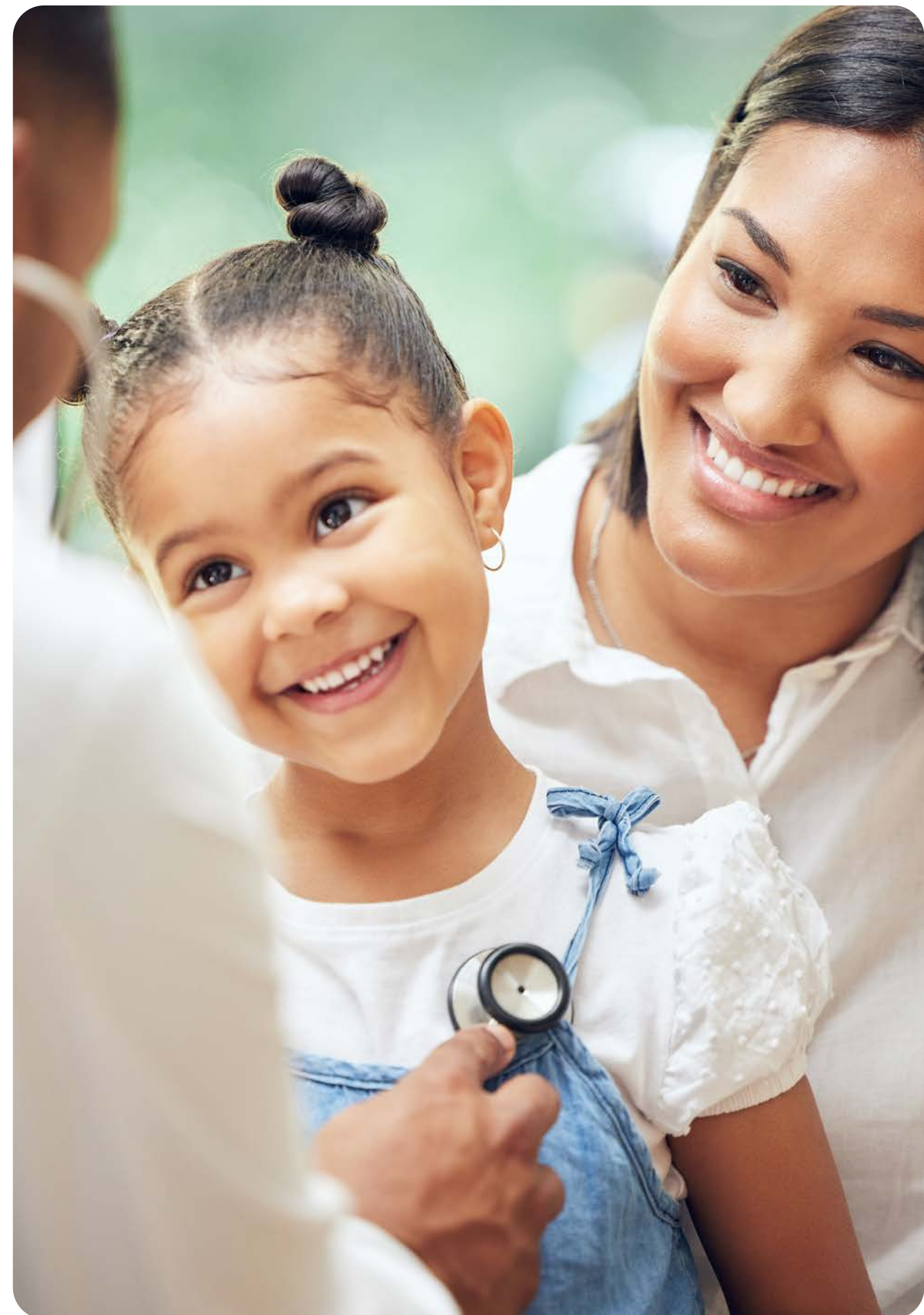
Inflation and Input Cost Escalation Risk

Risk

Volatility in prices of medical consumables, electricity, rent and personnel expenditure may negatively impact margins, particularly in a regulated pricing environment.

Mitigation

We leverage in-house pharmacies and diagnostic labs to reduce external reliance. Strategic procurement, long-term supplier agreements and operational efficiency help limit input cost inflation.



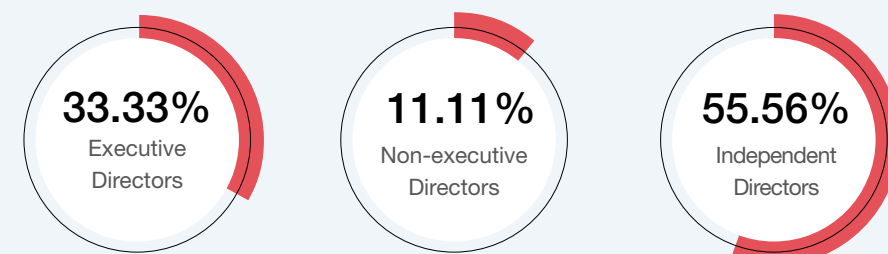
CORPORATE GOVERNANCE

Ethics and Compliance at the Core

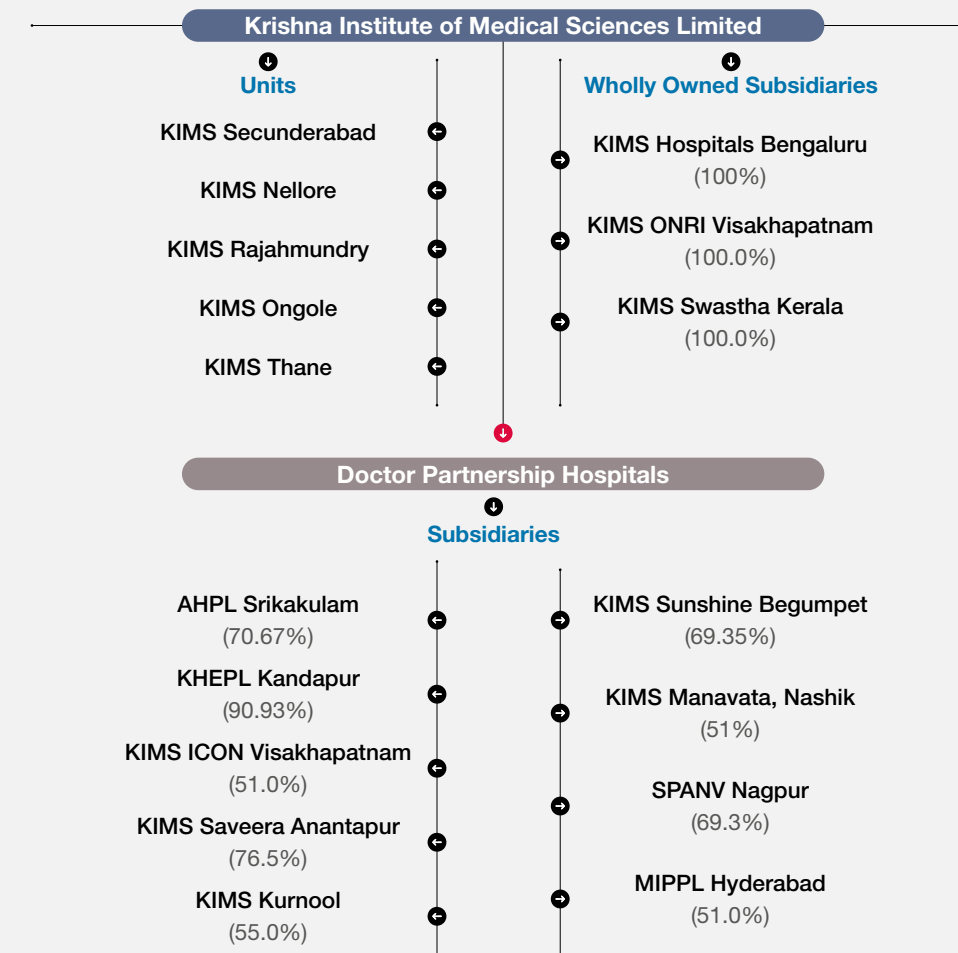
At KIMS Hospitals, we believe that strong governance is the foundation for sustainable growth through accountability practices, instrumental in fostering stakeholder trust. Our governance framework prioritises transparency, ethical conduct and regulatory compliance, thereby enabling effective oversight in accordance with our strategic objectives, promoting responsible decision-making across all levels of the organisation.



Board Composition



Corporate structure



Our committees

We have established dedicated board-level committees to provide focused oversight on key areas such as financial reporting, risk management, remuneration, stakeholder relationships, corporate responsibility and digitisation. These play a vital role in strengthening governance practices and ensuring regulatory compliance.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Risk Management Committee
- Finance and Investment Committee
- IT Steering Committee
- Quality and Safety Committee
- Ethics Committee
- POSH Committee
- Grievances Committee

Our Policies

A comprehensive set of policies guide our approach to governance, risk, ethics, stakeholder engagement and operational transparency. These policies ensure consistent operations that align with our objectives and values. Regular reviews are instrumental in maintaining relevance, thereby bolstering efficiency.

- Policy for Preservation of Documents
- Whistleblower Policy for Directors and Employees
- Policy for Determining Material Subsidiaries
- Policy on Code of Conduct
- Policy on Related Party Transactions
- Policy on Prevention of Insider Trading
- Policy of Nomination and Remuneration
- Policy on Diversity
- Policy for Determination of Materiality Threshold
- Policy on Familiarisation of IDs
- Dividend Distribution Policy
- Policy on CSR

CLINICAL

Achievements

Our medical teams consistently perform complex and advanced procedures across various specialities, demonstrating clinical expertise with a patient-centric approach. These achievements reinforce our ability to manage challenging cases with precision, supported by cutting-edge technology and state-of-the-art equipment. Notably, many of these procedures have been successfully carried out at our hospitals in smaller towns, highlighting our efforts in promoting quality and accessibility in healthcare.

Medical Miracles at KIMS

Successful Removal of 3.7 KG Large Abdominal Tumor from 14-Year-Old Somali Girl at KIMS Cuddles Hospital

Hyderabad, 14th May 2024: Pediatric Surgery team of doctors at KIMS Cuddles Hospital in Secunderabad, successfully removed a massive 3.7 kg tumor from the stomach of a 14-year-old girl from Somalia. The young patient, who had been suffering from chronic vomiting, severe stomach pain and loss of appetite, had previously visited several hospitals in her home country where the tumor was detected by CT scans. However, due to the tumor's size and location, the local doctors were unable to perform the surgery.

Hyderabad, these KIMS Cuddles Hospital for its renowned pediatric care. The multidisciplinary team, including Pediatric Surgeons and Dr. V. Anand Kumar, Chief of department and senior consultant Urologist at KIMS Hospital, explained the procedure and the rationale surgery was performed. "This

KIMS performs rare kidney surgery on 3-year-old girl

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KIMS Saveera doctors save victim of snake-bite

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8-YEAR-OLD GIRL RECOVERS FROM RARE ACL TEAR WITH ARTHROSCOPY AT KIMS KONDAPUR

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KIMS docs successfully perform high-risk surgery on heart patient

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Three Complex Neurovascular Conditions Treated Successfully in a Single Session

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KIMS performs complex heart surgery

CITY BUREAU Hyderabad

Heart surgeons at KIMS Hospitals, Kondapur, on Thursday announced successful completion of a redo surgery for valve replacement on a 25-year-old young mother from Hyderabad. The surgery involving replacement of three out of four heart valves, was conducted by Dr. Nisarga, Chief CT Surgeon, KIMS Hospitals.

The patient, who underwent a mitral valve replacement surgery when she was 16 years old had

KIMS uses AR, AI in brain surgery

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Rajpur Toddler Airlifted on ECMO and Treated for Chemical Pneumonitis because of All-Out Ingestion

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KIMS' successful laparoscopic surgery

CITY BUREAU Hyderabad

A couple, who suffered from long-standing issues of a severely weak stomach that was unable to support the fetus, finally achieved the dream of becoming parents. Seeking gynaecological services at Krishna Institute Medical Sciences (KIMS) Hospital, they underwent a successful laparoscopic surgery on the uterus during pregnancy, helping the woman carry the baby to term.

A 27-year-old woman from Hyderabad had experienced long-standing issues of a severely weak stomach that was unable to support the fetus, finally achieved the dream of becoming parents. Seeking gynaecological services at Krishna Institute Medical Sciences (KIMS) Hospital, they underwent a successful laparoscopic surgery on the uterus during pregnancy, helping the woman carry the baby to term.

4 kidney stones removed from infant at KIMS

Hyderabad, 14th May 2024: Pediatric Surgery team of doctors at KIMS Cuddles Hospital in Secunderabad, successfully removed a massive 3.7 kg tumor from the stomach of a 14-year-old girl from Somalia. The young patient, who had been suffering from chronic vomiting, severe stomach pain and loss of appetite, had previously visited several hospitals in her home country where the tumor was detected by CT scans. However, due to the tumor's size and location, the local doctors were unable to perform the surgery.

Hyderabad, these KIMS Cuddles Hospital for its renowned pediatric care. The multidisciplinary team, including Pediatric Surgeons and Dr. V. Anand Kumar, Chief of department and senior consultant Urologist at KIMS Hospital, explained the procedure and the rationale surgery was performed. "This

Groundbreaking Arthroscopic Cartilage Repair Surgery Performed at KIMS-Sunshine Hospitals in Hyderabad

Hyderabad, 14th May 2024: Pediatric Surgery team of doctors at KIMS Cuddles Hospital in Secunderabad, successfully removed a massive 3.7 kg tumor from the stomach of a 14-year-old girl from Somalia. The young patient, who had been suffering from chronic vomiting, severe stomach pain and loss of appetite, had previously visited several hospitals in her home country where the tumor was detected by CT scans. However, due to the tumor's size and location, the local doctors were unable to perform the surgery.

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CLINICAL ACHIEVEMENTS CONTD...

Man swallows dental set in sleep, removed by doctors in Vizag

The Hindu Bureau VISHAKHAPATNAM

In a strange incident, a 52-year-old man unknowingly swallowed his set of implanted teeth in his sleep. The seventh set reached his right lung and got lodged in it. However, the set was successfully removed by doctors, without causing any damage to his lungs.

The procedure was performed on December 3 and the patient was discharged on 6th. The doctor found the dental set in the right lung. We are now in a good condition to be okay after a review on Saturday. (Dr. Thota in the city had undergone a third dental set implant about three

'Staghorn stone' removed from man's kidney in city

The Hindu Bureau VISHAKHAPATNAM

A 40-year-old patient, M. Appalaiah, who presented with a massive staghorn stone in his left kidney, was successfully treated at KIMS Vizag Hospital. The patient was found to have a large stone in his left kidney, which had grown to a size of 15 cm. The stone was removed by doctors, without causing any damage to his kidney.

The procedure was performed on December 3 and the patient was discharged on 6th. The doctor found the stone in the left kidney. We are now in a good condition to be okay after a review on Saturday. (Dr. Thota in the city had undergone a third dental set implant about three

తెలుగు రాష్ట్రాల్లో తొలిసారిగా ప్రైవేట్ పరికరంతో చికిత్స

కర్నూలులోని కిమ్స్ ఆస్పత్రిలో ప్రైవేట్ పరికరంతో చికిత్స చేయబడిన ముగ్గురు రోగులు. కిమ్స్ ఆస్పత్రిలో ప్రైవేట్ పరికరంతో చికిత్స చేయబడిన ముగ్గురు రోగులు. కిమ్స్ ఆస్పత్రిలో ప్రైవేట్ పరికరంతో చికిత్స చేయబడిన ముగ్గురు రోగులు.

ఎక్స్‌క్యూటివ్ బాలుడి ప్రాణాలు నిలిపిన వైద్యులు

కర్నూలులోని కిమ్స్ ఆస్పత్రిలో ప్రైవేట్ పరికరంతో చికిత్స చేయబడిన ముగ్గురు రోగులు. కిమ్స్ ఆస్పత్రిలో ప్రైవేట్ పరికరంతో చికిత్స చేయబడిన ముగ్గురు రోగులు. కిమ్స్ ఆస్పత్రిలో ప్రైవేట్ పరికరంతో చికిత్స చేయబడిన ముగ్గురు రోగులు.

KIMS Saveera successfully treats two patients with acute MI

Saveera Hospital Kurnool

KIMS Saveera Hospital has successfully treated two patients with acute MI. The patients were brought to the hospital with chest pain and were treated with medication and surgery. The patients are now in a good condition and have been discharged from the hospital.

Docs remove 5 cm brain tumour in rare surgery

DC Correspondent KURNOOL

A rare brain tumour was successfully removed from a patient at KIMS Hospital. The tumour was 5 cm in size and was located in a rare location. The surgery was performed by a team of experts and the patient is now in a good condition.

City cardiologist performs Central India's first ROBOTIC-ASSISTED CABG SURGERY

Star Reporter KURNOOL

A city cardiologist has performed the first robotic-assisted CABG surgery in Central India. The surgery was performed on a patient with a heart disease and the patient is now in a good condition.

Young Man Undergoes Complex Surgery for Pancreatic Stones

KURNOOL

A young man has undergone a complex surgery for pancreatic stones. The surgery was performed by a team of experts and the patient is now in a good condition.

First robotic pediatric surgery performed

KURNOOL

The first robotic pediatric surgery was performed at KIMS Hospital. The surgery was performed on a young boy with a heart disease and the patient is now in a good condition.

Stuck in man's lung, pen cap removed after 21 yrs

Times News Network Hyderabad

A pen cap was removed from a man's lung after 21 years. The cap was found in the lung during a routine check-up. The doctors were surprised to find the cap in the lung and they performed a surgery to remove it.

Young wrestler beats knee injury to get back on the mat

KURNOOL

A young wrestler has beaten his knee injury and is back on the mat. The injury was sustained during a match and the wrestler was unable to compete for some time. He has now recovered and is back in action.

Kid treated for defective kidney at Kims hospital

KURNOOL

A young boy has been treated for a defective kidney at KIMS Hospital. The boy was born with a defective kidney and the doctors performed a surgery to correct it. The boy is now in a good condition.

KIMS docs save girl with rare tumour

EXPRESS NEWS SERVICE Kurnool

A girl has been saved by KIMS doctors from a rare tumour. The tumour was found in the girl's chest and the doctors performed a surgery to remove it. The girl is now in a good condition.

KIMS performs laparoscopic surgery on patient with HSK

KURNOOL

KIMS Hospital has performed a laparoscopic surgery on a patient with HSK. The surgery was performed by a team of experts and the patient is now in a good condition.

SOMETIMES WE INSPIRE PATIENTS MORE OFTEN, THEY INSPIRE US.

Here are the glimpses of such inspirations

Patient from a distant corner

We came from Assam Guwahati with the reference of Dr shahariya nephrology refer to Dr Gopichand urologist has treated he did the surgery named PUJ the surgery went successfully we meet Miss Nandita dey mam from northeast marketing services team she has coordinated us from the moment I arrived, they were incredibly helpful, guiding me through all the procedures and answering my questions patiently and thoroughly. They made the whole experience feel less stressful and more manageable. I felt well-informed and supported throughout hospital stay, and I'm grateful for their professionalism and dedication a special thanks for Dr. Gopichand and Miss Nandita dey mam for the help I really appreciate and pray for their bright future.

Professionalism coupled with compassion

I had a very reassuring experience with Dr. Likhiteswer Pallagani. He carefully reviewed my existing reports and diagnosed the issue. What truly stands out is his calm and positive approach-he explains everything clearly and helps you feel at ease throughout the process. His confidence and professionalism are truly comforting, and he always ensures you feel hopeful and informed. I highly recommend him to anyone looking for expert and compassionate urological care

Guiding patients all the way

I'd like to share my experience from 3rd day stay at kims hospital Secunderabad, where my friend's son got admitted for leukaemia. Dr. Narender Kumar Thota sir and team took very care for the patient and good patience in explaining all the doubts treatment was very good and financial counselling was the best I have ever seen in other hospital Swathi madam gave good suggestion and guided us how to approach insurance company and get cashless claim as Swathi madam fc guided we got insurance approval which will be very helpful for common people in finance, thank you Kims hospital for the best doctor thota sir and team and fc like Swathi madam

Accomplishments, Accolades and Awards

Accomplishments



Ranked No. 1 Hospital by Times of India (TOI), Hyderabad



American Accreditation Commission International (AACI) Accredited



Pharmacie De Qualite (PDQ)
Certification Overall PDQ Evaluation Performance Score - 98% Grading – PLATINUM



Best Patient Friendly Hospital- Association of Healthcare Providers (India) (AHPI) Health Care Excellence Award (2017)



National Accreditation Board for Hospitals & Healthcare Providers (NABH) Digital Standards Accreditation received for Kondapur



Best Hospital to Work For- AHPI Global Conclave Award (2019)



2nd Best Hospital in Hyderabad (2021 and 2022)



20th National Award for Excellence in Energy Management Award 2019



National Quality Excellence Awards 2019 for Best Super Specialty Hospital in Telangana



2016

Neurology Department at KIMS Secunderabad ranked 3rd in India **Neurology India General**



2019

KIMS Sec. Best Super-Specialty Hospital in Telangana **National Quality Excellence Awards**



2020

Only Hospital in Telangana to get **NABH Accreditation for Emergency Department**



2021

Ranked No.1 in Hyderabad for Cardiology, Neurosciences, Nephrology and Emergency
Times Health Survey TOI



AHPI Healthcare Excellence Award 2025
Excellence in Hospital Operations (Non-Clinical)



Second Prize – South Region (2024)
CAHO Ace CSSD Award (Large Hospitals, 300+ beds)



Best Stroke Rehab Centre in South India (2024)
2nd Stroke Innovations & Excellence Awards by Quality & Accreditation Institute (QAI)



AHPI Healthcare Excellence Award 2025 – Excellence in Nursing Practices



AHPI Award 2024
Excellence in Nursing Practices



CAHO Centre of Excellence – 2025
Endoscopy Services



First Prize (South Region) – CAHO Ace CSSD Award
(Medium Hospitals, <300 beds)



CAHO Centre of Excellence in Endoscopy Services – 2025



AHPI Award 2024 – Excellence in Nursing Practices



Second Prize – Western Region (2024)
CAHO Ace CSSD Award (Large Hospitals, 300+ beds)



Bronze Award – 2024
iCOMPLY Audits, Zone: West 4



Centre of Excellence – iCOMPLY



Winner – West Zone, Large Hospital Category (2025)
CAHO Centre of Excellence – Endoscopy Services



Excellence Continues...

ACCOMPLISHMENTS, ACCOLADES AND AWARDS CONTD...

ACCOLADES



Dr. P. Raghuram,

Dr. P Raghuram Sets Two Guinness World Records in 24 Hours: 6,218 People View Online, 5,020 Participate in Breast Cancer Awareness Session



Former Vice President Shri Venkaiah Naidu and our CMD Dr. Bhaskara Rao are seen facilitating



Hon'ble CM of AP Sri Nara Chandrababu Naidu inaugurates KIMS SIKHARA of GUNTUR



Paediatric Nephrology & urology summit attended by 270 delegates from across the country



Dr. Sindhu,

Liver Transplant and GI Surgeon at KIMS Valiyath Institute, Karunagappally, was recognised with the Sthree Shakthi Award by the Government of Kerala. The award highlights her contributions in a specialised field and her role in advancing access to complex surgical care. Her recognition reflects the ongoing work across our network to support capable professionals and acknowledge their efforts in improving patient outcomes.



CMD Dr. Bhaskara Rao inaugurates our new hospitals at Seetammadhara Vizag

Milestone in Liver Transplant Surgery

We completed 95 cadaveric liver transplants using the midline incision technique, currently the highest number in India performed through this approach. While most centres use bilateral or subcostal incisions, our team has adopted the midline route, which supports early recovery and offers potential clinical benefits in selected cases. One recent surgery involved a 120 kg patient and was carried out using the same method, with encouraging recovery outcomes. This reflects the collaborative work of the liver transplant team at KIMS Hospital and our focus on refining surgical practices to support patient care.

Academic & Social Galaxy

AWARDS



Dr. Sambit Sahu receiving award on behalf of KIMS Hospitals for adopting new technologies for patient care from Mr. J. P. Nadda, Minister of Health and Family Welfare and Minister of Chemicals and Fertilizers



Celebration for completion of 100 Robotic assisted surgeries using Da Vinci Xi Surgical System (an advanced robotic Surgical Platform for minimally invasive procedure)



Hon'ble Governor of Telangana, Sri Jishnu Dev Varma, was received by CMD Dr. Bhaskara Rao Bollineni at KIMS Hospital, Secunderabad, on the occasion of the programme showcasing 'Driisti' – AI-powered smart glasses.



Contestants of Miss world 2025 with CMD Dr. Bhaskara Rao Bollineni and Dr. P Raghu Ram during their visit at KIMS

Glimpses of Fire & Radiation Safety training



Glimpses of Blood Donation Day



Champions of Care: Advancing Health, Safety, and Service

Glimpses of Nursing Day, World Emergency Medicine Day, World Health Day and Clinical Governance.



Hand Hygiene Day



NABL Accreditation Celebrations



Women Safety Awareness Programme



Cultural Fiesta

Ugadi Celebrations



Dawat-e-Iftaar



Christmas Celebrations



Sankranti Celebration



Republic Day Celebration



Statement of Women empowerment : Women's Day Celebration



FINANCIAL CAPITAL

Sharp financial acumen driving the growth



Our strong financial foundation stands as a testament to our disciplined approach, operational efficiency and strategic foresight. From allocating capital to improving profitability and making expansion, every step is focused on long-term value creation. We believe that financial excellence is not just a measure of our success but also showcases our ability to capitalise on emerging opportunities and further strengthen the care continuum for all.

Focus area

- Prudent Allocation
- Sustainable Returns
- Cost Efficiency
- Infrastructure Investment

SDGs



Revenue Growth

- We recorded healthy top-line improvement supported by higher patient volumes and a balanced contribution from both existing and new units.

EBITDA Performance

- Operating efficiencies and improved service mix contributed to improved margins and enhanced overall profitability.

Sustainable Expansion

- New hospitals and speciality centres were added with strategic intent and careful financial planning to support future growth.

Operational Efficiency

- Enhanced utilisation, cost controls and process optimisation strengthened overall financial outcomes without compromising patient care.

Technology Investment

- Significant capital was directed towards acquiring advanced medical technologies that improve care delivery and enhance clinical precision.

Asset Productivity

- Better use of existing infrastructure and facilities contributed to improved return on assets across our network.

Cash Flow Strength

- Stable operating cash flows enabled us to fund growth internally while maintaining financial stability.

Revenue**		(₹ In mn)	EBITDA**		(₹ In mn)
FY25		30,670	FY25		8,148
FY24		25,143	FY24		6,533
FY23		22,235	FY23		6,299
FY22		16,711	FY22		5,361
EBITDA Margin		(%)	PBT*		(₹ In mn)
FY25		26.6	FY25		5,581
FY24		26	FY24		4,596
FY23		28.3	FY23		4,701
FY22		32.1	FY22		4,473
PAT*		(₹ In mn)	ARPOB		(₹)
FY25		4,148	FY25		39,158
FY24		3,360	FY24		31,916
FY23		3,685	FY23		29,946
FY22		3,343	FY22		25,323
ARPP		(₹ In mn)	ALOS		(₹ In mn)
FY25		1,43,293	FY25		3.66
FY24		1,31,232	FY24		4.11
FY23		1,24,187	FY23		4.15
FY22		1,21,232	FY22		4.79

MANUFACTURED CAPITAL

Building strategically for enhanced healthcare delivery



Our promise to deliver the best of healthcare to our patients demands judicious investments in infrastructure development and technological advancements. By expanding specialised departments, integrating advanced medical technologies and improving facility design, we consistently bolster our capabilities to serve patients better.

Focus area

- Infrastructure Expansion
- Technology Integration
- Patient Experience Enhancement
- Maintenance and Reliability

SDGs



New Departments and Facility Upgrades

- Establishment of Fetal Medicine and Clinical Immunology departments
- Expansion of outpatient departments
- Inauguration of a fertility centre, Paediatric and Childcare unit under the 'Cuddles' brand and a specialty care centre at vizag and strategic upgrades at other units

Technological Advancements

- Introduction of advanced non-invasive technologies to reduce patient length of stay
- Integration of Tulsa Pro, MRG FUS and Gamma Knife systems to enable incision-less, outpatient procedures

Enhancing Patient Experience

- Investments in seamless hospital infrastructure and wayfinding systems
- Offering varied services, including valet parking, reception support, digital displays, exclusive lifts and clear floor directories

Maintenance and Equipment Efficiency

- Scheduled preventive maintenance system (PMS) for all equipment
- Use of comprehensive maintenance contracts (CMCs) and annual maintenance contracts (AMCs)

State		Beds
Telangana 	Secunderabad	1000
	Begumpet	290
	Kondapur	200 500 - to be added shortly
	Gachibowli	237
	Asian Transcare	60
	MIPPL	10
Andhra Pradesh 	Vizag	KIMS ICON – 469 KIMS Chalasani Hospital – 300 (Formerly QNRI)
	Srikakulam	200 120 to be added shortly
	Rajamundry	195 350 to be added shortly
	Ongole	350 50 to be added shortly
	Kurnool	200
	Nellore	250
	Anantapur	250 250 to be added shortly
	Guntur	200
Maharashtra 	Nagpur	334
	Nashik	325
	Thane	300
	Sangli	350
Karnataka 	Bengaluru Soulspace	450 to be added shortly
	Bengaluru PES	350 to be added shortly
Kerala 	Kannur	189
	Kollam	320

MANUFACTURED CAPITAL CONTD...

Multi-specialty care

We offer a broad spectrum of specialised medical services across our network of hospitals in Telangana, Andhra Pradesh and Maharashtra. Renowned for our patient-focused approach, we combine cutting-edge technology with profound clinical expertise to treat a wide range of complex healthcare requirements.



Brain

- Neurology
- Neurosurgery
- Psychiatry
- Neuro Rehabilitation



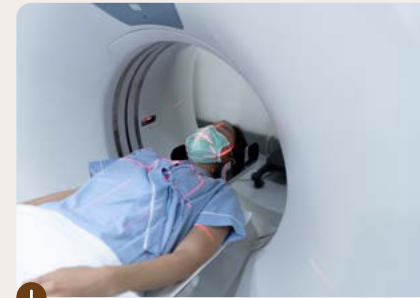
Heart

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



Lung

- Pulmonology
- Interventional Pulmonology
- Thoracic surgery
- Lung Transplant



Radiology

- Imaging
- Interventional Radiology



Pediatrics

- Paediatrics and Pediatric Sub Specialities
- Neonatology



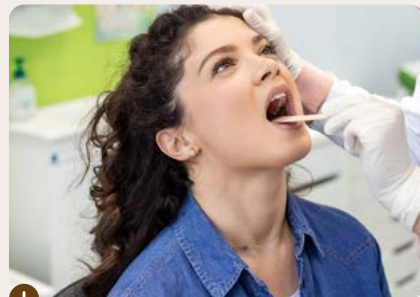
Orthodontics

- Maxillo-Facial Surgery



Gastro Intestinal Tract

- Medical Gastroenterology
- Surgical Gastroenterology
- Hepatobiliary Pancreatic Surgery
- Liver Transplant
- Bariatric Surgery



ENT

- Ear
- Nose
- Throat
- Head and Neck Surgery



Genito Urinary Tract

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



Skin

- Dermatology
- Cosmetology
- Plastic and Reconstructive Surgery



Anaesthesia

- OT Anaesthesia
- Day care Anaesthesia
- Pain Medicine



Lab Services

- Pathology
- Microbiology
- Biochemistry
- Molecular Biology
- Clinical Hematology



Bones and Spine

- Orthopedics
- Arthroscopic Surgery
- Spine Surgery
- Ortho Rehabilitation



Oncology

- Medical Surgical and Radiation
- BMT and Hematology



Eyes

- Ophthalmology



Hospital Infection Control

- Clinical Infectious Diseases



General Specialties

- Internal Medicine
- General Surgery
- Diabetology and Endocrinology



Critical Care Services

- ICU
- CTICU
- SICU
- NICU
- PICU
- Neuro ICU
- ECMO ICU
- Post Transplant ICU

INTELLECTUAL CAPITAL

Driving innovation to excel and serve



To realise our vision of becoming the most preferred healthcare institution, we are committed to elevating the standards of care. We have been persistent in leveraging cutting-edge technology, clinical expertise and crucial research insights to significantly enhance patient outcomes. At KIMS, our multidisciplinary approach is the key to expand the ambit of excellence across all our facilities, ultimately delivering a truly differentiated care experience.

Focus area

- Clinical Innovation
- Research Advancement
- Knowledge Retention
- Technology Integration

SDGs



KIMS Foundation and Research Centre (KFRC)

KFRC serves as the research and innovation arm of KIMS Hospitals, dedicated to advancing clinical knowledge and translational science to deliver exceptional care at every touchpoint. The institution facilitates high-impact research, fosters academic collaboration and drives innovation in diagnostics, therapeutics and healthcare delivery—achieving significant milestones and addressing diverse medical needs of the society.

Members

Dr. V. Bhujanga Rao

ISRO Chair Professor, National Institute of Advanced Studies, IISc Campus, Visiting Professor, NIAS, IISc Campus, Bangalore, Former Distinguished Scientist & Director General, DRDO, Former Director, Naval Science & Technological Laboratory, Visakhapatnam, India

Mr. B. Krishnaiah

An Entrepreneur, Social Worker, Philanthropist & Visionary leader an Organisation within himself

Dr. Bhaskara Rao Bollineni

CMD, KIMS Hospitals

Dr. Krishna Ella

Chairman & MD, Bharat Biotech Leadership, Regulations, Research and Development (R&D), and Strategic Planning. Delivered over 4 billion vaccine doses to the poorest and most underserved in over 150 developing countries through UNICEF, GAVI

Dr. Gullapalli Nageswara Rao

Chairman Academia Ophthalmologica Internationalis (AOI) and Founder L. V. Prasad Eye Institute & Padma Shri Awardee

Prof. Apparao Podile

Former Vice Chancellor of University of Hyderabad

Prof. B S Murthy

Director IIT Hyderabad, specialised in Materials Science And Metallurgical Engineering, Shanti Swarup Bhatnagar Awardee

Prof. Rajkumar Roy

Dean School of Mathematics, Computer Science and Engineering. City University of London

Prof. Amaresh Chakraborty

Chairman Centre for Product Development and Manufacturing (CPMD), IISc, Bangalore

P Ganesham, VSM,

Former Director (Technical/ Production), BDL, Hyderabad & Social Worker

Prof. P. Seetaramaiah

Professor Emeritus Computer Science Engineering Academic Excellence Awardee Prime Minister, Andhra University.

Dr. Subhash Kaul

Senior Consultant Neurologist, KIMS

Dr. D. Radhika Chowdary

Medical Director, KFRC, Consultant Biochemist & Chief of Labs at KIMS Hospitals, Secunderabad

INTELLECTUAL CAPITAL CONTD...

Modern Medical Technology

We seamlessly integrate next-generation medical technologies across our network. From robotic precision in surgical procedures to non-invasive neurological and urological treatments, our focus remains on delivering safer, faster and more effective outcomes for our patients.



4-Arm HD Da Vinci Robotic Surgical System

Facilitates virtually scarless complex surgeries.



Spy Glass

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



Mako Robotic for Knee Replacement

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



O-Arm Scanner

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



3 Tesla MRI

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



Stealth Station S8

Offers advanced intra-operative visualisation for neurosurgery.



Novalis Tx Linear Accelerator

Used in radio-surgery and radiotherapy for cancer treatment.



Fibroscan

Measures liver fibrosis and steatosis non-invasively using ultrasound.



Cuvis Ortho Robo

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



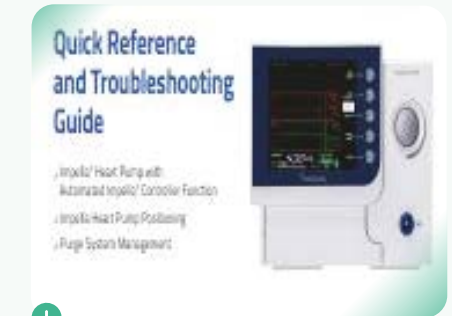
EVIS X1 Endoscopy System

Enhances clinical outcomes in endoscopy with advanced tools.



EBUS

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



Impella

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

Latest Installations



MR-Linac (Elekta Unity)

Combines MRI with precise radiation delivery for superior tumour visualisation.



LGK (Gamma Knife)

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



Exablate Neuro (Insightec)

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



ESWL (Dornier)

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



PET-CT Omni Legend (Wipro GE)

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



SPECT NMCT 850 (Wipro GE)

Provides functional assessment of organs using nuclear medicine imaging.

INTELLECTUAL CAPITAL CONTD...

TULSA-PRO

Redefining Prostate Care

KIMS is South Asia's first and India's only centre to offer TULSA-PRO, an MRI-guided, minimally invasive treatment for Benign Prostatic Hyperplasia (BPH) and localised prostate cancer. The procedure is performed through the urethra with no incisions, utilises real-time MRI for precision and preserves urinary and sexual functions by avoiding damage to surrounding tissue. It involves no radiation, no extended hospital stay and ensures quick recovery, often as a day-care procedure. Early treatments have delivered flawless results, upholding our patient-focused approach to prostate care.

Gamma Knife

Advancing Non-Invasive Brain Treatment

KIMS is now home to South India's first Gamma Knife, the gold standard in non-invasive brain radiosurgery. This sophisticated technology offers effective treatment for brain tumours, arteriovenous malformations (AVMs), trigeminal neuralgia and select movement disorders. Precisely focused radiation beams target abnormal brain tissue while preserving healthy areas. The procedure is performed in a single session without incisions, general anaesthesia or extended hospitalisation, reducing recovery time and truly expanding access to advanced neurosurgical care.

MRgFUS

Focused Ultrasound for Tremors

KIMS successfully treated its patients with MRI-Guided Focused Ultrasound (MRgFUS), achieving a 100% success rate. This revolutionary, non-invasive treatment for Essential Tremor and tremor-dominant Parkinson's provides effective relief in minutes. It targets affected brain tissue with high precision, requiring no incisions, no radiation and no hospitalisation. Patients experience immediate improvement in motor control, significantly enhancing quality of life.

Digital Tools and Assistive Innovation

We are leveraging AI and inclusive digital platforms to enrich the healthcare. These solutions enhance quality of life for patients with disabilities and support clinicians through real-time insights and assistive data.



Driisti – AI-Based Smart Vision Glasses provide real-time audio guidance and object detection to visually impaired users, enabling independent mobility and digital integration for care monitoring.



National Telemedicine Facility for the Deaf and Dumb offers sign language-enabled virtual care, ensuring inclusive communication and access to medical consultations.



Organ Transportation Box ensures safe, temperature-controlled transport of organs, maintaining viability and increasing transplant success rates.



In-silico Multimorbidity Modelling uses AI to predict co-existing conditions, improving diagnosis and enabling tailored therapeutic strategies.

Advanced Diagnostics and Therapies

Our focus on precision technologies enables us to drive safer, less invasive treatments. These innovations improve clinical accuracy, reduce recovery time and expand care to advanced care for patients traditionally excluded from complex procedures.

- **Whole Genome Sequencing in TNBC** allows mutation-specific treatment planning for breast cancer patients.
- **Autism Mutation Screening** identifies pathogenic gene variants, enhancing early diagnosis and personalised care.
- **Glioma Recurrence Prediction** leverages biomarkers and immune profiling for timely interventions.
- **PVA Embolisation Particles** were locally synthesised to enable safer, targeted vascular occlusion.
- **PCI FFR in Left Main Intervention** improves decision-making for coronary stenting by measuring fractional flow reserve.
- **Aspirin-Clopidogrel Gene Polymorphism Study** supports optimised stroke treatment through pharmacogenomics.

Simulation-Based Training and Skill Building

To build competence, we embed digital simulation into medical education to create safe spaces for students to practise and refine clinical skills before real-world application. High-fidelity T-manikins are routinely used in training for cardiopulmonary resuscitation (CPR), airway management, intravenous access and other essential procedures. Additionally, Driisti is being explored as an immersive training tool, providing a practical understanding of assistive technologies and their application in rehabilitation scenarios.

Community Outreach Through Mobile Technology

In our pursuit of extending diagnostic and preventive care to underserved communities, technology plays a transformative role in our operations. The PinkVan, a mobile mammography unit equipped with digital diagnostic tools, delivers on-site breast cancer screening in remote areas. During such outreach events, over 60 women have been screened in a single day, demonstrating the efficiency of mobile technology in enhancing critical healthcare reach and promoting cancer early diagnosis.

IT Vision 2026

Objective

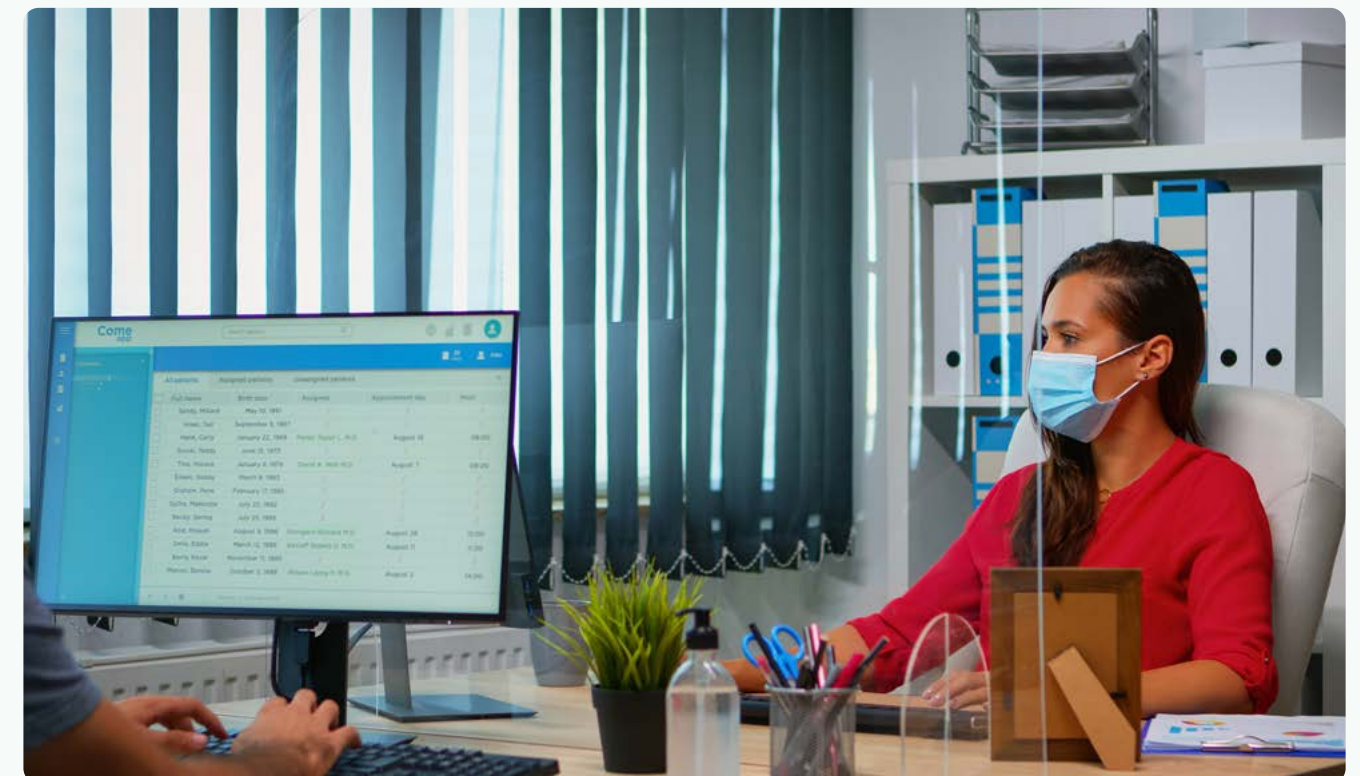
- Organise and make KIMS's medical information universally useful and available
- Achieve 100% paperless operations through continuous improvement and innovation

Goals

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

Strategic Initiatives

- Smart Wards
- Partnerships to Enhance Footfalls
- Government Healthcare Digitisation (A BDM)
- Data to Diagnosis
- Data Monetisation
- Patient Blockchain for Billing and Data
- Predictive Analytics Infrastructure targets
- Unified patient data
- Historical patient data lake
- Secure internal and external API infrastructure
- 99.5% service availability through load-balanced services



INTELLECTUAL CAPITAL CONTD...

KIMS IT Landscape

Health Information Management System (HIMS)

Core system

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

Integrations

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

Deployment

Each unit operates a customised virtual instance, connected via a central repository (HUB DB) located in Secunderabad.

Transition Initiatives

Consolidation

HIMS, LIMS and PACS databases and storage are being migrated to AWS cloud infrastructure to enable automated backup and disaster recovery.

Unified Patient Data

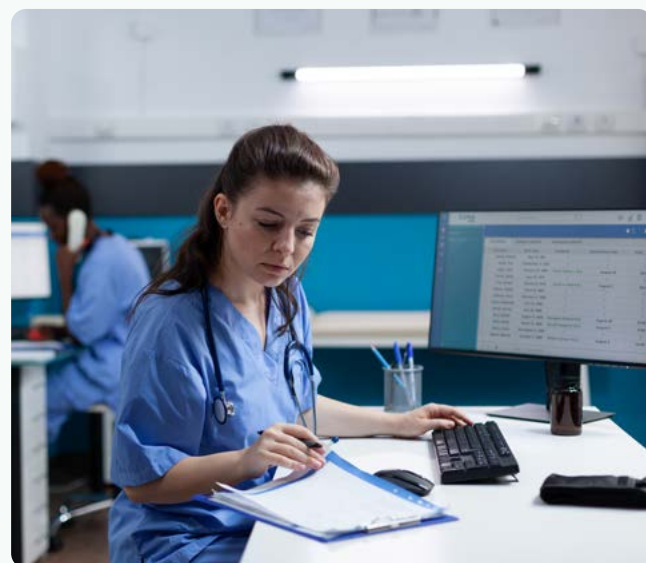
Patient information is being centralised in a single repository with strong data governance protocols.

KIMS API (KAPI) Upgrade

APIs are being migrated to a unified AWS NodeJS-based service to enhance security and scalability.

Vital Monitoring

Remote monitoring devices are being introduced for real-time data capture.



HR & Finance Systems

Human Resource System

HR operations are managed using Adrenalin Max HCM, integrated with attendance systems and based in Secunderabad.

Finance System

Tally is currently in use across units, with a transition planned to SAP for a unified global instance.

SAP Migration

SAP HANA S/4 is being migrated to AWS to improve availability and performance.



IT Infrastructure Management

Management Tools

Uses Active Directory, antivirus software, DHCP, cybersecurity solutions, DNS server, WSUS, ticketing systems, MDM services and real-time monitoring tools.

Call Centre

Advanced systems are used for efficient call management.

Consolidation and Optimisation

Applications are being migrated to AWS while retaining essential on-premise systems. Databases and storage are being shifted to the cloud.

Application Rationalisation

Site-specific applications are being merged into global systems, aligning clinical and operational workflows.

Patient Experience

Engagement Tools

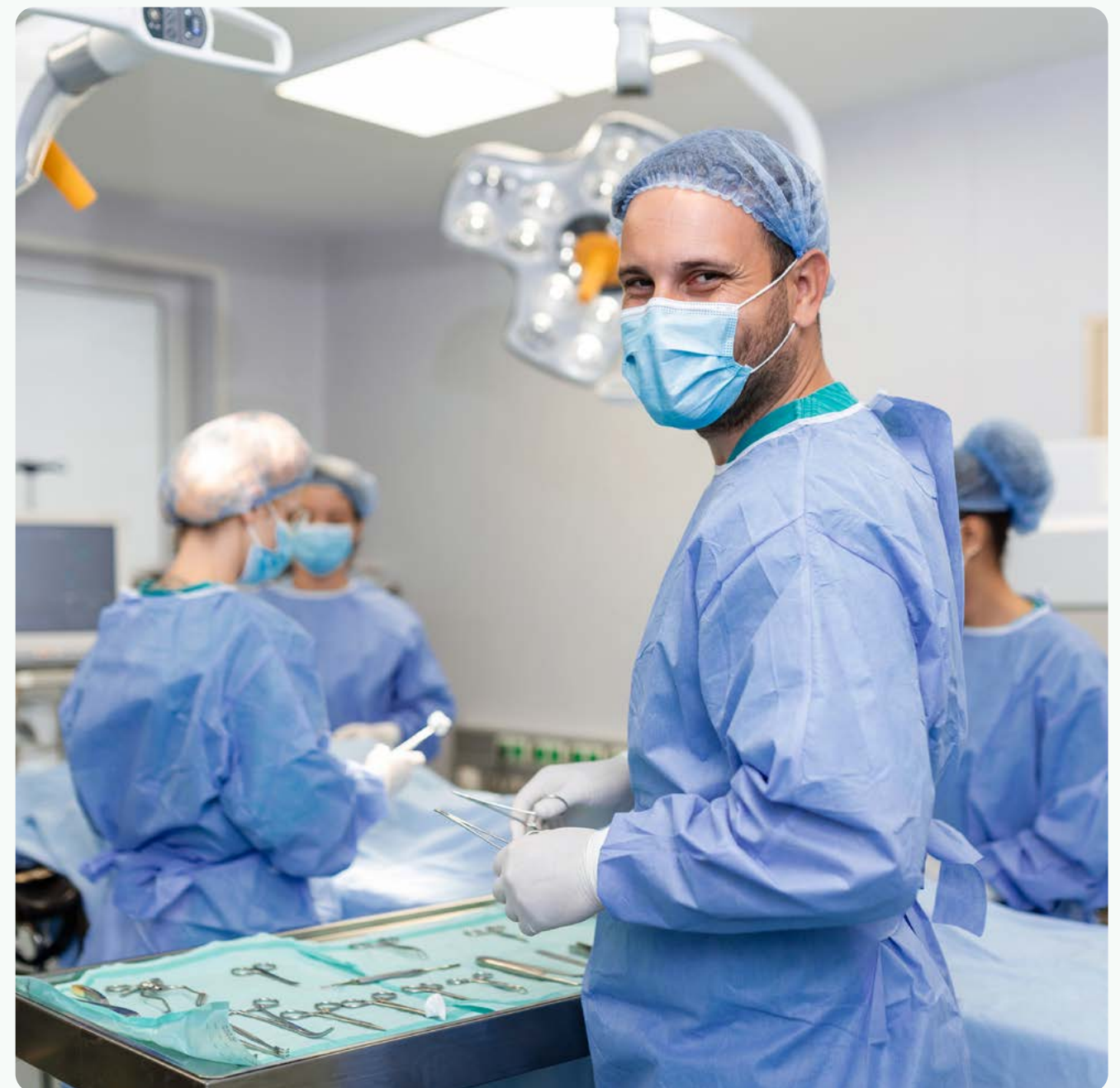
Internal applications such as my KIMS support patient engagement, appointment scheduling and tele-medicine services.

Patient Engagement

my KIMS is being enhanced to support tele-medicine and grievance redressal.

Remote Monitoring

Wearable sensors and IoT-enabled devices are being implemented for real-time health monitoring and proactive care.



Clinical Excellence

Focus Areas

Continuous investments in automation and digital transformation of clinical workflows, including EMR implementation.

Clinical Workflow Automation

AI-based tools are being implemented for decision support, with more AI applications under evaluation.

HUMAN CAPITAL

Empowering our people to elevate care standards



We have always believed that an organisation's success story is written by its people. At KIMS Hospitals, our workforce forms the strength behind our ability to deliver high-quality, patient-centred care. To nurture this result-driven team, therefore, our HR strategy is meticulously designed to acquire and integrate talent, enable continuous learning, foster an inclusive culture and ensure a safe, engaging and future-ready workplace for all.

Focus area

- Workforce Strengthening
- Skill Advancement
- People-Centric Culture
- Safe and Supportive Ecosystem

SDGs



Talent Acquisition and Integration

We continue to enhance our talent acquisition approach through institutional partnerships, outreach programmes and a focused strategy to align individuals with the right opportunities.

6,674

Total new hires in FY25

39.2%

Attrition rate

20,000+

Total workforce

Medical Professionals

- Collaborated with medical colleges across India for recruiting super-speciality doctors.
- Conducted visits and made presentations to showcase KIMS' clinical strengths and career vision.
- Organised hospital visits for interested doctors to meet unit and medical heads.
- Mapped new hires to units close to their native locations, based on available vacancies.

Nursing and Paramedical Staff

- Established pan-India collaborations with nursing colleges, significantly reducing consultancy dependence.
- Organised recruitment drives across campuses nationwide.
- Promoted KIMS opportunities via LinkedIn and dedicated nursing groups.

Non-Clinical Roles

- Enhanced brand visibility on professional platforms, job boards and hospital networks.
- Participated in job fairs and campus drives to expand reach.
- Initiated outreach in Tier 2 and Tier 3 cities through CMD-led .Prakara, seminars.
- Engaged operational staff through HOD interactions, highlighting internal growth opportunities.

Learning and Development

At KIMS, learning is a continuous process and we foster this culture through structured internal training programmes and expert-led external sessions. Each employee is required to complete 40 hours of training annually, tailored to their function and individual developmental needs.

40

Average training hours per employee

600+

No. of programmes conducted

Training Highlights

- **Clinical:** Advanced nursing practices, hand hygiene, chemotherapy drug safety and radiation protocols
- **Operational:** Academic sessions (Tuesdays), nursing skill refreshers (Fridays) and operational meets (Thursdays)
- **Behavioural:** Time management, healthcare communication, professionalism, ownership and team collaboration
- **Compliance and Safety:** POSH, NABH/ISO standards, mock drills, disaster management and medication safety
- **Wellbeing and Life Skills:** Yoga, meditation, cyber safety, self-defence and motivational talks

Cross-Functional Training

- HR Induction (Re orientations)
- NABH Standard, ISO Standards
- Mock Drills (Emergency Codes)
- Safety Training (Fire Safety, Incident Reporting, Radiation Safety, HIC, Handling Vulnerable Patients)
- Occupational hazards and HIRA
- Disciplinary and Grievance Handling Process Training
- POSH Training
- Adrenaline & LMS
- Risk with in the Hospital Environment
- Hospital Disaster Management Plan
- Privileging Process (Clinical staff)
- Hospital Information Management System

HUMAN CAPITAL CONTD...

Behavioural Training

- Body Language & Grooming Standards
- Interdepartmental Relationships & Teamwork
- Customer service (Empathy & Compassion)
- Healthcare Communication Etiquettes
- Time Management
- Professionalism & Work Ethics
- Ownership

Performance Management

Our Performance Management System (PMS) upholds our commitment to maintaining transparency and accountability to nurture growth and recognise achievement. We systematically collect KRAs and KPIs from each employee, along with self-assessments and ratings from HODs.

These inputs form the foundation for appraisal discussions, role enhancements and increment decisions. Further, townhall meetings and unit-level reviews are conducted regularly to communicate progress and provide valuable feedback.

We also celebrate exceptional service from our housekeeping and security teams monthly and honour their achievements during national day events. This recognition underscores our deep appreciation for the vital efforts of every individual in maintaining seamless operations at KIMS.

6,840

Employees are assessed through PMS

60+

Internal promotions

Employee Engagement

Our group-wide engagement initiatives offer diverse opportunities for employees to connect, express themselves and unlock both professional and personal growth.

Employee engagements

- Employee Rights & Responsibilities Survey
- World Health & Safety Day at Work
- Annual Health Check-up
- Rewards and Recognition Programme & Monthly Birthday Celebrations
- Health Camps
- International Nurses Day
- Sports Week
- International Yoga Day
- Doctor's Day

- Independence Day
- Onam
- Employee Satisfaction Survey
- World Heart Day
- Garba & Dandiya – Traditional Day
- Batukamma Celebrations
- Secret Santa (Intra-Department)
- Christmas Celebrations
- MD's Birthday Celebrations
- Republic Day
- Cancer Awareness Programme
- Women's Day Celebration

25+

Festivals and events celebrated

60%

Employees reached via engagement initiatives

Employee Wellbeing

Our comprehensive wellbeing programmes are meticulously designed to nurture the mental, emotional and physical health of our valued employees. We host sessions on stress management, diet, motivation and guided meditation by trusted partners such as Art of Living and Brahma Kumaris. Further, activities such as yoga, games and vibrant festival celebrations are encouraged to foster a healthy work-life balance.

We continue to remain highly responsive to employee feedback to design relevant behavioural sessions on teamwork, professionalism, grooming standards and interdepartmental communication.

20

Wellbeing sessions held in FY25

10,000+

Employees participating

Diversity and Inclusion

We are committed to cultivating a workplace where everyone is respected and provided equal opportunities. Our inclusive hiring initiatives encompass individuals from diverse socio-economic backgrounds and also include differently abled individuals across various departments, including food and beverages, OPD/IPD, administration and pharmacy.

Further, we provide day-care facilities for children of women employees, an active Internal Committee (IC) and a grievance redressal system to ensure a safe and holistic workplace.

Our **WOMEN STRENGTH IS MORE THAN OUR MAN POWER**. The women employees comprising of eminent doctors, nurses, administrations and others constitute 52 percent of our total workforce.

Safety and Workplace Environment

Our strong safety infrastructure is supported through regular training, well-defined emergency codes and robust reporting mechanisms.

Key Safety Measures

- Regular fire safety, radiation and BLS training
- Mock drills for emergency codes: Blue (cardiac), Red (fire), Purple (conflict), Green (disaster), Orange (spill) and Pink (child abduction)
- Hybrid Mode incident reporting (EHR and manual)
- Monthly review of incidents by HIC and safety committees
- Unit-level grievance cells for prompt resolution

7

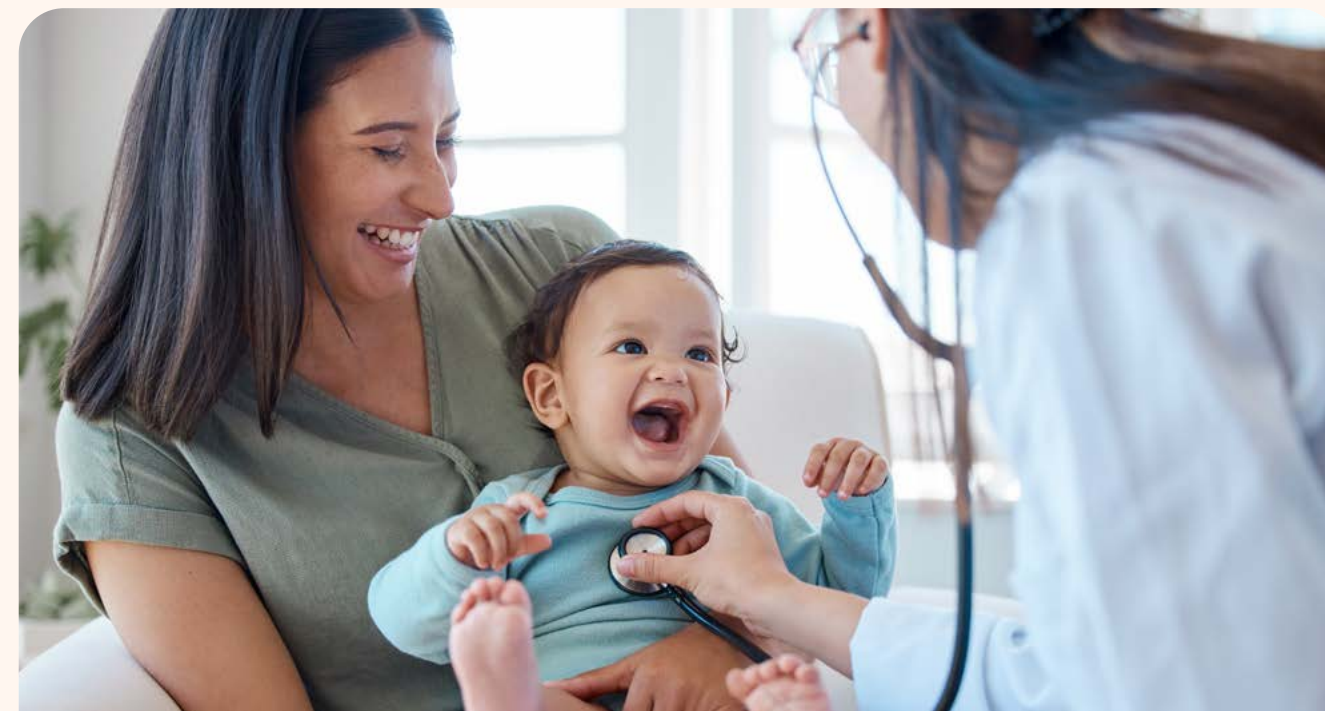
in each unit
Mock drills conducted

40+

Incidents addressed

100%

Units with grievance mechanisms



Way Forward

Moving ahead, we will continue to focus on attracting high-calibre talent, nurturing future-ready capabilities and enhancing employee experience across all levels. We will further strengthen our learning ecosystem, digitalise key HR processes and deepen engagement through feedback-led initiatives. Our goal is to build a resilient, agile and inclusive workforce that supports KIMS Hospitals' long-term vision of achieving clinical excellence and operational leadership.

SOCIAL AND RELATIONSHIP CAPITAL

Forging enduring bonds of trust



As a responsible corporate citizen, we actively strive to engage meaningfully with each stakeholder group. Our commitment lies in promoting inclusive healthcare, ensuring consistent development and offering exceptional service quality. Our value-based approach empowers us to deliver responsible, quality healthcare and undertake robust initiatives that create a lasting, positive impact for all.

Focus area

- Inclusive Community Outreach
- Trust-Based Patient Relationships
- Academic and Clinical Collaboration
- Strategic Ecosystem Partnerships

SDGs



Extending Our Reach Beyond the Hospital

We extend our responsibility beyond the hospital walls, actively engaging with the wider community and the broader healthcare ecosystem. Through dedicated public health outreach, patient-centric engagement programmes and professional knowledge-sharing platforms, we raise awareness, build trust and drive holistic growth. Our initiatives reinforce our commitment to enabling health equity, education and collaboration.

- **Health Outreach:** We regularly conduct BLS classes, deploy mobile breast screening programmes and organise general health camps focused on diabetes, hypertension and preventive care.

- **Support Groups and Engagements:** 'Meet & Greet' sessions, ramp walks and interactive gatherings provide invaluable psychological support and foster strong community connections for patients dealing with Parkinson's, Alzheimer's, Lupus, OBG, paediatric and post-TKR.
- **Medical Education:** CMEs, CNEs, symposiums, hands-on workshops and colloquiums bring together doctors, nurses and paramedics to advance professional skills.

50+

Community Camps Conducted

1,000+

External Participants Trained

Community Empowerment

We continue to expand our social impact footprint through focused CSR initiatives that improve healthcare access and empower underprivileged communities. Our outreach addresses both immediate medical needs and long-term development goals across geographies.

₹72.27 Million

CSR spend

Accessible Healthcare in Underserved Regions

Through our implementing agency, KIMS Foundation and Research Centre (KFRC), we deliver essential healthcare services to vulnerable populations. KFRC organised 400 free health camps and facilitated 27 mobile cancer screening tests across various locations in multiple states during the year. In the Srikakulam District a region with limited healthcare infrastructure, we conduct nearly 25 health camps every month, taking medical care directly to those who need it most.

Education and Skill Development Infrastructure

A key focus this year is the development of a large-scale educational and skill development centre in Kismatpur, Hyderabad. The proposed infrastructure includes a school, hostel, and training facility spread over two blocks, with provisions to accommodate future expansion. The facility will provide free education, vocational training, accommodation, and meals to orphans, destitute children, and students from underprivileged backgrounds who have completed up to 12th Grade. The centre is envisioned to enhance the employability of youth and equip them with life skills for sustainable livelihoods.

Support to Child Haven International

In alignment with our social objectives, we propose to extend financial support to Child Haven International (India), a registered organisation running a home for orphans and disadvantaged children at Kismatpur, Hyderabad. The organisation offers shelter, education, and training for adolescents with special needs and also provides relief during natural disasters. Our contribution will support the continued operation and development of their orphanage centre.



Early Detection makes lot of difference - our cancer screening camps

SOCIAL AND RELATIONSHIP CAPITAL CONTD...

DRISTI – A Gamechanger: Enabling the Visually Impaired through AI-Based Smart Vision Glasses



Hon'ble Governor of Telangana, Shri Jishnu Dev Varma, is seen distributing glasses to the beneficiaries. Padma Shri awardee, Dr. Gullapalli Nageswara Rao, Founder of L V Prasad Eye Institute, is also seen

KIMS Educational Society

At KIMS Educational Society, our mission is to deliver high-quality healthcare education and services. We offer a wide range of degrees, diplomas and certificate courses in nursing, physiotherapy, paramedical sciences and hospital management to address the growing demand for skilled healthcare professionals. Our focus on skill-based learning, including hands-on workshops and academic conferences, ensures students are equipped for real-world challenges.

- **For students**, we provide access to comprehensive healthcare education, practical training and real-world workshops. Our partnerships with reputed universities further enrich learning outcomes and academic exposure.
- **For the healthcare sector**, we equip well-trained professionals to meet evolving industry demands. Our graduates actively contribute to improving the quality and efficiency of healthcare services.
- **For the community**, our outreach initiatives encompass health camps and awareness programmes, promoting wellness and addressing myriad public health concerns across diverse populations.
- **For affiliated institutions**, we strengthen academic and institutional collaboration through joint initiatives. These partnerships enable innovation, elevate institutional prestige and contribute to the evolution of healthcare education.

480

Students enrolled in various programs annually

1,293

Number of community health camps and outreach programs conducted annually

96

Number of workshops, conferences, and continuing education programs held



Patients and Families

Both patients and their families play a crucial role in the healthcare journey. Our approach is therefore centred on clear communication, compassionate counselling and responsive service delivery. By ensuring timely information sharing, emotional support and structured feedback mechanisms, we aim to create a reassuring and respectful environment where patients feel **heard, informed** and **truly cared**. Each step is laced with care and concern.

- **Counselling and Support:** Patients and families receive regular counselling on their diagnosis, treatment plans, possible risks and supportive care needs such as diet, physiotherapy and psychological assistance. These sessions are conducted by multidisciplinary teams and recorded in counselling and consent forms.
- **ICU and Virtual Interactions:** In critical care units, in-person video counselling with attendants and WhatsApp video calls with extended families maintain transparency and build emotional connection.
- **Accessible Communication:** Bedside call bells and direct-dial phones allow immediate access to nursing, housekeeping and food services. Further, posters near each bed list grievance helpline numbers.
- **Grievance Redressal:** Concerns are escalated to the Operations Manager, Deputy Medical Superintendent, Nursing Director and other relevant personnel, ensuring timely resolution.
- **Post-Discharge Feedback:** External agencies contact patients after discharge to capture their feedback, enabling us to improve future patient experiences and offer any additional support required.

Vendor and Industry Partnerships

Strong vendor partnerships are essential to our ability to deliver quality care. We maintain open channels of communication with our supply chain partners to uphold transparency, encourage knowledge exchange and drive continuous performance improvement. By collaborating on product feedback, safety reporting and innovation showcases, we ensure growth and operational excellence.

- **Regular Interaction:** Medical representatives meet doctors weekly or fortnightly to share updates on new products, drugs and technologies.
- **Product Feedback:** Vendor performance and product efficacy are monitored closely, with feedback loops established for process improvements.
- **Compliance and Safety:** Adverse events are reported to vendors and relevant national vigilance cells for root cause analysis and corrective action.
- **Visibility and Collaboration:** Vendors are invited to display their innovations at in-house conferences and medical workshops.

75+

Vendor Meetings Held

30+

Vendor displays across the year



NATURAL CAPITAL

Minimising our footprint to maximising well-being



We are diligently striving to reduce our ecological footprint by adopting resource-efficient practices, embracing energy-efficient measures, promoting water stewardship and implementing robust waste management systems. Through targeted initiatives, we aim to preserve natural resources while ensuring a healthier tomorrow for our stakeholders.

Focus area

- Resource Efficiency
- Emissions Reduction
- Sustainable Infrastructure
- Regulatory Compliance and Awareness

SDGs



Energy Management

We continue to reap benefit from earlier investments in energy-efficient infrastructure and systems. Although no new installations were added in the past year, the performance of existing systems including solar power, variable-frequency AC drives and diesel-to-electric boiler replacements remains robust.

Crucially, a strategic partnership with a leading energy services company enabled us to implement conservation measures under a zero-capex model. This innovative approach ensures a significant reduction in our annual energy consumption without requiring upfront financial outlays. Additionally, we are actively evaluating new renewable energy opportunities to further decarbonise our operations.

10%

Reduction in energy consumption (standalone basis)



Waste Management

A structured and compliance-driven waste management approach is central to our sustainability practices. We maintain strict adherence to biomedical waste rules and partner with authorised disposal agencies. Further, we track waste management at the ward, ICU and OT levels, unlocking measurable reductions.

To ensure best practice, staff across all departments receive regular training on responsible waste segregation and handling. Further, our HICT team conducts special awareness programmes and annual visits to biomedical waste disposal plants, reinforcing best practices and accountability across the organisation.

200 Kg

Reduction in daily waste generation (800 kg to 600 kg)

Compliant with PCB biomedical waste norms

Water Management

We ensure optimal use and recycling of water through technologies such as STP (Sewage Treatment Plant) and rainwater harvesting systems. Further, we conduct daily monitoring of water inflow and outflow, precisely calibrated to hospital occupancy. This meticulous approach enables early detection of leakages and immediate intervention. Additionally, a Planned Maintenance Schedule (PMS) is in place for all sanitation fixtures to maintain system integrity.

3,10,925 KL

Water recycled



Management Discussion and Analysis

Economic Overview

Global Economy¹

The global economy demonstrated resilience in CY 2024, navigating a challenging landscape marked by geopolitical tensions, trade uncertainties, and effects of prolonged monetary tightening. Despite these headwinds, global GDP growth held steady at 3.3%, supported by easing inflationary pressures across key economies.

Emerging Markets and Developing Economies (EMDEs) remained the primary engines of global expansion, growing at a robust pace of 4.3%. Strong domestic demand and sustained foreign investment underpinned this performance. In contrast, advanced economies recorded modest growth of around 1.8%, constrained by subdued industrial activity and tighter fiscal conditions.

Inflationary trends showed significant improvement, with global inflation easing to 5.7% in CY 2024, down from 6.7% in the previous year. This was largely driven by stabilising energy and food prices, improved supply chain conditions, and easing labour market constraints. In response, several central banks, including the U.S. Federal Reserve, began shifting from a stance of monetary tightening to more expansionary policies, aimed at stimulating growth and enhancing credit availability. Global trade also showed signs of recovery, with trade volumes increasing by an estimated 3.4%, driven by robust export performance in the U.S., China, and East Asia.

Outlook

The global economic outlook for CY 2025 and beyond remains moderately positive, underpinned by easing inflationary pressures, improved macroeconomic stability, and a gradual recovery in investment activity. Global GDP growth is projected at 2.8% in CY 2025 and 3.0% in CY 2026. Advanced economies are expected to experience modest growth, supported by accommodative monetary policies and a gradual improvement in consumer and business confidence. Meanwhile, Emerging Markets and Developing Economies are projected to maintain their growth momentum with 3.7%², benefitting from demographic dividends, infrastructure expansion, and accelerating digital transformation.

Inflation is anticipated to continue on a downward trajectory. Global inflation is expected to decline to approximately 4.3% in CY 2025 and further to 3.6% in CY 2026. However, challenges persist. Global trade growth is projected to remain subdued, with estimates suggesting a slowdown to 1.7% in 2025. This is largely attributed to rising tariff barriers, geopolitical tensions, and the waning impact of recent cyclical trade drivers. Despite these risks, the global economy is expected to remain on a stable path, supported by structural reforms, steady domestic demand in key markets, and the continued shift towards more supportive economic policies.



¹<https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

Indian Economy

India showed steady growth in FY 2024-25 with a growth rate of 6.5%², propelled by strong domestic demand and the steady rise of urban middle class. Inflationary pressures have notably eased during the year, with consumer price inflation reaching as low as 3.34% during the year. This reduction in inflation enabled the Reserve Bank of India to adopt a more accommodative monetary policy stance, which in turn improved liquidity conditions and supported both consumption and investment activities across the economy.

The Government's firm focus on infrastructure led growth was underscored by a significant capital expenditure allocation of 11.11 lakh crore in the Union Budget. Within this broader economic framework, the healthcare sector has emerged as a key driver, benefiting from increased public and private sector investments. With government initiatives aimed at strengthening healthcare infrastructure, alongside private sector efforts in medical innovation and accessibility, the healthcare industry is playing an increasingly critical role in fostering economic resilience and promoting inclusive development.

Outlook

India's economic prospects for the coming year remain strong, underpinned by solid macroeconomic fundamentals and consistent policy direction. GDP growth is expected to hold steady at around 6.5%³, reflecting the economy's resilience and broad based momentum. Inflation is forecasted to stay within a manageable range, hovering near 4.0%. This sustained moderation in price levels opens the door for potential monetary easing, which could further enhance credit availability and stimulate consumer demand across key sectors.

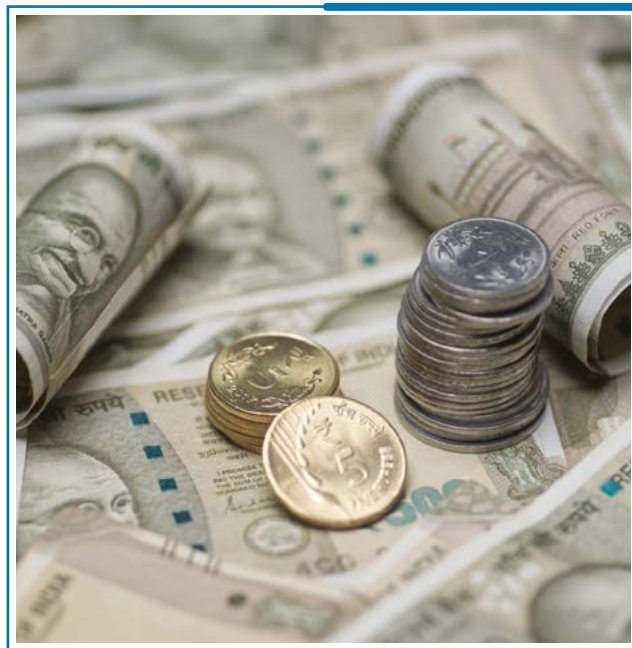
A major pillar of the country's growth outlook continues to be the Government's emphasis on infrastructure led development. Strategic investments in physical and digital infrastructure are set to fuel job creation, attract private investment, and reinforce long term economic expansion. Together, these factors position India for continued growth and stability in the medium term.

Industry Overview

Global Healthcare Industry⁴

The global healthcare industry stands as one of the most vital and rapidly expanding sectors worldwide. Driven by key factors such as population growth, aging demographics, rising income levels and ongoing medical advancements, the industry continues to experience robust expansion. Increased access to healthcare products and services, coupled with a growing need for new and more effective therapies, further underscores the sector's long-term importance.

Innovation remains central to this growth. Breakthroughs in medical treatments, healthcare delivery models, and digital technologies are fundamentally reshaping how care is provided. Digitisation is enhancing the patient experience, enabling



healthcare systems to become more personalised, predictive, and preventative. However, the global healthcare landscape is not without its challenges. Workforce shortages, rising care costs, and persistent disparities in health equity are creating new priorities for governments, providers, and industry stakeholders. These pressures are prompting systemic shifts across policy, investment, and service models.

The sector is broadly segmented into pharmaceuticals, healthcare services, medical devices, and other related fields. With ongoing demand across these segments, the global healthcare market is projected to reach USD 665.37 billion by 2028.

Indian Healthcare Industry

India's healthcare sector has evolved into one of the country's most dynamic and rapidly growing industries, playing a crucial role in shaping a healthier and more inclusive future. With a strong foundation in innovation, the industry has led the way in developing cost-effective medical products and services that serve both domestic and global markets.⁵

Over the past few decades, the sector has undergone transformative changes, marked by significant improvements in infrastructure, technology integration, and accessibility. Public health initiatives have successfully contributed to higher life expectancy, lower fertility rates, and reduced maternal and child mortality. These achievements reflect steady advancements in healthcare delivery systems, driven by both targeted government reforms and strategic investments in medical infrastructure. Spanning a wide range of services, including hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance, and medical equipment, the Indian healthcare sector has emerged as one of the largest contributors to national revenue and employment.

²<https://pib.gov.in/PressReleasePage.aspx?PRID=2113316>

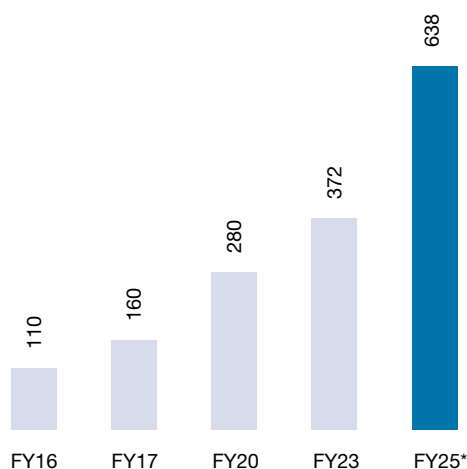
³<https://pib.gov.in/PressReleasePage.aspx?PRID=2120509>

⁴<https://www.benchmarkintl.com/insights/2024-global-healthcare-medical-industry-report/>

⁵https://www.ey.com/en_in/industries/health/decoding-india-s-healthcare-landscape-progress-and-vision-2047

Looking ahead, the industry is poised for substantial expansion, with its market size projected to reach USD 638 billion by the end of 2025⁶. This growth is being propelled by increased public and private investments, rising health awareness, and improved access to medical services across both urban and rural areas. The surge in healthcare infrastructure development, particularly in Tier 2 to Tier 6 cities, further underscores this momentum. With average household incomes on the rise and increased spending from both government and private sectors, India's healthcare expenditure is expected to grow significantly, offering immense potential for continued sectoral growth when compared to other major economies.

Healthcare Sector Growth Trend (US\$ billion)



Source: Frost and Sullivan, LSI Financial Services, Deloitte, *-Forecast

Health Insurance Industry⁷

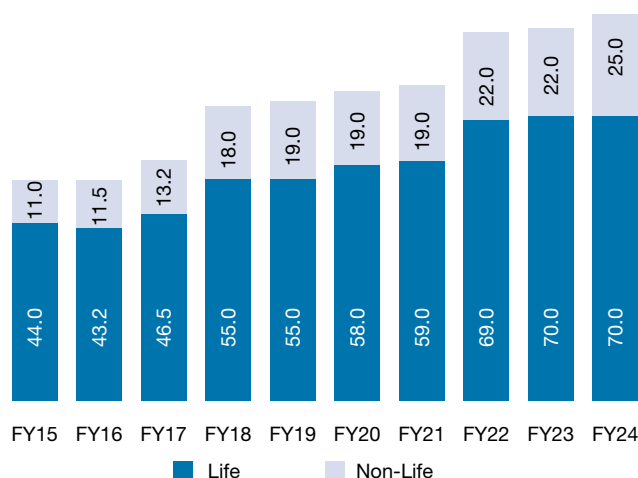
India's health insurance sector presents both considerable challenges and vast opportunities. A significant portion of the population and assets remain uninsured, underscoring the urgent need for deeper market penetration and broader financial protection. Driven by a combination of rising healthcare costs, an expanding middle class, increased post-pandemic awareness of health risks, and supportive regulatory policies, the sector is poised to enter a steep growth phase⁸. These factors are strong prospects for India's insurance industry's rapid expansion and sustained profitability. India has already outpaced several Asian peers in premium growth and has garnered impressive market valuations. Indian life insurers, have achieved valuation multiples of seven to ten times price-to-book, reflecting robust investor confidence and consistent performance.

The regulatory environment, led by the Insurance Regulatory and Development Authority of India (IRDAI), continues to evolve

in favour of the consumer. Recent interventions are focused on simplifying policyholder experiences and fostering digital innovation. At the same time, the emergence of private players has significantly improved operational efficiency, technological adoption, and service delivery standards across the industry.

The health insurance segment, valued at approximately USD 15.99 billion in 2024, is projected to reach USD 38.2 billion by 2032, growing at a compound annual growth rate (CAGR) of 11.5%. This trajectory reflects growing consumer awareness, rising medical expenses, and an expanding array of tailored insurance products.

Healthcare Sector Growth Trend (US\$ billion)



Source: IRDAI

Opportunities⁹



Medical Devices and Diagnostics

India ranks among the top 20 global markets for medical devices, driven by growing demand for imaging equipment, diagnostic kits, and minimally invasive technologies. Tier-2 and tier-3 cities, in particular, present significant growth potential due to expanding healthcare access and rising awareness of early disease detection.



Biopharmaceuticals and Generics

India's established strength in generic drug manufacturing and its rapidly advancing biopharmaceutical industry create opportunities for strategic collaborations. The country is well-positioned to support global clinical trials and cost effective drug production, making it an attractive destination for innovation, outsourcing, and partnership in life sciences.

⁶https://www.bajajamc.com/sites/default/files/amcfiles/Press%20report_Indian_Healthcare_Market_projected_to_reach_%24638_billion_by_2025.pdf

⁷<https://www.insurancebusinessmag.com/asia/news/life-insurance/indias-health-insurance-boom-set-to-triple-by-2032-536660.aspx>

⁸<https://www.mckinsey.com/in/our-insights/steering-indian-insurance-from-growth-to-value-in-the-upcoming-techade>

⁹<https://www.openpr.com/news/4032556/strategic-market-entry-into-india-s-healthcare-sector>



Digital Health and Telemedicine

With increasing smartphone usage and internet penetration, India offers immense potential for digital health innovation. Technologies like telemedicine, AI powered diagnostics, and remote patient monitoring are transforming healthcare delivery, particularly in underserved regions by enhancing accessibility, reducing costs, and enabling timely, patient-centric care across the country.



Healthcare Infrastructure and Hospital Chains

India is witnessing rapid growth in hospital infrastructure through public-private partnerships and private investments. This expansion creates opportunities for integrating advanced medical technologies and healthcare IT systems, driving improved patient outcomes, operational efficiency, and greater access to high quality healthcare services across both urban and rural areas.



Rising Population and an Ageing Demographic

India's growing and ageing population is significantly increasing demand for quality healthcare. Improved life expectancy is prompting a surge in need for geriatric care, chronic disease management, and specialised services. As a result, providers are expanding capacity and tailoring infrastructure to address this demographic shift, opening sustained growth avenues.

Threats



Regulatory Compliance

Navigating India's complex and evolving regulatory environment remains a significant challenge for healthcare providers. Frequent policy changes, multi-tiered governance, and fragmented oversight across states can delay approvals, increase operational costs, and hinder innovation.



Variations in Healthcare Access Across Regions

India faces stark disparities in healthcare access between urban and rural areas. While metropolitan regions often benefit from advanced medical facilities, large parts of the population in remote and underserved regions still lack basic healthcare services. This uneven distribution undermines national health outcomes and equitable care delivery.



Workforce Shortages

India continues to experience a critical shortage of trained healthcare professionals, including doctors, nurses, and technicians. The shortage is particularly acute in rural areas, affecting patient care quality and increasing the burden on existing staff. This gap limits the system's ability to scale and respond to rising demand.



Low Insurance Penetration

Despite policy reforms, health insurance penetration in India remains low. A significant portion of the population remains uninsured or underinsured, leading to high spending. This financial vulnerability not only discourages preventive care but also limits the healthcare system's ability to deliver consistent, affordable services at scale.

Government Initiatives

Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)

PM-ABHIM strengthens India's healthcare infrastructure across all levels by investing in public health labs, emergency response systems, and digital health technologies. It is India's largest public health infrastructure initiative since 2005, aiming to enhance healthcare accessibility and resilience through technology driven reforms.

National Health Mission (NHM)

The NHM supports the enhancement of healthcare infrastructure and human resources in rural and underserved regions. It provides technical and financial assistance to states and UTs, ensuring improved access to quality health services in line with the National Health Policy's broader goals.

Health Data Management Policy

Aligned with the National Digital Health Blueprint and NHP 2017, this policy supports creation of a digital infrastructure to deliver universal health coverage. It promotes Atma Nirbhar Bharat by enabling secure, standardized health data systems for nationwide integration of healthcare services.

Ayushman Bharat Digital Mission (ABDM)

ABDM aims to establish a unified digital health ecosystem by integrating healthcare providers and patients using unique health IDs. It bridges gaps in infrastructure and public health management across urban and rural areas, empowering communities to manage health crises independently and effectively.

Telemedicine and e-Sanjeevani

The e-Sanjeevani platform provides remote healthcare consultations, reducing the need for physical visits and ensuring continuity of care. It has been pivotal during the pandemic, enabling doctor consultations from home and expanding access to medical advice, particularly in underserved and rural areas.

Aarogya Setu App

The Aarogya Setu App has evolved into a comprehensive National Health App under ABDM. It enables users to create health IDs, access digital lab reports and prescriptions, schedule teleconsultations via e-Sanjeevani, and manage COVID-19 vaccination certificates, all through a single, integrated digital platform.

U-WIN Portal

Launched in October 2024, the U-WIN Portal digitizes vaccination services for pregnant women and children. It offers anytime-anywhere vaccination access, self-registration, SMS alerts, digital certificates, and supports creation of Ayushman Bharat Health Accounts for individuals and children, enhancing transparency and accessibility in immunization efforts.

Company Overview

Krishna Institute of Medical Sciences Limited (KIMS) is one of India's largest corporate healthcare groups, with a robust footprint across Telangana, Andhra Pradesh, Maharashtra, Kerala, and Karnataka. Operating under the trusted "KIMS Hospitals" brand, the Company delivers integrated, multidisciplinary healthcare services with a focus on tertiary and quaternary care, underscoring its commitment to clinical excellence at an affordable cost.

KIMS manages a network of advanced multi-specialty hospitals, comprising a combined capacity of over 5,000 beds. Its comprehensive service offering spans more than 40 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastroenterology, orthopaedics, organ transplantation, renal sciences, and mother and child care.

The Company's growth and reputation are rooted in its unwavering commitment to delivering accessible, high-quality healthcare and its strong relationships with skilled medical professionals. These pillars have been instrumental in strengthening the KIMS Hospitals brand and enhancing its role as a trusted healthcare provider in the regions it serves.

KIMS Foundation and Research Centre (KFRC)

Established in 2010 by Dr. Bhaskar Rao Bollineni, Chairman & Managing Director of KIMS Hospitals, the KIMS Foundation and Research Centre (KFRC) is at the forefront of diverse and innovative scientific research in healthcare. As the research arm of KIMS Hospitals, KFRC is committed to advancing clinical knowledge, improving patient outcomes, and contributing to the broader field of medical science. KFRC engages in multidisciplinary research activities spanning biotechnology, genomics, pharmacology, medical engineering,

and translational medicine. Its work is underpinned by a strong foundation of academic rigor and a clear focus on real-world healthcare applications.

The Centre has forged strategic collaborations with several premier institutions including the Defence Institute of Advanced Technology (DIAT), Indian Institute of Chemical Technology (IICT), University of Hyderabad, and the Genome Foundation. These partnerships have enriched KFRC's intellectual ecosystem by providing access to cutting-edge expertise and fostering a culture of innovation. Notably, these alliances have enabled the development of collaborative PhD programs and joint supervision of research scholars, further strengthening KFRC's academic infrastructure. Through such initiatives, KFRC continues to attract high calibre talent and solidify its position as a hub for pioneering research and scientific advancement in the healthcare sector.

Medical education programmes

KIMS Hospitals remains deeply committed to nurturing the next generation of healthcare professionals through robust medical education programmes. In affiliation with state medical boards and universities, the hospitals offer a comprehensive range of broad and super specialty training, including Diplomate of National Board (DNB) courses and post-doctoral fellowships across various disciplines. These programmes are designed to impart advanced clinical knowledge and hands-on experience, fostering a culture of academic excellence and ethical medical practice. The educational initiatives are further enriched by the work of KIMS Foundation and Research Centre (KFRC), which plays a pivotal role in bridging medical education with scientific research and innovation.

KFRC has entered into strategic collaborations with premier institutions such as the Defence Institute of Advanced Technology (DIAT), Indian Institute of Chemical Technology (IICT), and the University of Hyderabad. These partnerships facilitate joint academic programs, research projects, and PhD level training in cutting edge areas like cancer drug delivery systems, blood embolic agents, biotechnology, and medical engineering. In addition to institutional collaborations, KFRC promotes inclusive and community oriented education through associations with organizations such as the Public Health Foundation of India (PHFI), Tech Mahindra Foundation, and Deaf Enabled Foundation (DEF). Initiatives include mobile cancer screening units, youth skill development, and the establishment of SIGNCARE, a Telemedicine Centre catering to the hearing impaired. Collaboration with the Genome Foundation has further strengthened academic infrastructure by offering access to advanced laboratory facilities and training in molecular genetics and cytogenetics. These efforts have expanded opportunities for DNB and PhD students to undertake high-impact research projects.

Together, KIMS Hospitals and KFRC are shaping a dynamic academic ecosystem that integrates medical education, translational research, and social responsibility, empowering students and healthcare professionals to meet the evolving challenges of modern medicine.

Operational Performance

Particulars	Telangana					Andhra Pradesh				
	FY24	FY25	Q4 FY24	Q3 FY25	Q4 FY25	FY24	FY25	Q4 FY24	Q3 FY25	Q4 FY25
Bed Capacity	1727	1797	1727	1797	1797	1914	2214	1914	2214	2214
Operational Beds	1612	1682	1612	1682	1682	1641	1806	1641	1841	1806
Census Beds	1324	1394	1324	1394	1394	1470	1641	1470	1670	1641
Non Census Beds	288	288	288	288	288	171	200	171	171	200
Occupied Beds	849	854	820	845	851	1154	1092	1077	1062	985
Occupancy %	52.6%	50.8%	50.9%	50.2%	50.6%	70.3%	60.5%	65.6%	57.7%	54.6%
IP Volume	82,831	91,159	20,142	22,267	22,322	93,572	99,266	22,505	25,036	23,929
OP Volume	8,05,920	9,01,117	2,10,521	2,23,253	2,21,049	6,70,011	7,22,487	1,67,104	1,81,766	1,74,765
ARPOB (Rs.)	53,246	63,650	56,165	63,363	65,375	15,996	21,130	17,416	21,275	23,668
ARPP (Rs.)	1,99,652	2,15,676	2,08,128	2,21,250	2,24,316	72,198	81,416	75,809	83,061	87,721
ALOS	4	3	4	3	3	4	4	4	4	4
Total Revenue (Rs. Mn)	16,572.0	19,710.8	4,183.5	5,027.4	4,964.2	6,774.5	8,108.2	1,714.1	2,087.9	2,108.9
EBITDA (Rs. Mn)	4,777.5	6,062.4	1,170.2	1,547.5	1,605.5	1,505.7	1,962.0	370.6	494.1	495.6
EBITDA % to Revenue	28.8%	30.8%	28.0%	30.8%	32.3%	22.2%	24.2%	21.6%	23.7%	23.5%

Particulars	Maharashtra					Kerala			Group				
	FY24	FY25	Q4 FY24	Q3 FY25	Q4 FY25	FY25	Q3 FY25	Q4 FY25	FY24	FY25	Q4 FY24	Q3 FY25	Q4 FY25
Bed Capacity	334	659	334	659	659	509	189	509	3975	5179	3975	4859	5179
Operational Beds	250	630	250	630	630	374	189	374	3503	4492	3503	4342	4492
Census Beds	195	545	195	545	545	344	159	344	2989	3924	2989	3768	3924
Non Census Beds	55	85	55	85	85	30	30	30	514	603	514	574	603
Occupied Beds	145	208	148	203	230	94	90	90	2148	2248	2044	2200	2157
Occupancy %	58.0%	33.0%	59.1%	32.2%	36.6%	25.2%	47.4%	24.0%	61.3%	50.1%	58.4%	50.7%	48.0%
IP Volume	14,764	17,887	3,721	4,423	4,920	5,034	2,287	2,747	1,91,167	2,13,346	46,368	54,013	53,918
OP Volume	1,12,066	1,40,401	33,231	33,609	34,207	70,307	31,531	38,776	15,87,997	18,34,312	4,10,856	4,70,159	4,68,797
ARPOB (Rs.)	33,782	32,052	35,520	29,836	32,591	29,885	27,191	32,727	31,916	39,158	34,270	38,472	41,469
ARPP (Rs.)	1,21,517	1,31,299	1,28,301	1,26,047	1,37,300	95,308	97,971	93,090	1,31,232	1,43,293	1,37,500	1,44,181	1,49,069
ALOS	3.60	4.10	3.61	4.22	4.21	3.19	3.60	2.84	4.11	3.66	4.01	3.75	3.59
Total Revenue (Rs. Mn)	1,796.5	2,365.0	478.3	561.1	680.3	486.1	225.5	260.6	25,143.0	30,670.0	6,376.0	7,902.0	8,014.0
EBITDA (Rs. Mn)	249.9	220.6	87.2	7.5	21.8	-97.0	0.9	-97.9	6,533	8,148.0	1,628.0	2,050.0	2,025.0
EBITDA % to Total Revenue	13.9%	9.3%	18.2%	1.3%	3.2%	-20.0%	0.4%	-37.6%	26.0%	26.6%	25.5%	25.9%	25.3%

Financial Overview

In FY25, KIMS Hospitals delivered a strong performance, recording a consolidated income of Rs. 3,067 crores at a year-on-year growth of 22%. EBITDA also increased by 24.7% compared to FY24, reflecting the Company's sound operational efficiency and solid financial position.

Particulars	In Millions FY 2025	In Millions FY 2024
Income		
Operating Revenues	30,351	24,982
Other Income	319	161
Total Income	30,670	25,143
Expenses		
Purchase of medical drugs	6,404	5,369
Changes in inventories of medical drugs	-135	-65
Employee benefits expenses	4,995	4,224
Other expenses	11,258	9,082
Depreciation and Amortisation expense	1,772	1,465
Share of loss from associate, net of tax	-	3
Finance costs	903	470
Operating Profit / PBT	5,473	4,595
Gain on fair valuation of call option	108	
Operating Profit Margin (%)	17.80	18.30
EBITDA	8,148	6,533
EBITDA Margin (%)	26.60	26.00

Technology and Cybersecurity

The Company has strengthened its cybersecurity framework through real-time monitoring, endpoint protection, and integration of threat intelligence. Key measures include the use of SIEM tools, IDS/IPS systems, and regular third-party vulnerability assessments. Security protocols align with CIS Controls and are supported by regular employee training and incident response drills. With endpoints forming a major part of the digital environment, focused investments have been made in behavioral analytics and threat detection.

Human Resource

KIMS Hospitals recognises that its people are fundamental to delivering high-quality healthcare and sustaining long-term organisational growth. The Company remains committed to effective human resource management as a strategic pillar, ensuring it attracts, retains, and nurtures top-tier talent across all levels of operation. With a dedicated Human Resources department, KIMS Hospitals implements progressive, people-centric policies that foster a positive and inclusive work culture. These efforts are aimed at empowering employees, enhancing job satisfaction, and aligning the workforce with the Company's mission of patient-centred care.

As of March 31, 2025, KIMS Hospitals, including its subsidiaries, employed over 10,000 individuals. This diverse workforce brings a rich blend of experiences and backgrounds, united by a shared dedication to improving patient health outcomes. The Company

actively fosters diversity and inclusion as a core component of its organisational culture, offering fair and equal opportunities for individuals from all backgrounds to contribute and grow.

Continuous professional development remains a key HR priority. The HR team regularly organises mandatory training sessions and skill enhancement programmes, equipping employees with the tools and knowledge required to adapt and excel in a dynamic healthcare environment. All employees are required to complete a minimum of 40 hours of training annually. Internal and external training programmes are conducted on topics including HR policies, NABH & ISO standards, occupational hazards, POSH, grievance handling, hospital disaster management, privileging processes, IT security, and the use of Adrenalin, LMS and PMS systems. Additionally, external workshops on financial management, clinical governance, women's safety, self-defense, and cybercrime are held periodically. KIMS also prioritises workplace safety through regular mock drills and training sessions on fire safety, radiation safety, incident reporting, and basic life support (BLS).

KIMS takes pride in celebrating its people. Achievements and exceptional contributions by staff are recognised through town hall meetings and award ceremonies. Security personnel and other frontline workers are honoured on national occasions such as Independence Day and Republic Day by senior leadership, including the Managing Director. Through a holistic and inclusive approach to human resources, KIMS Hospitals continues to leverage the collective strength of its people to drive operational excellence and deliver exceptional patient care.

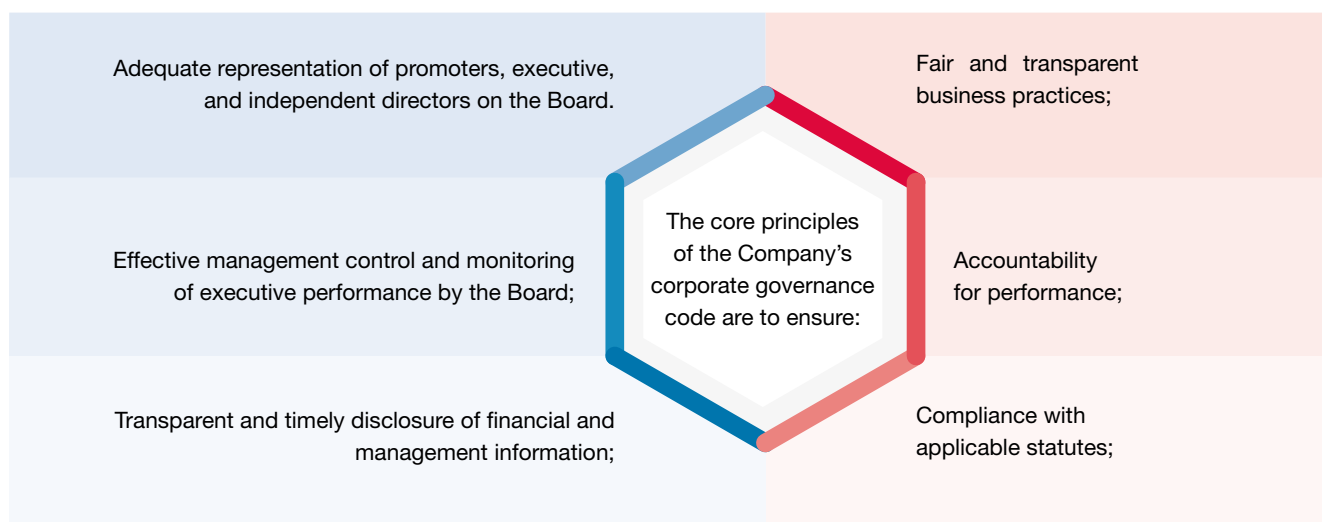
Risk Management

Risks	Risk Particular	Mitigation Strategies
 Clinical Risk	Clinical risk arises from medical errors, misdiagnosis, surgical complications, and procedural mistakes, which can jeopardize patient safety and the quality of care. These risks can adversely affect the Company's reputation and operational integrity.	To minimize clinical risks, KIMS Hospitals implements rigorous safety audits, stringent quality control measures, and continuous training programs for staff.
 Regulatory Risk	Regulatory risk refers to the challenges hospitals face in complying with a complex and ever-evolving set of regulations. Non-compliance with these regulations can result in legal penalties, financial losses, and damage to the hospital's reputation.	Compliance with healthcare regulations is ensured through continuous monitoring and updating of practices.
 Financial Risk	Volatile interest rates, changes in tax laws, and credit risks have the potential to impact the Company's financial stability. These factors can lead to fluctuations in borrowing costs, affect cash flows, and increase the risk of defaults, all of which may negatively influence the Company's profitability and overall financial health.	KIMS Hospitals proactively manages debt, conducts regular risk assessments, and implements strict financial controls to ensure long-term financial stability.
 Operational Risk	Operational risk refers to the potential for delays, inefficiencies, or failures in internal processes, systems, or external events that can disrupt hospital operations, ultimately impacting the hospital's ability to deliver timely and quality services to patients.	The Company ensures timely project completion and cost control by implementing efficient project management practices and maintaining operational flexibility.

Risks	Risk Particular	Mitigation Strategies
 Reputational Risk	Reputational risk refers to the potential damage to a hospital's image or public perception due to negative media coverage, unauthorized statements, or perceived negligence. This can undermine trust, erode patient confidence, and impact business outcomes.	To protect and enhance its reputation, KIMS Hospital prioritizes patient safety while leveraging proactive public relations strategies and maintaining open communication channels.
 Cybersecurity Risk	Growing reliance on digital systems increases the risk of cyberattacks and data breaches, potentially compromising sensitive information and disrupting operations, which may impact the Company's image and trustworthiness.	The Company maintains strong IT security, supports comprehensive data management, and ensures business continuity through effective disaster recovery protocols.

Internal Control System and Its Adequacy

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



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

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

Cautionary Statement

Certain statements in this Management Discussion and Analysis pertaining to KIMS Hospitals' objectives, projections, expectations, estimates, future outlook, and other forward-looking statements are based on currently available information, assumptions, and forecasts, and are subject to applicable laws and regulations. These forward-looking statements involve known and unknown risks, uncertainties, and other factors, many of which are beyond the Company's control, that could cause actual results, performance, or achievements to differ materially from those expressed or implied. Key factors that may

impact actual outcomes include, but are not limited to, changes in macroeconomic conditions, shifts in healthcare regulations or policy, competitive dynamics, pricing pressures, technological advancements, political or economic developments in India and globally, legal proceedings, and fluctuations in input or operational costs.

These statements are not guarantees of future performance and should not be unduly relied upon. KIMS Hospitals undertakes no obligation to publicly update or revise any forward-looking statements in light of future events or new information, except as required by applicable law.

Krishna Institute of Medical Sciences Limited

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

CIN: L55101TG1973PLC040558

Notice of the 23rd Annual General Meeting

Notice is hereby given that the 23rd Annual General Meeting (AGM) of the Members of Krishna Institute of Medical Sciences Limited will be held on Friday, 29th August 2025 at 4.00 p.m. through video conference ("VC") / other audio visual means ("OAVM") to transact the following business:

A. ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors and the Auditor's thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors and the Auditor's thereon, as circulated to the Members, be and are hereby considered and adopted."

- 2) **To appoint Dr. Abhinay Bollineni, (DIN No. 01681273), who retires by rotation and, being eligible, offers himself for re-appointment as a Director.**

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

"RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act 2013, the approval of the members be and is hereby accorded to reappoint Dr. Abhinay Bollineni, (DIN No. 01681273) as a Director, who is liable to retire by rotation."

B. SPECIAL BUSINESS:

- 3) **To ratify the remuneration payable to the Cost Auditors, M/s. Sagar & Associates, for the financial year 2025-26:**

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

"RESOLVED THAT pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), the remuneration of Rs. 6.00 Lakhs excluding applicable taxes, payable to M/s. Sagar & Associates, Cost Accountants appointed as the Cost Auditors, to conduct the audit of the Company's cost records for the financial year 2025-26, as approved by the Board of Directors, be and is hereby ratified.

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

- 4) **Appointment of M/s IKR & Associates, Practising Company Secretaries, as the Secretarial Auditors of the Company:**

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

"RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. IKR & Associates, a firm of Practising Company Secretaries (firm registration no. S2016TL372100), be and

is hereby appointed as the Secretarial Auditors of the Company, for a term of five consecutive financial years commencing from April 1, 2025 till March 31, 2030, at such remuneration as may be determined by the Board of Directors of the Company (including its Committee thereof) in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

Dr. Nagajayanthi J. R.

Company Secretary & Compliance officer
 M. No. FCS 7148

Date: 12.05.2025

Place: Hyderabad

Notes:

1. In accordance with the provisions of the Companies Act, 2013, read with the Rules made thereunder and General Circular No. 09/2024 dated September 19, 2024, other Circulars issued by the Ministry of Corporate Affairs (“MCA”) from time to time, Circular No. SEBI/HO/CFD/CFD-PoD2/P/CIR/2024/133 dated October 3, 2024, issued by SEBI (“the Circulars”), companies are allowed to hold Annual General Meetings (“AGM”) through video conference or other audio visual means (“VC”) up to 30th September 2025, without the physical presence of members at a common venue. Accordingly, the AGM of the Company is being held through VC. The Company has engaged the services of MUFG Intime India Private Limited for providing facility, for voting through remote e-Voting, for participation in the AGM through VC and e-Voting during the AGM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 3 & 4 of the Notice, is annexed hereto.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip, and route map of AGM are not annexed to this Notice.
4. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2024-2025 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Depository Participants.
6. To support the ‘Green Initiative’, members who have not registered their e-mail addresses are requested to register the same with the respective Depository Participants, in case the shares are held by them in electronic form and with the Registrar and Share Transfer Agent, in case the shares are held by them in physical form. The registered e-mail addresses will be used for sending future communications, electronically.
7. As per Regulation 40 of the SEBI Listing Regulations as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings into dematerialized form.

8. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to krishna@ikrassociates.com. Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
9. Members desiring any information, as regards the financials, are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information available.
10. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an email to cs@kimshospitals.com.
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in the requisite Form as the case may be.
12. SEBI vide its Master Circular SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 20, 2023, has introduced Online Dispute Resolution (ODR), which is in addition to the existing SCORES platform which can be utilized by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform.
13. The process for initiation of Dispute Resolution process is enumerated below:

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

If the grievance is not redressed satisfactorily the investor/shareholder may escalate the same through the SCORES Portal (www.scores.gov.in) in accordance with SCORES Guidelines;

If the investor/client is still not satisfied with the outcome, he/she can initiate dispute resolution through the ODR Portal. Alternatively, the investor/client can initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned Market Participant was not satisfactorily resolved or at any stage of the subsequent escalations (prior to or at the end of such escalation/s). For more information shareholders are requested to visit the weblink <https://smartodr.in/login>.
14. The Notice of the AGM along with the Annual Report for the financial year 2024-2025, is available on the website of the Company at www.kimshospitals.com, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

15. Voting Through Electronic Means

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

Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of Annual General Meeting Notice and holding shares as on 01.08.2025, may refer to this Notice of the Annual General Meeting, posted on the Company's website <https://www.kimshospitals.com/investors/> for detailed procedure with regard to remote e-voting. Any person who ceases to be a member of the Company as of the cut-off date and is in receipt of this Notice shall treat this Notice for information purposes only.

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

The voting period begins on 26.08.2025 at 9.00 AM (IST) and ends on 28.08.2025 at 5.00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.08.2025 may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

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

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:**Individual Shareholders holding securities in demat mode with NSDL****METHOD 1 - NSDL IDeAS facility****Shareholders registered for IDeAS facility:**

- a) Visit URL: <https://eservices.nsdl.com> and click on “Beneficial Owner” icon under “IDeAS Login Section”.
- b) Click on “Beneficial Owner” icon under “IDeAS Login Section”.
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.
- d) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.
- c) Enter the last 4 digits of your bank account / generate ‘OTP’
- d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

METHOD 2 - NSDL e-voting website

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 3 - NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders registered with CDSL Easi/ Easiest facility

METHOD 1 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com & click on New System Myeasi Tab.
- Enter existing username, Password & click on "Login".
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- Proceed with updating the required fields for registration.
- Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

- Visit URL: <https://www.cdslindia.com>
- Go to e-voting tab.
- Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

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

- Login to DP website
- After Successful login, user shall navigate through "e-voting" option.
- Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote

Shareholders registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- Enter details as under:
 - User ID: Enter User ID
 - Password: Enter existing Password
 - Enter Image Verification (CAPTCHA) Code
 - Click "Submit".

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

Shareholders not registered for INSTAVOTE facility:

a) Visit URL: <https://instavote.linkintime.co.in> & click on “Sign Up” under ‘SHARE HOLDER’ tab & register with details as under:

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders holding shares in NSDL form, shall provide ‘D’ above
 - Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
5. Set the password of your choice.

(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click “Submit” (You have now registered on InstaVote).

Post successful registration, click on “Login” under ‘SHARE HOLDER’ tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the “Notification for e-voting”.
- B. Select ‘View’ icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- D. After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

NOTE: Shareholders may click on “Vote as per Proxy Advisor’s Recommendation” option and view proxy advisor recommendations for each resolution before casting vote. “Vote as per Proxy Advisor’s Recommendation” option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Guidelines for Institutional shareholders (“Custodian / Corporate Body/ Mutual Fund”)**STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration**

- A. Visit URL: <https://instavote.linkintime.co.in>
- B. Click on “Sign Up” under “Custodian / Corporate Body/ Mutual Fund”
- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

- A. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- B. Click on “Investor Mapping” tab under the Menu Section
- C. Map the Investor with the following details:
 - 1) ‘Investor ID’ – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 2) ‘Investor’s Name - Enter Investor’s Name as updated with DP.
 - 3) ‘Investor PAN’ - Enter your 10-digit PAN.
 - 4) ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Votes Entry” tab under the Menu section.
- c) Enter the “Event No.” for which you want to cast vote.
Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- d) Enter “16-digit Demat Account No.”.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- f) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will see “Notification for e-voting”.
- c) Select “View” icon for “Company’s Name / Event number”.
- d) E-voting page will appear.
- e) Download sample vote file from “Download Sample Vote File” tab.
- f) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.
- g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:**Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:**

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufig.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

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

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

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “Login” under ‘SHARE HOLDER’ tab.
- Click “forgot password?”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%*), at least one numeral, at least one alphabet and at least one capital letter.

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

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

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

INSTAMEET VC INSTRUCTIONS:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".
- b) Select the "Company Name" and register with your following details:
- c) Select Check Box - Demat Account No. / Folio No. / PAN
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
- d) Click "Go to Meeting" You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request with the company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

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

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

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

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

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

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

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

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

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpsmufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 and Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Explanatory Statement sets out material facts relating to the Item No.3 & 4 of the notice.

Item No.3 :

The Board of Directors, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Sagar & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2025-26 at a fee of Rs. 6.00 Lakhs, exclusive of applicable taxes.

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

Accordingly, consent of the members is being sought by passing an ordinary resolution as set out under Item No.3 of the Notice, for ratification of the remuneration payable to the cost auditors for the financial year ending 2025-26.

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

Item No. 4:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the applicable rules framed thereunder, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), every listed company is required to annex a Secretarial Audit Report to its Board's Report. This report must be issued by a Practising Company Secretary.

Accordingly, the Board of Directors had appointed M/s. IKR & Associates, a firm of Practising Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2024-25. The Secretarial Audit Report for the said financial year, issued by them, forms part of the Annual Report and is annexed to the Board's Report.

SEBI, vide its notification dated December 12, 2024, amended the SEBI Listing Regulations, 2015. The amended regulations mandate that companies obtain shareholders' approval, in addition to the approval of the Board of Directors, for the appointment

of Secretarial Auditors. Furthermore, the appointed Secretarial Auditor must be a peer-reviewed Company Secretary and must not have incurred any of the disqualifications as prescribed by SEBI.

In compliance with the amended regulations and based on the recommendations of the Audit Committee, the Board of Directors recommends the appointment of M/s. IKR & Associates, Practising Company Secretaries, as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from April 1, 2025, to March 31, 2030.

Brief Profile of M/s IKR & Associates

IKR & Associates (IKR), Company Secretaries, is a peer-reviewed professional firm based in Hyderabad. Established in 2011 by Mr. Krishna Rao Inturi, IKR has earned a reputation for excellence in handling complex matters related to company law and corporate governance. The firm has been providing secretarial and consultancy services with a strong emphasis on compliance, accuracy, and strategic insight.

IKR comprises a team of qualified and semi-qualified professionals who are dedicated to delivering high-quality corporate advisory services. Their clientele includes not only corporates but also several accounting and legal firms that rely on IKR for expert advice on company secretarial matters.

M/s. IKR & Associates is a reputed firm of Practising Company Secretaries. The firm has confirmed that it holds a valid peer review certificate issued by the Institute of Company Secretaries of India. The firm has further confirmed that it is not disqualified from being appointed as Secretarial Auditors under applicable laws and that there is no conflict of interest in accepting this engagement. Additionally, the firm has provided a declaration stating that it has not undertaken any prohibited non-secretarial audit assignments for the Company, its holding, or subsidiary companies.

The proposed remuneration payable to M/s IKR & Associates for the financial year April 1, 2025 to March 31, 2026 is ₹ 3,00,000/- (Rupees Three Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses. In addition to the audit services, the Company shall also obtain statutory certifications, as required from time to time, from the Secretarial Auditors. These additional services shall be compensated separately, on mutually agreed terms.

The Board of Directors and the Audit Committee shall have the authority to revise the remuneration for the remaining term of appointment, based on periodic reviews, changes in applicable regulations, business restructuring, or other relevant factors.

The Board, in consultation with the Audit Committee, may also alter or vary the terms and conditions of the appointment, including the remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

None of the Directors, Key Managerial Personnel of the Company, or their relatives are, in any way, financially or otherwise, concerned or interested in the proposed resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for the approval of the members.

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

Date: 12.05.2025
Place: Hyderabad

Dr. Nagajayanthi J. R.
Company Secretary & Compliance officer
M. No. FCS 7148

Board's Report

To,
The Members,

Your Directors have pleasure in presenting the 23rd Annual Report on the business and operations of the Company along with the audited financial statements (Consolidated and Standalone) for the financial year ended March 31, 2025.

1. Financial Summary of the Company

Particulars	Standalone ₹ In Million		Consolidated ₹ In Million	
	2024-25	2023-24	2024-25	2023-24
Total Revenue	14,408	12,403	30,670	25,143
Profit/(Loss) Before Interest and Depreciation	4,732	3,799	8,148	6,533
Less: Finance Cost	232	36	903	470
Less: Depreciation and amortization expenses	577	581	1,772	1,465
Profit before Share of loss from associate, net of tax	3,923	3,182	5,473	4,598
Add: Share of loss from associate, net of tax	-	-	-	-3
Add: Exceptional items	108	-	108	0
Profit before Tax	4,031	3,182	5,581	4,595
Less: Income Tax				
- Current Tax	951	817	1,495	1,162
- Deferred Tax (credit)/charge	47	-6	-47	40
- Adjustment of tax relating to earlier years	4	18	-15	34
Profit After Tax	3,029	2,353	4,148	3,359
Add: Other Comprehensive Income	-13	2	-23	3
Total Comprehensive Income	3,016	2,355	4,125	3,362

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

During the year under review, the total revenue on standalone basis increased to ₹ 14,408 million in FY25 compared to ₹ 12,403 million in the previous year, an increase by 16%. The profit after tax for the year increased to ₹ 3,029 million in FY25 compared to ₹ 2,353 million in the previous year, an increase by 29%.

During the year under review, the consolidated total revenue of the Group increased to ₹ 30,670 million in FY25 compared to ₹ 25,143 million, an increase of 22%. Profit after tax for the group increased to ₹ 4,148 million in FY25 compared to 3,359 million in the previous year, an increase by 23%.

3. Consolidated Financial Statements

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

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

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

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

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

5. Dividend

The Company is not proposing any Dividend during the year.

6. Transfer of Reserves

The Company has recorded a profit of Rs 3029 million (Standalone) for the period 2024-25 and the same was transferred to the head of other Equity.

7. Share Capital

The paid-up share capital as of March 31, 2025, is 80,02,77,870.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

During the year, the Company has subdivided 1 (one) equity share having a face value of ₹ 10/- (Rupees Ten only) each, fully paid-up, into 5 (five) equity shares having a face value of ₹ 2/- (Rupees Two only) each, fully paid-up. These newly issued shares rank pari-passu in all respects, as approved by the shareholders at the 22nd Annual General Meeting held on August 29, 2024.

As of March 31, 2025, the details of shareholding in the Company held by the Directors are set out in the Corporate Governance Report forming part of the Board's Report and none of the directors hold convertible instruments of the Company.

8. Directors and Key Managerial Personnel

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

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

As of the date of this report, the Board comprises of 9 (Nine) Directors, of whom, 3 (Three) are Executive Director and 6 (Six) are Non-Executive Directors. Amongst the Non-Executive Directors, 5 (Five) are Independent Directors and 1 (one) is Non-Independent Director. The Non-Executive Directors bring an external and wider perspective in Board's deliberations and decisions. The size and composition of the Board conforms to the requirements of the Companies Act, 2013.

Independent Directors

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

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

Meetings of Independent Directors : The Independent Directors had a meeting on 26.03.2025.

Key Managerial Personnel and Change in Directors during the year

- The Board of Directors of the Company, at its meeting held on January 4, 2025, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Suresh Natwarlal Patel (DIN: 07202263) as an Additional Director in the category of Independent Director (Non-Executive), with effect from January 4, 2025. His appointment was for a term of up to 5 (five) consecutive years, subsequently obtained the Shareholder's approval for his appointment through Postal ballot on March 16, 2025.
- During the year Mr. Uma Shankar Mantha, Company Secretary & Compliance officer has tendered his resignation as Company Secretary & Compliance Officer (KMP) of the Company on November 29, 2024, to pursue career opportunities outside the organization. His last working day as Company Secretary & Compliance Officer (KMP) was at the close of business hours on December 17, 2024.
- The Board of Directors of the Company, at its meeting held on January 4, 2025 based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Ms. Nagajayanthi J.R (Membership No. FCS 7148) as Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company w.e.f January 4, 2025.

Retirement by Rotation

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

9. Board Functioning & Meetings

The Board and Committee meetings are pre-scheduled and a tentative calendar of the meetings is finalized in consultation with the Directors to facilitate them to plan their schedule. However, in case of urgent business needs, approval is taken by passing resolutions through circulation. During the year under review, 8 (Eight) board meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, one separate meeting of the Independent Directors was held during the year.

10. Nomination and Remuneration Policy

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

11. Annual Return

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

12. Details of Subsidiary/Joint Ventures/Associate Companies

- a. **Arunodaya Hospitals Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 415 million during the financial year 2024-25.
- b. **KIMS Hospital Enterprises Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 3,544 million during the financial year 2024-25.
- c. **Icnkrishi Institute of Medical Sciences Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 1,483 million during the financial year 2024-25.
- d. **Saveera Institute of Medical Sciences Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 1,125 million during the financial year 2024-25.
- e. **KIMS Hospital Kurnool Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of ₹ 987 million during the financial year 2024-25.
- f. **Sarvejana Healthcare Private Limited (Subsidiary Company):** The Subsidiary company has recorded a total revenue of ₹ 6,000 million during the financial year 2024-25.
- g. **SPANV Medisearch Lifesciences Private Limited (Subsidiary Company):** The Subsidiary company has recorded a total revenue of ₹ 2,213 million during the financial year 2024-25.
- h. **KIMS Manavata Hospitals Private Limited (Subsidiary Company):** The Subsidiary company has recorded a total revenue of ₹ 149 million during the financial year 2024-25.
- i. **Meda Institute of Podiatry Private Limited (Subsidiary Company):** The Subsidiary company has recorded a total revenue of ₹ 11 million during the financial year 2024-25.
- j. **KIMS Swastha Private Limited (Wholly-owned Subsidiary) -** The Wholly-owned Subsidiary company has recorded a total revenue of ₹ 486 million during the financial year 2024-25.
- k. **Chalasani Hospitals Private Limited (Wholly-owned Subsidiary) -** The Wholly-owned Subsidiary company has recorded a total revenue of ₹ 466 million during the financial year 2024-25.
- l. **KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited:** These are the wholly-owned subsidiaries of your Company, which are still under the process of setting up their infrastructure to run the hospital.

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

Note:* During the year under review, the step down subsidiary M/s. Rajyalakshmi Healthcare Private Limited has merged with its holding Company Sarvejana Healthcare Private Limited vide order dated 19th February, 2025.

13. Particulars of contracts or arrangements with related parties.

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

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

None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company except Dr. Bhaskara Rao Bollineni, Chairman & Managing Director who has drawn a professional fee of ₹ 11.00 million for the Financial year 2024- 25.

14. Statutory Auditors

The members at the 22ND Annual General Meeting held on August 29, 2024, approved re-appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004), as the Statutory Auditors to hold office from the conclusion of the 22ND Annual General Meeting till the conclusion of the 27TH Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their audit reports on the financial statements for the year ended 31 March 2025.

15. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Directors on the recommendation of the Audit Committee, appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN 000118) to audit the cost accounts of the Company for the financial year 2025-2026 on a remuneration of ₹ 0.60 million.

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN 000118) will be part of the Notice convening the 23rd Annual General Meeting.

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

16. Adequacy of Internal Financial Controls:

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

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

17. Secretarial Auditors Report

The Board had in its meeting held on 16th May, 2024 appointed M/s. IKR & Associates (a Peer-Reviewed Firm), as the Secretarial Auditor for the financial ended 31st March, 2025. In addition, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the secretarial audit of KIMS Hospital Enterprises Private Limited and Sarvejana Healthcare Private Limited, the material subsidiaries, has also been carried out.

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

18. Vigil Mechanism/Whistle Blower Policy

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

The policy on Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company

<https://www.kimshospitals.com/investors/>.

19. Dividend Distribution Policy:

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

20. Performance Evaluation of the Board and the Directors

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

21. Risk Assessment and Minimization.

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

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

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report i.e. between March 31, 2024, to March 31, 2025.

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

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

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

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

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

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

26. Deposits

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

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

The Company makes investments or extends loans/ guarantees to its wholly-owned subsidiaries/ Subsidiaries for their business purposes. Details of loans, guarantees and investments covered under Section 186 of the Act, along with the purpose for which such loan or guarantee was proposed to be utilised by the recipient, form part of the notes to the financial statements provided in this Integrated Annual Report.

28. Particulars of employees and related disclosures

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

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

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

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

29. Corporate Governance

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

30. Management Discussion and Analysis

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

31. Business Responsibility and Sustainability Report (BRSR)

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

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

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

a) Conservation of energy

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

b) Technology Absorption

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

c) Foreign exchange earnings and Outgo

Your Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Your Company does not have any unhedged foreign currency exposure as at March 31, 2025.

Foreign Exchange Earnings: 37.69 Million Foreign Exchange Outgo: 6.00 Million

33. Corporate Social Responsibility (CSR)

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

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Rural Development, Healthcare, Education & Skill Development and Research in Healthcare. These projects are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR activities for the financial year 2024-2025 is annexed herewith as **ANNEXURE-V**.

34. Human Resources

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

35. Compliance with Secretarial Standards

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

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

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

The company has adopted a policy for the prevention of Sexual Harassment of Women at the workplace and has set up a Committee for the implementation of said policy.

The Company regularly conducts awareness programs for its employees.

The following is a summary of sexual harassment complaints received and disposed off during the year:

S. No.	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on Sexual harassment received	1
2	Number of Complaints disposed off during the year	1
3	Number of cases pending for more than ninety days	0

37. Cyber Security:

The Company has established requisite technologies, processes and practices designed to protect networks, computers, programs and data from external attack, damage or unauthorized access. The Company is conducting training programs for its employees at regular intervals to educate the employees on safe usage of the Company's networks, digital devices and data to prevent any data reaches involving unauthorized access or damage to the Company's data. The Information Technology Department of the Company is in a constant process of taking feedback from the employees and updating the cyber security protocols.

The Risk Management Committee and the Board of Directors are reviewing the cyber security risks and mitigation measures from time to time.

38. Confirmation and Opinion of the Board on Independent Directors

All the Independent Directors of the Company have given their respective declaration / disclosures under Section 149(7) of the Companies Act, 2013 ("the Act") and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

The Board opines that all the Independent Directors of the Company strictly adhere to corporate integrity, possesses requisite expertise, experience and qualifications to discharge the assigned duties and responsibilities as mandated by the Companies Act, 2013 and Listing Regulations diligently

39. Directors and Officers Insurance

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') for all its Directors and members of the Senior Management.

40. Names of Companies, which have become or ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies during the year.

During the year under review, no Company has become or ceased to be Company's Subsidiary, Joint Venture or Associate Company except Rajyalakshmi Healthcare Private Limited a stepdown subsidiary of the listed entity ceased due to merger with Sarvejana Healthcare Private Limited pursuant to the provisions of section 233 of the Companies Act 2013 vide order of Regional Director (South East Region) Hyderabad dated 19.02.2025.

41. Designate Person for furnishing or providing information to the Registrar of Companies with respect to beneficial interest in shares of the company.

Pursuant to Rule 9 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company designated Company Secretary of the Company for furnishing or providing information to the Registrar of Companies with respect to beneficial interest in shares of the company.

42. Transfer of Amounts to Investor Education and Protection Fund

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

43. Directors' Responsibility Statement

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

- a) In preparation of the annual financial statement for the year ended March 31, 2025, applicable accounting standards had been followed along with proper explanation relating to material departures if any;
- b) Such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of March 31, 2025, and of the profit of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going-concern basis;

- e) Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, including the Audit, Risk Management Committee, the Board is of the opinion that proper internal financial controls are in place and such internal financial controls are adequate and are operating effectively.
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

44. Acknowledgment

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

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

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

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

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN 00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN 01681273)

Place: Hyderabad
Date: 12.05.2025

Annexure – I

Form No. AOC - 1

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

Part “A”: Subsidiaries

Amount in Rs million.

1.	Name of Subsidiary	Arunodaya Hospitals Private Limited	KIMS Hospital Enterprises Private Limited	Icnkrishi Institute of Medical Sciences Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospital Kurnool Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
4.	Share Capital	20.00	245.00	95.00	310.00	60.00
5.	Other Equity	261.00	2,506.00	324.00	186.00	-119.00
6.	Total Assets	1,318.00	4,279.00	895.00	1,904.00	850.00
7.	Total Liabilities	1,037.00	1,528.00	476.00	1,384.00	908
8.	Investments	0.00	970.00	0.00	0.00	0.00
9.	Turnover	415.00	3,544.00	1,483.00	1,125.00	987.00
10.	Profit/(Loss) Before Taxation	2.00	929.00	157.00	122.00	81.00
11.	Provision for Tax Expenses	1.00	239.00	41.00	39.00	12.00
12.	Profit after Taxation	1.00	690.00	116.00	83.00	70.00
13.	Proposed Dividend	Nil	Nil	Nil	Nil	Nil
14.	% of Shareholding	70.67	90.93	51.00	76.50	55.00

Amount in Rs million.

1.	Name of Subsidiary	Sarvejana Healthcare Private Limited	KIMS Manavata Hospitals Private Limited	Spanv Medisearch Lifesciences Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable
4.	Share Capital	365.00	723.00	17.00
5.	Other Equity	4,689.00	38.00	1,513.00
6.	Total Assets	8,235.00	2,464.00	3,924.00
7.	Total Liabilities	3,181.00	1,703.00	2,347.00
8.	Investments	0.00	0.00	6.00
9.	Turnover	6,000.00	149.00	2,213.00
10.	Profit/(Loss) Before Taxation	1,064.00	-242.00	-25.00
11.	Provision for Tax Expenses	265.00	-62.00	1.00
12.	Profit after Taxation	799.00	-180.00	-26.00
13.	Proposed Dividend	Nil	Nil	Nil
14.	% of Shareholding	69.35	51.00	69.30

Amount in Rs million.

1.	Name of Subsidiary	KIMS Swastha Private Limited.	Meda Institute of Podiatry Private Limited	Chalasani Hospitals Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not Applicable
4.	Share Capital	0.10	20	53
5.	Other Equity	-150	-15	-416
6.	Total Assets	2,298	138	1768
7.	Total Liabilities	2,448	134	2131
8.	Investments	16	0	0
9.	Turnover	486	11	749
10.	Profit/(Loss) Before Taxation	-201	-20	-229
11.	Provision for Tax Expenses	-51	-5	-131
12.	Profit after Taxation	-150	-15	-98
13.	Proposed Dividend	Nil	Nil	Nil
14.	% of Shareholding	100	51	100

Additional Information:

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

Additional Information*:

1	Names of associates or joint ventures which are yet to commence operations	Kondapur Healthcare Limited
2	Names of associates or joint ventures which have been liquidated or sold during the year	Nil

*During the year under review, the step down subsidiary M/s. Rajyalakshmi Healthcare Private Limited has merged with its holding Company Sarvejana Healthcare Private Limited vide order dated 19th February, 2025.

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

Place:Hyderabad
Date: 12.05.2025

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN 00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN 01681273)

Annexure – II

FORM NO. AOC -2

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

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

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

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

Place:Hyderabad
Date: 12.05.2025

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN 00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN 01681273)

Annexure – III

Secretarial Audit Report
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Krishna Institute of Medical Sciences Limited** (hereinafter called the 'Company') for the financial year from 1st April, 2024 to 31st March, 2025 (the 'Audit Period').

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

We are issuing this report based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

1.1 We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2025, according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India;
- (iii) The Securities Contract (Regulation) Act, 1956 and the Rules made thereunder as amended from time to time;
- (iv) The Depositories Act, 1996 and the Regulations and bye-laws framed there under as amended from time to time;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as amended from time to time to the extent of Foreign Direct Investment;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client;
 - d. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time;

- (vii) The following laws are specifically applicable to the Company;
- (a) The Indian Medical Council Act, 1956
 - (b) Clinical Establishments (Registration and Regulation) Act, 2010
 - (c) Drugs and Cosmetics Act, 1940
 - (d) Biomedical Waste Management Handling Rules, 2016
 - (e) The Medical Termination of Pregnancy Act, 1971
 - (f) Pre-natal Diagnostic Techniques Act, 1994
 - (g) Transplantation of Human Organ Act, 1994
 - (h) The Pharmacy Act, 1948
 - (i) Atomic Energy Act, 1962
 - (j) Food Safety and Standards Act, 2006
 - (k) Indian Boilers Act, 1923.
- 1.2 In relation to the period under review, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, complied with the laws mentioned in clause (i) to (vi) of paragraph 1.1. Further the Company in general has reasonably complied with the laws specifically applicable to the Company mentioned in subparagraph (vii) of paragraph 1.1 and we have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws and regulations applicable to the Company as mentioned in subparagraph (vii) of paragraph 1.1.
- 1.3 We are informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under:
- a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009.
 - b. The Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018.
 - c. The Securities and Exchange Board of India (Share Based Employee Benefits), 2014;

2. Board Processes

We further report that:

- 2.1 The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- 2.2 There were changes in the composition of the Board of Directors and it has been carried out in compliance with the provisions of the Act during the period under review.
- 2.3 Adequate notice is given to all directors to schedule the Board Meetings atleast seven days in advance and few meetings at short notice complying the Secretarial Standard (SS-1), agenda and detailed notes on agenda were also circulated to the Board members prior to the meetings.
- 2.4 A system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings; and
- 2.5 All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

3. Compliance mechanism

We further report that:

- 3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 3.2 The compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals engaged by the Company.

4. Some of Major events/ actions

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

- 4.1 Mr. Uma Shankar Mantha, Company Secretary of the Company has resigned from the Position of the Company Secretary and Compliance Officer w.e.f. December 17, 2024. The Company has appointed Dr. Nagajayanthi J.R. as Company Secretary and Compliance Officer of the Company (KMP) w.e.f. January 04, 2025 to replace outgoing CS.
- 4.2 The Board of Directors in the duly held Board meeting dated 16th May, 2024, has approved for entering into an agreement for operations and management of the Super Speciality Hospital Owned by Peoples Educations Society (PES).
- 4.3 The Company has obtained approval for further Investments up to ₹ 72 Crores by ways of Preference Shares in M/s. KIMS Hospitals Bengaluru Private Limited, a wholly owned Subsidiary company vide Board Meeting dated 16th May, 2024.
- 4.4 The Company has obtained approval for further Investments up to ₹ 1.10 Crores in M/s. Meda Institute Podiatry Private Limited; vide Board Meeting dated 16th May, 2024.
- 4.5 The Board of Directors in the duly held Board meeting dated 09th November, 2024, has approved for entering into an Operations and Management Agreement with Ms/. Insignia Healthcare Private Limited for operating and managing the hospital situated in Guntur, Andhra Pradesh under the brand name of "KIMS-SIKHARA".
- 4.6 The Board of Directors in the duly held Board meeting dated 04th January, 2025, has approved for entering into an Operations and Management Agreement for providing Medical Services with;
 - 4.6.1. Splendid Hospitals Private Limited, Kompally, Hyderabad.
 - 4.6.2. UAIMS Hospital, Sangali, Maharashtra and UAIMS Securities Call Option Agreement with LIMS and BCPL.
 - 4.6.3. By and Between KIMS Swastha Private Limited, a Wholly Owned Subsidiary of the Company and Valiyath Institute of Medical Sciences at Karungapally, Kollam District, Kerala.
- 4.7 The Company has appointed Mr. Suresh Natwarlal Patel (DIN No. 07202263), as additional Director of the Company in the capacity of an Independent Director for period of 5 years with effect from w.e.f. 01.04.2024 vide board meeting dated 04th January, 2025, subsequently obtained the shareholders' approval by way of Special Resolution vide postal ballot notice dated 06th February, 2025.
- 4.8 During the Year, The Board has approved the re-classification of persons from Promoter Group Category to Public Category vide Board Meeting dated 26th June, 2024 and members approved the same in the 22nd Annual General Meeting held on 29th August, 2024.
- 4.9 The Board has proposed for sub-division of Equity Shares of the Company all issued, subscribed and paid up equity shares of face value of ₹ 10/- sub divided into 5 (five) Equity shares of face value of ₹ 2/- each in the Board Meeting held on 26th June, 2024 and Members approved the same in the 22nd Annual General Meeting held on 29th August, 2024.
- 4.10 The Board has approved for further Investments up to ₹ 150 Crores by issuing redeemable preference shares in M/s. Chalasani Hospitals Private Limited, a wholly owned Subsidiary of the Company vide Board Meeting dated 16th October, 2024.
- 4.11 The Board has approved, for Investments in 20 MW Solar Power Project for open access in the state of Andhra Pradesh vide Board Meeting dated 06th February, 2025.

For IKR & Associates

Company Secretaries

Firm Regn. No. S2016TL372100

Sd/-

Krishna Rao Inturi

Proprietor ACS No.23071, CP No.10486

Peer Review No. 1255/2021

UDIN: A023071G000323514

Place: Hyderabad

Date : 12.05.2025

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

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

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

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

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

Sd/-
Krishna Rao Inturi
Proprietor ACS No.23071, CP No.10486
Peer Review No. 1255/2021
UDIN: A023071G000323514

Place: Hyderabad
Date: 12.05.2025

Annexure – IV

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

&

[Pursuant to Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

SARVEJANA HEALTHCARE PRIVATE LIMITED

CIN: U85100TG2008PTC062090

Survey No-194/11, H. No 1-8-411 to 415, Prakash Nagar, Begumpet Metro Pillar No C1327, Begumpet, Hyderabad, Secunderabad, Telangana - 500016.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SARVEJANA HEALTHCARE PRIVATE LIMITED** (hereinafter called the 'Company') for the financial year from 1st April, 2024 to 31st March, 2025 (the 'Audit Period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and based on the Management representations and undertakings, we hereby report that in our opinion, the Company has, during the audit period ended 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Audit period ended 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to Board Meetings and General Meetings.

We have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws, and regulations applicable to the Company, other than those mentioned above.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notices were given to all directors to schedule the Board Meetings, agendas and detailed notes on agendas were sent at least seven days in advance and few meetings at short notice complying the Secretarial Standard (SS-1) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Decisions at the meetings of the Board of Directors of the Company and its committees thereof were carried through on the basis of majority. There were no dissenting views by any members of the Board of Directors during the audit period.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have been verified on limited review basis in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Some of Major events/ actions

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

1. The Board of Directors has approved for merger / amalgamation with Rajyalakshmi Healthcare Private Limited (a Wholly Owned Subsidiary of the Company) with Sarvejana Healthcare Private Limited (Holding Company) under section 233 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, vide its Board Meeting dated 22nd July, 2024 and Members approved the same in the Extra-Ordinary General Meeting held on 21st December, 2024 by way of Special Resolution.
2. Subsequently, Rajyalakshmi Healthcare Private Limited, a wholly owned subsidiary got merged / amalgamated with Sarvejana Healthcare Private Limited pursuant to the provisions of section 233 of the Companies Act 2013 vide order of Regional Director (South East Region) Hyderabad dated 19.02.2025.
3. Mrs. Prameela Rani Yalamanchili has been appointed as Additional Director of the Company in the capacity of Non-Executive & Independent Director for a term of 5 consecutive years w.e.f. 07th November, 2024 subject to approval of members at the ensuing 23rd Annual General Meeting.

For IKR & Associates

Company Secretaries

[Firm Regn. No. S2016TL372100]

Sd/-

Krishna Rao Inturi

Proprietor

ACS No.23071, COP No.10486

Peer Review Certificate no. 1255/2021

UDIN: A023071G000324460

Place: Hyderabad

Date : 09.05.2025

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

To,

The Members

SARVEJANA HEALTHCARE PRIVATE LIMITED

CIN: U85100TG2008PTC062090

Survey No-194/11, H. No 1-8-411 to 415, Prakash Nagar Begumpet Metro Pillar No C1327, Begumpet, Hyderabad, Secunderabad, Telangana - 500016.

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

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

For IKR & Associates

Company Secretaries

[Firm Regn. No. S2016TL372100]

Sd/-

Krishna Rao Inturi

Proprietor

ACS No.23071, COP No.10486

Peer Review Certificate No. 1255/2021

UDIN: A023071G000324460

Place: Hyderabad

Date: 09.05.2025

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

&

[Pursuant to Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

KIMS Hospital Enterprises Private Limited

CIN: U85191TG2013PTC085793

Building No.1-112/86,

Survey No.55/EE, Kondapur Village, Serilingampally Mandal, Hyderabad Telangana - 500084

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KIMS Hospital Enterprises Private Limited** (hereinafter called the 'Company') for the financial year from 1st April, 2024 to 31st March, 2025 (the 'Audit Period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and based on the Management representations and undertakings, We hereby report that in our opinion, the Company has, during the audit period ended 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Audit period ended 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to Board Meetings and General Meetings.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws, and regulations applicable to the Company as mentioned above.

We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Subject to the table given bellow, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and few meeting at short notice complying the Secretarial Standard (SS-1) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Decisions at the meetings of the Board of Directors of the Company and its committees thereof were carried through on the basis of majority. There were no dissenting views by any members of the Board of Directors during the audit period.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have been verified on limited review basis in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Some of Major events/ actions

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

1. Mr. G. Rajeswara Rao (DIN: 05339318) has been re-appointed as an Independent Director of the Company for 2nd term of 5 consecutive years from 14.12.2024 to 13.12.2029 and members approved the same in the Extra- Ordinary General Meeting held on 16th December, 2024 by way of Special Resolution.
2. Mr. Ratna Kishore Kaza (DIN: 01152107) has been re-appointed as an Independent Director of the Company for 2nd term of 5 consecutive years from 07.12.2024 to 06.12.2029 and members approved the same in the Extra- Ordinary General Meeting held on 16th December, 2024 by way of Special Resolution.

For IKR & Associates
Company Secretaries
[Firm Regn. No. S2016TL372100]

Sd/-

Krishna Rao Inturi

Proprietor

ACS No.23071, COP No.10486

Peer Review Certificate No. 1255/2021

UDIN: A023071G000324482

Place: Hyderabad

Date: 12.05.2025

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

To,
The Members
KIMS Hospital Enterprises Private Limited
CIN: U85191TG2013PTC085793
Building No.1-112/86,
Survey No.55/EE, Kondapur Village, Serilingampally Mandal, Hyderabad, Telangana - 500084

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

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

For IKR & Associates

Company Secretaries

[Firm Regn. No. S2016TL372100]

Sd/-

Krishna Rao Inturi

Proprietor

ACS No.23071, COP No.10486

Peer Review Certificate no. 1255/2021

UDIN: A023071G000324482

Place: Hyderabad

Date: 12.05.2025

Annexure – V

ANNUAL REPORT ON CSR ACTIVITIES

- 1) **Brief outline on CSR Policy of the Company:** KIMS CSR policy intends to embrace responsibility for the company's action and encourage a positive impact through its activities on education, clean environmental living, Genetic Research and new drug discovery initiatives, in primary and secondary health-care.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Bhaskara Rao Bollineni	Chairman	1	1
2	Ms. Dandamudi Anitha	Director	1	1
3	Mr. Kaza. Ratna Kishore	Director	1	1

3. Provide the web link where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the company: <https://www.kimshospitals.com/investors/>.
4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and the amount required for set off for the financial year, if any – **NIL**
6. Average net profit of the company as per section 135(5) - ₹ **3350.39 Million**
7. (a) Two percent of the average net profit of the company as per section 135(5) - ₹ **67.00 Million**
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years – **Nil**
- (c) The amount required to be set off for the financial year, if any – **Nil**
- (d) Total CSR obligation for the financial year (7a+7b-7c) - ₹ **67.00 Million**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Millions)	Amount Unspent (in Millions)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 72.70	Nil			Nil	

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Project duration in Months	(7) The amount allocated for the project (in ₹).	(8) Amount spent in the current financial year (in ₹).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - By implementing the Agency	
				State	District						Name	CSR Registration number.
1	Construction of School	Promoting Education	Yes	Telangana		12.00	67.70	67.70	Nil	No	KIMS Foundation & Research Center	CSR00001177
2	Child Haven International	Promoting Healthcare	NA	Telangana		12.00	5.00	5.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
Total							72.70	72.70				

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Nil

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent for the project (in ₹).	(7) The amount allocated for the project (in ₹).	(8) Mode of Implementation - By implementing the Agency	
				State	District			Name	CSR Registration number.
Total									

(d) Amount spent on Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) = ₹ 72.70 Million

(g) Excess amount for set off, if any: **Nil**

Sl. No.	Particular	Amount (in ₹ Million)
(i)	Two percent of the average net profit of the company as per section 135(5)	67.00
(ii)	Total amount spent for the Financial Year	72.70
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5.70
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	The amount available for set off in succeeding financial years [(iii)-(iv)]	5.70

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Nil							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
Nil								

10. In case of the creation or acquisition of a capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

Sd/-

Dr. Abhinay Bollineni
Director & CEO Member

Sd/-

Dr. Bhaskara Rao Bollineni
Chairman of CSR Committee

Corporate Governance Report

In accordance with Regulation 34(3) read with Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the report is set out below which contains the details of Corporate Governance systems and processes at KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED (the Company).

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company follows the principles of fair representation and full disclosure in all its dealings and communications. The Company's annual report, results, presentations and other forms of corporate and financial communications provide extensive details and convey important information on a timely basis. Your company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders, employees, government and lenders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value, over a sustained period of time. The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executive and independent directors on the Board.

Hence it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

2. BOARD OF DIRECTORS

The Company has an Executive Chairman. As per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), in the case of an Executive Chairman, at least half of the Board should comprise Independent Directors. To this requirement, half of the Board is Independent Directors of your Company.

Your Board has a blend of executive and non-executive directors and consequently ensures the desired level of independence in the functioning and decision-making process. All the non-executive directors are professionals of repute and bring the wealth of their professional expertise and experience to the management of the Company.

a) Composition and category of the Board of Directors, the relationship between Directors' inter-se, the shareholding of Directors in the Company and Memberships in other Boards.

Name of Director	DIN	Category	Designation	Relationship with other Director	Shareholding in the Company
Dr. Bhaskara Rao Bollineni	00008985	Promoter & Executive Director	Chairman & Managing Director	Father of Dr. Abhinay Bollineni and Mr. Adwik Bollineni	10,50,99,645
Dr. Abhinay Bollineni	01681273	Promoter & Executive Director	Director & CEO	Son of Dr. Bhaskara Rao Bollineni and Brother of Mr. Adwik Bollineni	2,36,495
Ms. Dandamudi Anitha	00025480	Executive	Whole-time Director	-	270
Mr. Adwik Bollineni	06549059	Promoter & Non-Executive Director	Non-Executive	Son of Dr. Bhaskara Rao Bollineni and Brother of Dr. Abhinay Bollineni	40,640
Mr. Saumen Chakraborty	06471520	Independent	Director	-	-
Mr. Kaza Ratna Kishore	01152107	Independent	Director	-	-
Mr. Venkata Ramudu Jasthi	03055480	Independent	Director	-	-
Mrs. Y. Prameela Rani	03270909	Independent	Director	-	-
Mr. Suresh Natwarlal patel	07202263	Independent	Director	-	-

As on 31st March, 2025, none of the Directors on the Board hold the office of Director in more than 10 Public Limited Companies, or Membership of Committees of the Board in more than 10 Committees and Chairmanship of more than 5 Committees, across all companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as a whole-time director in any listed company, such Director does not serve as an Independent Director in more than three listed companies.

b) Skills/expertise/competence of the Board of Directors

The Company has identified the core skills/expertise/competence of the Board of Directors in the context of its business for it to function effectively.

Name of the Director	Nature of Skills/Expertise					
	Strategy	Healthcare Industry	Financial Acumen	Governance	Human Resources	Information Technology
Dr. Bhaskara Rao Bollineni	✓	✓	✓	✓	✓	
Dr. Abhinay Bollineni	✓	✓	✓	✓	✓	✓
Ms. Dandamudi Anitha		✓	✓	✓	✓	
Mr. Adwik Bollineni			✓	✓	✓	✓
Mr. Saumen Chakraborty	✓	✓	✓	✓	✓	✓
Mr. Kaza Ratna Kishore		✓	✓	✓	✓	
Mr. Venkata Ramudu Jasthi	✓		✓	✓	✓	
Mrs. Y. Prameela Rani	✓		✓	✓	✓	
Mr. Suresh Natwarlal Patel	✓		✓	✓	✓	✓

c) Declaration of Independence

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations and are independent of the Management.

d) Board Meetings and Attendance of Directors

Eight (8) Board meetings were held during the financial year from 1st April 2024 to 31st March 2025. The dates on which the meetings were held are as follows:

- (i) 16th May, 2024 (ii) 28th June, 2024 (iii) 7th August, 2024 (iv) 16th October, 2024 (v) 9th November, 2024 (vi) 4th January, 2025 (vii) 6th February, 2025 (viii) 26th March, 2025. Attendance details of each Director at the Board Meetings and at the last AGM.

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Last AGM Attendance (Yes/No)
Dr. Bhaskara Rao Bollineni	8	8	Yes
Dr. Abhinay Bollineni	8	5	No
Ms. Dandamudi Anitha	8	5	Yes
Mr. Adwik Bollineni	8	7	Yes
Mr. Saumen Chakraborty	8	8	Yes
Mr. Kaza Ratna Kishore	8	8	Yes
Mr. Venkata Ramudu Jasthi	8	5	Yes
Mrs. Y. Prameela Rani	8	8	Yes
Mr. Suresh Natwarlal Patel	2	2	NA ⁽¹⁾

⁽¹⁾Was not a Director on the date on Annual General Meeting.

e) Availability of Information to Board Members

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half-yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, and progress of major projects and reviews such other items which require the Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The agenda for the Board Meeting covers items as prescribed under Part A of Schedule-II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to make informed decisions.

- f) The Board reviews periodically the compliance reports of all laws applicable to the Company.**
- g) Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct.**

The Company has in place a comprehensive Code of Conduct applicable to all employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

A declaration regarding the compliance by Board members and senior management with the Company's Code of Conduct has been enclosed as **Annexure I** at the end of the Corporate Governance Report.

- h) Company's Policy on prevention of insider trading:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

The Company Secretary is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price-sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

- i) The details of familiarization programs imparted to independent directors:**

Your Company follows a structured orientation and familiarization program through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarization programme has been posted in the website of the Company. The details of familiarization program is available on the website: <https://www.kimshospitals.com/investors/>.

- j) Independent Directors' Meeting:**

The Company's Independent Directors are required to meet at least once in every Calendar Year in compliance with the provisions of the Companies Act, 2013. Such meetings are conducted to enable Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views. Further, Independent Directors also review the performance of the Non-Independent Directors, Chairman (after considering the views of Executive and Non-Executive Directors of the Company) and the Board as a whole. During the year under review, the Independent Directors met on 26.03.2025 and all the Independent Directors attended the meeting.

3. COMMITTEES OF THE BOARD

The committee of Directors has been constituted by the Board of Directors of the Company. The composition and terms of reference of these committees are approved by the Board and are in line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The following committees were established by the Board:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders Relationship Committee
- iv. Corporate Social Responsibility Committee
- v. Risk Management Committee
- vi. Finance & Investment Committee
- vii. IT Steering Committee

Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

i. Audit Committee

a) Composition of Audit Committee

- i. Mr. Saumen Chakraborty
- ii. Mrs. Y. Prameela Rani
- iii. Mr. Kaza Ratna Kishore

b) Meetings of the Audit Committee

The Audit Committee met Six times during the financial year from 1st April 2024 to 31st March 2025. The dates on which the meetings were held are as follows:

- (i) 16th May 2024 (ii) 7th August, 2024 (iii) 16th October, 2024 (iv) 9th November, 2024 (v) 6th February, 2025 (vi) 26th March, 2025.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Saumen Chakraborty	Chairman	6	6
2	Ms. Y. Prameela Rani	Member	6	6
3	Mr. Kaza Ratna Kishore	Member	6	6

c) Terms of reference of the Committee inter alia include the following:

- i. Recommend appointment, remuneration and terms of appointment of auditors.
- ii. Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.
- iii. Review with the management, the quarterly financial statements before submission to the Board for approval.
- iv. Review with the management, the statement of uses / application of funds.
- v. Review and monitor the auditor's independence, performance and effectiveness of the audit process.
- vi. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
- vii. Review the functioning of the Whistle-blower mechanism / oversee the vigil mechanism.
- viii. Review financial statements, in particular the investments made by the Company's unlisted subsidiaries. .

Dr. Saumen, Chakraborty was present in the 22nd Annual General Meeting held on 29.08.2024.

ii. Nomination & Remuneration Committee

a) Composition of Nomination & Remuneration Committee

- i. Mr. Kaza Ratna Kishore
- ii. Mr. Venkata Ramudu Jasthi
- iii. Mrs. Y. Prameela Rani

b) Meetings of the Nomination & Remuneration Committee

The Nomination & Remuneration Committee met thrice during the financial year from 1st April 2024 to 31st March 2025. The meeting was held on (i) 6th May, 2024, (ii) 7th August, 2024 and (iii) 4th January, 2025.

Sl. No.	Name of member	Designation	Number of meetings attended
1	Mr. Kaza Ratna Kishore	Chairman	3
2	Mr. Venkata Ramudu Jasthi	Member	2
3	Ms. Y. Prameela Rani	Member	3

c) Terms of reference for the Nomination & Remuneration Committee:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The detailed terms of reference of the Committee is available on the website of the Company.

The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 29.08.2024.

d) Remuneration of the Directors

The details of the remuneration paid to the Directors for the year ended 31st March 2025 is given below:

Name of Director	Remuneration		Commission	Total (including all applicable taxes)
	Fixed	Variable		
Dr. Bhaskara Rao Bollineni	45.00	-	-	45.00
Dr. Abhinay Bollineni	20.00	6.00	-	26.00
Ms. Dandamudi Anitha	6.79	-	-	6.79
Mr. Adwik Bollineni	-	-	-	-
Mr. Saumen Chakraborty	-	-	3.0*	3.0*
Mr. Kaza Ratna Kishore	-	-	1.50*	1.50*
Mr. Venkata Ramudu Jasthi	-	-	1.50*	1.50*
Mrs. Y. Prameela Rani	-	-	1.50*	1.50*
Mr. Suresh Natwarlal Patel	-	-	0.35*	0.35*

*The commission paid is excluding all applicable taxes.

The last quarter payment was made in the month of April, 2025.

e) Pecuniary relationships or transactions of Non-Executive directors vis-à-vis the Company

The Company does not have any pecuniary relationship/transaction with any of its Non-Executive Directors.

f) Performance Evaluation of the Board and the Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, Annual Performance Evaluation was conducted for all the Board Members, functioning of Board, Committees and Chairperson.

Evaluation of the Board and the Directors was based on the criteria such as:

- composition and role of the Board,
- Board communication and relationships,
- functioning of Board Committees,
- review of performance and compensation to Executive Directors,
- succession planning,
- strategic planning,
- participation and contribution in Board and Committee meetings,
- representation of shareholder interests and enhancing shareholder value,
- experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk,
- understanding of the organization's strategy, risk and environment, etc.

iii. Stakeholders Relationship Committee**a) Composition of Stakeholders Relationship Committee**

- i. Mr. Kaja Ratna Kishore
- ii. Dr. Bhaskara Rao Bollineni
- iii. Mr. Adwik Bollineni

b) Meetings of the Stakeholders Relationship Committee

The Stakeholders Relationship Committee met only once during the financial year from 1st April 2024 to 31st March 2025. The meeting was held on 29th March 2025.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Kaja Ratna Kishore	Chairman	1	1
2	Dr. Bhaskara Rao Bollineni	Member	1	1
3	Mr. Adwik Bollineni	Member	1	0

c) Terms of Reference for the Stakeholders Relationship Committee:

- i) Consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non- receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- ii) Review of measures taken for effective exercise of voting rights by shareholders;
- iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- v) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- vi) To approve, register, refuse to register transfer or transmission of shares and other securities;
- vii) To subdivide, consolidate and or replace any share or other securities certificate(s) of the Company;
- viii) Allotment and listing of shares;
- ix) Approval of transfer or transmission of shares, debentures or any other securities;
- x) To authorize affixation of common seal of the Company;
- xi) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies)

d) The Company received only one complaint during the year 2024-25 and the same has been resolved.**e) Dr. Nagajayanthi J. R, is the Company Secretary and Compliance officer of the Company.****iv. Corporate Social Responsibility Committee****a) Composition of Corporate Social Responsibility Committee**

- i. Dr. Bhaskara Rao Bollineni
- ii. Ms. Dandamudi Anitha
- iii. Mr. Kaja Ratna Kishore

b) Meetings of the Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee met only once during the financial year from 1st April 2024 to 31st March 2025. The meeting was held on 23rd September, 2024.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Dr. Bhaskara Rao Bollineni	Chairman	1	1
2	Ms. Dandamudi Anitha	Member	1	1
3	Mr. Kaja Ratna Kishore	Member	1	1

c) The CSR committee's primary functions are to:

- Formulate, review and recommend to the board, a CSR policy indicating the activities to be undertaken by the company as specified in schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the initiatives as per the CSR policy;
- Provide guidance on various CSR initiatives undertaken by the company and monitor implementation and adherence to the CSR programs and policy of the company from time to time;
- Recommend to the board an annual CSR action plan delineating the CSR projects or programmes to be undertaken during the financial year; and
- Appoint an independent agency/firm to carry out impact assessment study, if any.

v. Risk Management Committee

To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities, it has constituted a Risk Management Committee to review the internal financial controls amongst other matters. The said Committee has also within its scope, the evaluation of significant risk exposures of the Company and to assess Management's actions to mitigate the exposures in a timely manner. The Committee considers activities at all levels of the organization, i.e. Enterprise level, Division level, Business Unit level and Subsidiary level in the risk management framework. The components are interrelated and ensure complete coverage of the entire enterprise from the Risk management angle with focus on three key elements i.e. Risk Assessment, Risk Management and Risk Monitoring.

The Company has constituted a Risk Management Committee, under the SEBI (LODR) Regulations, 2015.

a) Composition of the Risk Management committee

- Mrs. Y. Prameela Rani
- Mr. Saumen Chakraborty
- Dr. Abhinay Bollineni
- Ms. Dandamudi Anitha

During the year the Committee met twice during the FY 2024-25 i.e. (i) 2nd August, 2024 and (ii) 6th February, 2025.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Ms. Y. Prameela Rani	Chairman	2	2
2	Mr. Saumen Chakraborty	Member	2	2
3	Dr. Abhinay Bollineni	Member	2	2
4	Ms. Dandamudi Anitha	Member	2	2

vi. Finance and Investment Committee

The Finance and Investment Committee is the sub-committee of the Board and the composition of the committee is as follows:

- i. Mr. Saumen Chakraborty
- ii. Dr. Bhaskara Rao Bollineni
- iii. Mrs. Y Prameela Rani

During the year four meetings were held i.e. on 16th May, 2024, 24th August, 2024, 16th October, 2024, and 26th March, 2025.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Saumen Chakraborty	Chairman	4	4
2	Dr. Bhaskara Rao Bollineni	Member	4	4
3	Ms. Y Prameela Rani	Member	4	4

vii. IT Steering Committee

The IT steering committee has been constituted to oversee the requirement of Information Technology for the entire organization. The composition of the committee is a mix of Executive, Non-Executive Directors who have hands-on experience in implementing the technology. The committee focuses on automation of processes in the organization.

The members of the committee are:

- i. Mr. Saumen Chakraborty
- ii. Dr. Abhinay Bollineni
- iii. Mr. Kaja Ratna Kishore

4. PARTICULARS OF SENIOR MANAGEMENT

The senior management of the Company are as follows

- a) Mr. Sachin Ashok Salvi – Chief Financial officer
- b) Dr. Nagajayanthi J. R. – Company Secretary & Compliance officer

During the financial year Mr. Uma Shankar Mantha, Company Secretary & Compliance officer resigned due to personal reasons and Dr. Nagajayanthi J. R was appointed as Company Secretary & Compliance officer.

5. GENERAL BODY MEETINGS

Details of the location, date and time of the Annual General Meetings held during the preceding three years are given below:

Year	Date	Venue	Time	Special Resolutions passed
2021-22	11 th August, 2022	Through Video Conferencing and Other Audio- Visual Means	4.00 PM	Appointment of Mr s. Prameela Rani Yalamanchili (DIN: 03270909) as an Independent Director. Reinstatement of pre-existing IPO rights, in favor of M/s. General Atlantic Singapore KH Pte. Ltd by ratifying “Article 74” of the Articles of Association (AOA) of the Company.
2022-23	30 th August, 2023	Through Video Conferencing and Other Audio- Visual Means	4.00 PM	No Special Resolutions were passed in the meeting
2023-24	29 th August, 2024	Through Video Conferencing and Other Audio- Visual Means	4.00 PM	No Special Resolutions were passed in the meeting

Details of Postal Ballots

The Company had sought the approval of shareholders through postal ballot for the following resolution(s):

Date of Postal ballot Notice	Description of Resolutions	Type of Resolution	No. of Votes polled	Votes cast in favour	Votes cast Against
06.02.2025	Appointment of Mr. Suresh Natwarlal Patel (DIN No. 07202263) as an Independent Director of the Company	Special	30,79,42,478	30,79,41,744	734

IKR & Associates, Practicing Company Secretaries were appointed as scrutinizer for the above postal ballots. After receiving the approval of the Board of Directors, Notice of the Postal Ballot is sent to the shareholders to enable them to consider and vote "For" or "Against" the proposal within a period of 30 days from the date of dispatch.

Procedure for postal ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with various circulars, issued by the Ministry of Corporate Affairs.

E-voting facility is made available to all the shareholders and instructions for the same were specified under instructions for voting in the Postal Ballot Notice. E-mails were sent to shareholders whose e-mail id's were available with the depositories. After the last day of receipt of ballots (e-voting), the Scrutinizer, after due verification, submitted the results to the Company Secretary & Compliance officer. Thereafter, the Company Secretary & Compliance officer declared the result of the Postal Ballot as authorized by the Board of the Directors. The same was published in the Newspapers and displayed on the Company Website and submitted to Stock Exchanges.

6. MEANS OF COMMUNICATION:

The quarterly reports, along with additional information and official news releases, are posted on our website <https://www.kimshospitals.com/investors/>. Moreover, the quarterly/annual results and official news releases are generally published in Financial Express (English) and Nava Telangana (Telugu) newspapers.

Earnings calls with analysts and investors and their transcripts are also posted on the website. Further, all material information which has any impact on the operations of the Company is sent to the Stock Exchanges and also the same shall be placed on the Company's website.

NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre: The NEAPS, and BSE's listing center is a web-based application, designed for corporates. All periodic compliance-related filings and other material information is filed electronically on the designated portals.

7. OTHER DISCLOSURES

a) Related Party Transactions:

All transactions with related parties are placed before the audit committee and the board for review and approval, as appropriate. All details relating to financial and commercial transactions, where directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussions, nor do they vote on such matters. Transactions entered into with related parties during the financial year were at arm's length pricing and generally in the ordinary course of business.

The details of transactions are disclosed in the notes forming part of the Accounts as required under Indian Accounting Standard (IND AS) 24 notified by the Ministry of Corporate Affairs.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website <https://www.kimshospitals.com/investors/>.

b) Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, <https://www.kimshospitals.com/investors/>. during the financial year under review, no Complaints were received.

c) Subsidiaries

our Company has two material Non-Listed Subsidiary i.e M/s. KIMS Hospital Enterprises Private Limited and Sarvejana Healthcare Private Limited whose turnover or net worth exceeded 10% of the consolidated turnover or net worth respectively of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the same has been posted on the website <https://www.kimshospitals.com/investors/>.

d) Acceptance of recommendations made by the Committees.

During the financial year 2024-2025, the Board has accepted all the recommendations of its Committees.

e) Accounting Treatment

The Financial Statement of the Company for FY 2024-2025 have been prepared in accordance with the applicable accounting principles in India and the Indian accounting standards (Ind As) prescribed under section 133 of the Companies Act, 2013 read with the rules made thereunder.

f) Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

g) Risk Management

Business Risk Evaluation and management of such risks is an ongoing process within the organization.

The Board has constituted a Risk Management Committee headed by the Independent Director which reviews the probability of risk events that adversely affect the operations and profitability of the Company and suggests suitable measures to mitigate such risks.

A Risk Management Framework is already in place and the Executive Management reports to the Board periodically on the assessment and minimization of risks

h) Proceeds of Public, Rights and Preferential Issues

During the year, the Company has not allotted any shares.

i) Management discussion and Analysis

The Management Discussion and Analysis Report is appended to this report.

j) Certificate from Practicing Company Secretary

A Certificate has been received from Krishna Rao Inturi, Partner of M/s. IKR & Associates, Practicing Company Secretaries annexure as **Annexure II**, that none of the Directors on the Board have been debarred or disqualified from being appointed or re-appointed as directors for the year ended 31st March 2025 by SEBI/Ministry of Corporate Affairs or any such statutory body.

k) Total Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Type of service	Amount in Million
Audit fees	20
Other Services	9
Total	29

Note: All non-audit services are reviewed and approved after a detailed evaluation and ensuring that necessary safeguards are in place. Such services are fully compliant with the law.

l) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	No.s
Number of complaints filed during the financial year 2024-2025	1
Number of complaints disposed off during the financial year 2024-2025	1
Number of complaints pending as on end of the financial year 2024-2025	Nil

m) Details of Non-Compliances

There are no non-compliances by the Company and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the financial year.

n) Compliance with Corporate Governance Norms

i. Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in the Listing Regulations. The requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent applicable to the Company have been complied with as disclosed in this report.

ii. Discretionary Requirements

The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations.

• **The Board**

There is no Non-Executive Chairman of the Company.

• **Shareholder Rights**

The Company communicates with investors regularly through emails, telephone calls and face-to-face meetings. The Company publishes the quarterly/half-yearly/annual financial results in leading business newspaper(s) as well as on the Company's website.

• **Modified opinion(s) in Audit Report**

During the year under review, there was no audit qualification in the Company's financial statements.

• **Reporting of the Internal Auditor**

The Internal Auditors' report to the Audit Committee of the Board of Directors and are requested to be present as invitees at the Audit Committee meetings held every quarter.

8. CERTIFICATE ON CORPORATE GOVERNANCE

The certificate issued by the Practicing Company Secretary on compliance of Corporate Governance norms is annexed to this Report **Annexure III**.

9. CEO/CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer have issued a certificate pursuant to Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate from Dr. Abhinay Bollineni, Director & CEO and Mr. Sachin Ashok Salvi, Chief Financial Officer (CFO) was placed before the Board of Directors at its meeting held on 12.05.2025. The certificate is annexed as **Annexure IV**.

10. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	Date : 29 th August, 2025 Time : 4:00 PM. Venue : KIMS Hospitals, 15 th Floor, D.No. 1-8-31/1, Minister Road, Secunderabad - 500003
Financial Year	April 1, 2024 to March 31, 2025
Date of Book Closure	Not Applicable
Dividend Payment Date	Not Applicable
Name and address of the Stock Exchange where the Company is listed	I. BSE Ltd (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Tel :91-22-2272 1234, 1233 Fax : 91-22-2272 3353/3355 Website : www.bseindia.com II. National Stock Exchange of India (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai – 400 05 Tel : 91-22-2659 8100 – 8114 Fax : 91-22-26598237/38 Website : www.nseindia.com
Listing on Stock Exchanges BSE Ltd & NSE Ltd	June 28, 2021
ISIN Number for NSDL & CDSL	INE967H01025

11. The Listing Fees Have Been Paid to the above Stock Exchanges Viz., Bse Limited (BSE) And National Stock Exchange of India Ltd (NSE).**12. REGISTRAR TO AN ISSUE & SHARE TRANSFER AGENTS:**

Registrar to an issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:

MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

Surya 35, Mayflower Avenue

Behind Senthil Nagar

Sowripalayam Road Coimbatore - 641028

Tel : 0422-2314792 / 2315792

E-mail: coimbatore@in.mpms.mufg.com

Website : www.linkintime.co.in

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Share Transfer Agents.

Share Transfer Committee is authorized to approve transfer of shares in the physical segment. Such transfers take place on fortnightly basis. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

In compliance with the SEBI Listing Regulations, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

13. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2025.

Shares holding of nominal value of	No. of Shareholder	No. of Shares	% of total shares
1 - 500	99682	68,61,761	1.71
501 - 1000	1594	11,71,473	0.29
1001 - 2000	810	11,63,420	0.29
2001 - 3000	251	6,18,232	0.15
3001 - 4000	143	4,95,740	0.12
4001 - 5000	89	4,10,031	0.10
5001 - 10000	157	11,39,816	0.28
10001 & Above	532	38,82,78,462	97.04
Total		40,01,38,935	100.00

14. DEMATERIALIZATION OF SHARES AND LIQUIDITY.

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.96 percent of the Company's equity share capital are dematerialized as on March 31, 2025.

15. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by the Securities and Exchange Board of India, a qualified Practicing Company Secretary carries out an Audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total listed and paid up capital.

This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, interalia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

16. ADDRESS FOR CORRESPONDENCE:

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/ Consolidation/ Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) Surya 35, Mayflower Avenue Behind Senthil Nagar Sowripalayam Road Coimbatore - 641028 Tel : 0422-2314792 / 2315792 E-mail: coimbatore@in.mpms.mufg.com Website : www.linkintime.co.in
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	Company Secretary Krishna Institute of Medical Sciences Limited D.No. 1-8-31/1, Minister Road, Secunderabad, Telangana - 500003 Tel: +91 40 4418 6433 Fax: +91 40 2784 0980 Email: cs@kimshospitals.com Website: www.kimshospitals.com

17. CREDIT RATING:

Name of Agency	Type of Rating	Ratings
CRISIL Rating Limited (A Subsidiary of CRISIL Limited)	Long Term Rating Short Term Rating	CRISIL AA/Stable (upgraded from "CRISIL AA-/Positive") CRISIL A1+

18. There are no third party firms or Companies to which the Company or its subsidiaries gave any Loans and Advances in which Directors are interested by name or amount.

19. DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company during the year under consideration does not have any Shares in demat suspense account or unclaimed suspense account.

20. Details of material Subsidiary.

The Company is having two material subsidiaries. The details are as follows

Material Subsidiary – I

- a) Name of material subsidiary: KIMS Hospital enterprises Private Limited
- b) Date of Incorporation : 15.02.2013
- c) Place of Incorporation: Hyderabad, Telangana.
- d) Statutory Auditors: S. R. Batliboi & Associates LLP
- e) Date of appointment: 21.08.2019
- f) Date of re-appointment : 29.08.2024

Material Subsidiary – II

- a) Name of material subsidiary: Sarvejana Healthcare Private Limited
- b) Date of Incorporation : 03.12.2008
- c) Place of Incorporation: Hyderabad, Telangana.
- d) Statutory Auditors: S. R. Batliboi & Associates LLP
- e) Date of appointment: 29.08.2023

21. Disclosure of certain types of agreements binding listed entity.

There are no agreements binding the listed entity under clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

22. Commodity price risk or foreign risk and hedging activities The Company does not have commodity price risk nor does the Company engage in hedging activities.

23. Plant Locations: The Company does not have any manufacturing or processing plants.

Annexure I

Declaration under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct

I, Dr. Abhinay Bollineni, Director & CEO of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for its Board Members and Senior Management Personnel of the Company and they have affirmed compliance with the said code of conduct for FY 2024-25.

For Krishna Institute of Medical Sciences Limited

Place : Hyderabad
Date : 03.05.2025

Dr. Abhinay Bollineni
Director & CEO

Annexure II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Clause 10(i) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Krishna Institute of Medical Sciences Limited

D.No.1-8-31/1, Minister's Road,
Secunderabad-500003,
Telangana, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Krishna Institute of Medical Sciences Limited** having **CIN L55101TG1973PLC040558** and having registered office at D.No.1-8-31/1, Minister's Road, Secunderabad-500003, Telangana, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No	Name of the Director	Designation	DIN	Date of Appointment
1	Bhaskara Rao Bollineni	Chairman & Managing Director	00008985	01/11/2002
2	Dandamudi Anitha	Whole-time Director	00025480	21/03/2008
3	Kaza Ratna Kishore	Independent Director	01152107	08/01/2021
4	Bollineni Abhinay	Director	01681273	18/01/2019
5	Bollineni Abhinay	CEO	-	03/07/2019
6	Venkata Ramudu Jasthi	Independent Director	03055480	08/01/2021
7	Saumen Chakraborty	Independent Director	06471520	08/01/2021
8	Prameela Rani Yalamanchili	Independent Director	03270909	19/05/2022
9	Suresh Natwarlal Patel	Independent Director	07202263	04/01/2025
10	Adwik Bollineni	Non-Executive Director	06549059	28/11/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For IKR & Associates

Company Secretaries
Firm Regn. No. S2016TL372100

Krishna Rao Inturi

Proprietor
ACS No.23071, CP No.10486
Peer Review No. 1255/2021
UDIN: A023071G000262805

Place: Hyderabad
Date: 03.05.2025

Annexure III

CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

To,
The Members of Krishna Institute of Medical Sciences Limited
D.No.1-8-31/1,Minister's Road,
Secunderabad-500003,
Telangana, India.

We have examined the compliance of conditions of Corporate Governance by **Krishna Institute of Medical Sciences Limited** ('the Company'), for the year ended 31st March 2025, as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

Management Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

Our examination is limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 03.05.2025

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

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review No. 1255/2021
UDIN: A023071G000262816

Annexure IV**CEO & CFO DECLARATION**

To

The Board of Directors

Krishna Institute of Medical Sciences Limited

We, Dr. Abhinay Bollineni, CEO and Mr. Sachin Ashok Salvi, CFO hereby certify as under:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended 31st March, 2025 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have disclosed, wherever applicable to the auditors and the audit committee
 - i. that there are no significant changes in internal control over financial reporting during the year;
 - ii. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which we have become aware of and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Krishna Institute of Medical Sciences Limited

Dr. Abhinay Bollineni

Director & CEO

Sachin Salvi

Chief Financial Officer

Business Responsibility and Sustainability Report FY 2024-25



KIMS Hospitals is committed to advancing sustainable and responsible healthcare practices aligned with its vision of providing compassionate and ethical patient care. The Business Responsibility and Sustainability Report (BRSR) for FY 2024-25 outlines our continued commitment to environmental responsibility, patient-centric innovation, employee well-being, and transparent governance. Through comprehensive stakeholder engagement, compliance with national and global standards, and implementation of ESG-led initiatives, KIMS strives to foster long-term value creation for all stakeholders.

Key Highlights:

- Increased the share of renewable energy usage across select hospital facilities through ongoing investments in clean energy infrastructure.
- Maintained certifications for NABH, ISO 14001, and ISO 45001, demonstrating compliance with quality, environmental, and occupational health & safety standards.
- Maintained zero tolerance on unethical practices and ensured 100% training coverage on ethical conduct across employee levels.
- Adopted employee friendly policies including maternity benefits and grievance redressal mechanisms with 100% coverage.
- Complied with applicable Bio-medical waste management regulations, with proper disposal through authorised vendors and tracking systems.
- Ensured access to both occupational and non-occupational healthcare services for all employees and workers as part of the Company's holistic well-being approach.

Principle-wise Summary

Principle 1: Ethical Governance and Transparency



The Company upholds the highest standards of ethics, accountability, and transparency in its operations. All employees undergo training on the Code of Conduct, and grievance redressal mechanisms such as a whistle-blower policy and internal committees ensure prompt resolution and open dialogue.

Principle 2: Sustainability in Product and Service Delivery



KIMS ensures its healthcare services are aligned with sustainability principles, including responsible consumption of resources, EHR implementation to reduce paper use, and lean operating models to improve service efficiency. All clinical protocols are NABH-compliant.

Principle 3: Employee Well-being



The Company prioritizes the safety, health, and holistic well-being of its workforce. Employee engagement programs, skill development, and access to physical and mental wellness support are institutionalized. KIMS recorded a notable reduction in workplace incidents and improved workforce retention.

Principle 4: Stakeholder Inclusiveness



KIMS maintains strong engagement with stakeholders including patients, employees, investors, and regulators. Patient satisfaction surveys, staff feedback mechanisms, and CSR outreach drive inclusive decision-making and responsiveness to stakeholder needs.

Principle 5: Human Rights



KIMS is committed to respecting and promoting human rights. All operations comply with national labour laws, including no child labour or forced labour policies. Employees are paid above minimum wage, and audits ensure ethical third-party practices.

Principle 6: Environmental Responsibility



The Company has undertaken steps to reduce its environmental footprint by increasing reliance on renewable energy, improving water management practices, and reducing GHG emissions. KIMS hospitals are in compliance with Biomedical Waste Management Rules and have ISO 14001 certification.

Principle 7: Responsible Public Policy Advocacy



KIMS engages with public health bodies and medical associations to promote ethical healthcare reforms and patient safety initiatives. The Company actively supports national health programs through collaboration and policy advocacy in areas such as disease prevention and rural health access.

Principle 8: Inclusive Growth and Community Development



The Company's CSR activities target underserved and rural populations with mobile health vans, health screening camps, and affordable treatment programs. These efforts enhance healthcare equity and align with national development priorities.

Principle 9: Customer and Patient Centricity



KIMS adopts a patient-first approach, ensuring transparent billing, informed consent, data privacy, and clinical excellence. Patient feedback mechanisms, quality audits, and digital service delivery improvements reinforce trust and satisfaction.

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1. Corporate Identity Number (CIN) of the Company	L55101TG1973PLC040558
2. Name of the Company	Krishna Institute of Medical Sciences Limited
3. Year of Incorporation	26/07/1973
4. Registered Office Address	D.NO.1-8-31/1, Minister Road, Secunderabad,
5. Corporate Address	Telangana, India - 500003
6. Email Address	cs@kimshospitals.com
7. Telephone	040-44885000
8. Website	http://www.kimshospitals.com/
9. Financial Year Reported	2024-25
10. Name of the Stock Exchanges where shares are listed	Bombay Stock Exchange (BSE) & National Stock Exchange (NSE)
11. Paid-up Capital	80,02,77,870
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Dr. Nagajayanthi J.R Company Secretary & Compliance officer Ph: 040-44885000 Email: cs@kimshospitals.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report are made on a standalone basis for Krishna Institute of Medical Sciences Limited (KIMS).
14. Name of assurance provider	Not Applicable for this financial year
15. Type of assurance obtained	

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Hospital and Medical Care	Hospital Activities	96.06%

17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	KIMS offer a bouquet of comprehensive healthcare services across 40 specialties including cardiac sciences, oncology, neurosciences, gastric sciences, orthopedics, organ transplantation, renal sciences, and mother & child care.	86110	96.06%

III. Operations

18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National*	4	0	4
International	0	0	0

*Operation of the entity (Hospitals) on standalone basis takes place at Secunderabad, Nellore, Ongole and Rajahmundry.

19. Markets served by the Company

a. Number of locations

Locations	Number
National (No. of States)	2
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the Company?

1.87%

c. Types of customers

The Company caters to a diverse domestic clientele, encompassing both insured and uninsured individuals across various regions in India. This includes:

1. Self-paying patients
2. Beneficiaries of government-sponsored health schemes, such as: Central Government Health Scheme (CGHS), Ex-Servicemen Contributory Health Scheme (ECHS) and Other central and state government health initiatives

With a focus on inclusive access to quality healthcare, the Company maintains a professional and equitable approach in delivering services to all customers, irrespective of their payment mode or socio-economic background.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	5,264	2,457	46.7%	2,807	53.3%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	5,264	2,457	46.7%	2,807	53.3%
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	1,224	552	45.1%	672	54.9%
6.	Total workers (F + G)	1,224	552	45.1%	672	54.9%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	22	16	72.7%	6	27.3%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	22	16	72.7%	6	27.3%
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	0	0	0	0	0

21. Participation/Inclusion/Representation of Women

Location	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22.2%
Key Management Personnel	2	1	50%

* The KMP's of the Company are Chairman & Managing Director, Chief Executive Officer, Whole-Time Director, Chief Financial Officer and Company Secretary & Compliance Officer. Since Chairman & Managing Director, Chief Executive Officer and Whole-time Director are already included under the Category Board of Directors, the same has not been included again under the heading KMP.

22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

Location	FY'2024-25			FY'2023-24			FY'2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	30.4%	47.0%	38.7%	48.1%	51.9%	50%	36.71%	54.87%	45.79%
Permanent Workers	0	0	0	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. Name of holding/subsidiary/associate companies/joint ventures**

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	Arunodaya Hospitals Private Limited	Subsidiary	70.67	No
2	KIMS Hospital Enterprises Private Limited	Subsidiary	90.93	No
3	Iconkrishi Institute of Medical Sciences Private Limited	Subsidiary	51.00	No
4	Saveera Institute of Medical Sciences Private Limited	Subsidiary	76.50	No
5	KIMS Hospital Kurnool Private Limited	Subsidiary	55.00	No
6	Sarvejana Healthcare Private Limited	Subsidiary	69.35	No
7	SPANV Medisearch Lifesciences Private Limited	Subsidiary	69.30	No
8	KIMS Hospitals Private Limited	Subsidiary	100.00	No
9	KIMS Swastha Private Limited	Subsidiary	100.00	No
10	KIMS Hospital Bengaluru Private Limited	Subsidiary	100.00	No
11	Chalasani Hospitals Private Limited	Subsidiary	100.00	No
12	Meda Institute of Podiatry Private Limited	Subsidiary	51.00	No
13	KIMS Manavata Hospitals Private Limited	Subsidiary	51.00	No
14	Kondapur Healthcare Limited	Associate	38.50	No

*Rajyalakshmi Healthcare Private Limited (step-down Subsidiary) has merged with its holding Company Sarvejana Healthcare Private Limited, pursuant to the approval of the scheme of amalgamation vide order dated 19th February, 2025.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 13,84,07,03,064

(iii) Net worth (in Rs.): 21,67,76,88,568

VII. Transparency and Disclosure Compliances**25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes*/No) (If yes, then provide web link for grievance redressal policy)	FY'2024-25			FY'2023-24		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes*						
Investors (other than shareholders)	Yes*			NIL			NIL
Shareholders	Yes*	1	0	-	0	0	-
Employees and workers	Yes*	2	0	All Compliants were addressed and resolved	6	0	-
Customers	Yes* (Feedbacks collected at the time of discharge)	492	0	-	435	0	All Compliants were addressed
Value Chain Partners	Yes*						
Others	Yes*						

* <https://www.kimshospitals.com/investors/>

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Dependency on Healthcare Professionals	Risk	Shortage of skilled professionals or shifts in market demand may necessitate higher compensation to attract and retain talent.	Specialist physicians are remunerated based on services rendered. The Company remains agile in aligning compensation with evolving market dynamics to retain expertise.	Negative
2	Waste Management	Risk	Improper biomedical waste handling can result in regulatory violations, harm to public health, and environmental degradation.	A formal waste management policy is in place, compliant with State Pollution Control Board norms and Biomedical Waste Management Rules. Regular staff training ensures safe disposal.	Negative
3	Regulatory Compliance	Risk	The healthcare sector is highly regulated; non-compliance can lead to legal action and reputational damage.	A centralized digital tool has been deployed to monitor compliance requirements and route them efficiently to concerned departments.	Negative
4	Data Security	Risk	Handling sensitive patient data creates exposure to cybersecurity threats and data privacy risks under evolving laws.	Advanced IT systems, regular monitoring, antivirus software, and data protection protocols are in place to safeguard patient information.	Negative
5	Technological Advancements	Opportunity	Proactive adoption of secure and modern technologies can boost patient trust and loyalty.	Continuous upgrades in IT infrastructure, security systems, and patient interfaces are pursued to enhance service delivery and user satisfaction.	Positive
6	Dependency on Supply Chain	Risk	Delays or disruptions in procuring medical supplies can impact service continuity.	Vendors undergo a stringent onboarding and performance review. Compliance with terms and SLAs is mandatory.	Negative
7	Intense Competition	Risk	The presence of multiple healthcare providers intensifies competition in terms of price, quality, and service delivery.	Strategic focus on physician engagement, competitive pricing, and superior patient care is maintained to differentiate offerings.	Negative
8	Community Outreach	Opportunity	Engagement through CSR fosters trust, strengthens local relations, and contributes to public well-being.	Initiatives are led through structured CSR programs focused on healthcare, education, sanitation, and community infrastructure.	Positive
9	Specialized Departments	Opportunity	Offering niche services attracts a specific segment of patients and enhances the institution's reputation.	Investment in skilled personnel, advanced diagnostics, and tailored care protocols enable targeted service offerings.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Weblink of the policies, if available	All the SEBI mandated policies could be found at: https://www.kimshospitals.com/investors/ 1. Policy for Preservation of Documents – Link P1 2. Whistleblowers Policy for Directors and Employees – Link P1 3. Policy for Determining Material Subsidiaries – Link P1, P4 4. Policy on Code of Conduct – Link P1 5. Policy on Related Party Transaction – Link P1, P4, P7 6. Policy on Prevention of Insider Trading – Link P1, P4, P7 7. Policy of Nomination and Remuneration – Link P3, P4 8. Policy on Diversity – Link P1, P8 9. Policy for Determination of Materiality Threshold – Link P1, P4, P7 10. Policy on Familiarization of I Ds – Link P1 11. Dividend Distribution Policy – Link P3, P4 12. Policy on CSR – Link P4, P8 Additionally, the company maintains a few other policies such as the Grievance Handling Policy, ESG Policy, Welfare Policy, Cyber Security Policy, and POSH Policy, covering P2, P5, P6, and P9, available on the Intranet and accessible to all employees.								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	• ISO 9001:2015 Certified P1, P2, P4, P9 • Pharmacie De Qualite Certification (PDQ) P2, P9 • IVF Center Accreditation by Board of FEQH & ISAR P2,P8, P9 • CSSD ACE Certification – 2022 P2 • ISO 22000:2005 – Food Safety Management System (FSMS) – 2019 P2, P3 • AACI International Accreditation P3								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	KIMS has initiated its ESG journey and anticipates setting sustainability KPI targets for the short, medium, and long term across the following focus areas:								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	• Climate Change Mitigation • Energy Efficiency • Water Conservation • Waste Management • Reduction of Air Emissions and GHGs • Biodiversity Protection								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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Governance, leadership and oversight

7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

in the realm of healthcare, the commitment to Environmental, Social, and Governance (ESG) initiatives is not just a responsibility, but a way of life. This ethos is deeply ingrained in our culture, shaping every decision and action. Patient safety and well-being remain central to all endeavours, with a relentless focus on creating a clean, safe, and welcoming environment.

Our dedication extends beyond our facilities through outreach programs that raise awareness about health—emphasizing both prevention and treatment. We believe healthcare is not just about healing, but about education and proactive care.

Creating an environment where doctors and staff can thrive is a key priority, as great care stems from empowered caregivers. This nurturing culture forms the foundation of our healthcare system.

Ethics and transparency are core to our operations. We firmly believe there is no business without ethics. Our commitment to ethical practices ensures that all stakeholders' interests are respected and protected.

ESG practices are reviewed regularly to drive continuous improvement and innovation. Our aim is to contribute to a more equitable and sustainable future through unwavering commitment to ESG principles, patient care, community engagement, employee well-being, and ethical governance.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	DIN Number : 01681273 Name: Dr. Abhinay Bollineni Designation: Director & CEO Telephone No. 040-44885000 Email Id: abhi@kimshospitals.com								
9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									
10. Details of review of NGRBCs by the Company:									

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Adherence to the above mentioned policies and subsequent actions undergo scrutiny by the Board of Directors, Nomination and Remuneration Committee, Risk Management Committee, and Audit Committee, as relevant. These reviews occur two or three years, or whenever alterations in applicable laws necessitate an update																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company monitors and completes the compliances on timely basis via a platform on boarded from a third party vendor.																	

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principle material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

1

Principle

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator:

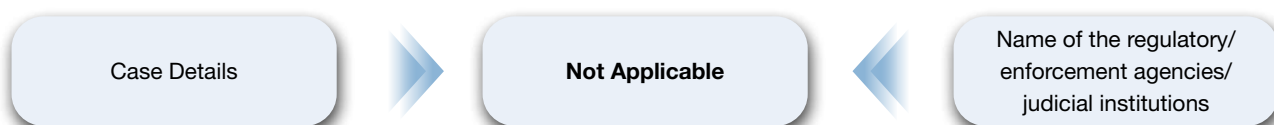
1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors		Nil	
Key Managerial Personnel		Nil	
Employees other than Board of Directors and KMPs	26	Emergency codes, Fire safety, Incident reporting, Radiation safety, HIC, Handling Vulnerable patients, BLS, Occupational Hazards, HIRA, Disciplinary and Grievance handling, POSH, Adrenaline & LMS, Risk within Hospital environment, Hospital disaster Management Plan, Privileging process(clinical staff),HIMS, NABH & ISO Standards, HR Policies, Cancer awareness, hand hygiene, Vericose veins, storage of medication, Self defense, womens safety, Cyber crime	80%
Workers	26	Emergency codes, Fire safety, Incident reporting, Radiation safety, HIC, Handling Vulnerable patients, BLS, Occupational Hazards, HIRA, Disciplinary and Grievance handling, POSH, Adrenaline & LMS, Risk within Hospital environment, Hospital disaster Management Plan, Privileging process(clinical staff),HIMS, NABH & ISO Standards, HR Policies, Cancer awareness, hand hygiene, Vericose veins, storage of medication, Self defense, womens safety, Cyber crime	85%

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement					
Compounding fee					
	Non-Monetary				Has an appeal been preferred? (Yes/No)
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the Case		
Imprisonment					
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.



4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

KIMS is committed to upholding the highest standards of corporate governance and ethical business conduct. While there is no standalone Anti-Bribery Policy, the principles of anti-bribery are embedded within the Company's Code of Conduct.

Key Focus Areas Include:

- **Legal Compliance:** Adhering to all relevant anti-bribery laws and regulations.
 - **Reputation Management:** Preserving the organization's image as a responsible and ethical healthcare provider.
 - **Risk Mitigation:** Preventing exposure to bribery-related risks.
 - **Ethical Culture:** Promoting values of integrity and responsible business behavior across all levels.
5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY'2024-25	FY'2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest

	FY'2024-25		FY'2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	No complaints were received in relation to issues of conflict of interest against any of our Directors or KMPs in the reporting year and in the year before that.	NIL	No complaints were received in relation to issues of conflict of interest against any of our Directors or KMPs in the reporting year and in the year before that
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL		NIL	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

- Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY'2024-25 (Current Financial Year)	FY'2023-24 (Previous Financial Year)
Number of days of accounts payables	125.29	114.24

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter		FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	67%	79%
	b. Number of trading houses where purchases are made from	890	1027
	c. Purchases from top 10 trading houses as % of total Purchases from trading houses	24%	28%
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties as % of Total Purchases)	0.53%	0.41%
	b. Sales (Sales to related parties as % of Total Sales)	1.40%	0.77%
	c. Loans & advances given to related parties as % of Total loans & advances	85%	76%
	d. Investments in related parties as % of Total Investments made	18%	94%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
NIL		

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, KIMS has a clearly articulated Code of Conduct applicable to both Board members and senior management. The policy:

- Emphasizes the need to avoid actual or perceived conflicts of interest.
- Requires full disclosure of any personal, professional, or financial affiliations that might compromise—or appear to compromise—objectivity in company decisions.
- Reinforces transparency and ethical alignment between personal interests and organizational goals.

2

Principle

Business should provide goods and services in a manner that is sustainable and safe

Essential Indicator:

- 1 **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY'2024-25	FY'2023-24	Details of improvements in environmental and social impacts
R & D Capex	Assessment of Capex and R&D spend to be incurred by the Company is always in line with its possible impact in betterment of social & environmental components associated with business activities. These are inseparable cost of project and hence separate identification of such cost is not feasible.		

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company has procedures in place for sustainable sourcing.

Procurement Process:

- Involves rigorous evaluation of new vendors prior to onboarding.
- Existing vendors undergo regular assessments to monitor their performance and alignment with company values.
- Sustainability considerations are being actively integrated into the vendor selection process.

- b. **If yes, what percentage of inputs were sourced sustainably?**

- 92.52%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**



**Plastics
(including packaging)**

Minimal plastic waste is generated. All plastic waste is sold to authorized plastic recyclers in accordance with waste management protocols.



E-waste

E-waste is sent to recyclers authorized by the Central Pollution Control Board (CPCB), ensuring responsible electronic waste disposal.



Hazardous waste

Includes residuals from the Sewerage Treatment Plant (STP) and general healthcare operations. These are disposed of through authorized municipal and biomedical channels. Treated water from STP is reused for landscaping and plant watering.



Other waste

Managed as per Bio-Medical Waste Management Rules, 2016. Waste is entrusted to a CPCB-authorized treatment facility for safe disposal.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

- Not Applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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Considering the nature of operations and business activities of KIMS, Life Cycle Assessment is not being conducted.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
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Given the company's operation in the healthcare sector, this is not applicable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY'2024-25	FY'2023-24

Given the company's operation in the healthcare sector, this is not applicable.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY'2024-25			FY'2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
 Plastics (including packaging)	The Company manages waste responsibly by following specific protocols for different types of waste. Bio-medical waste is directed to an authorized Bio-Medical Waste Treatment Facility, approved by the Central Pollution Control Board (CPCB), in accordance with the Bio-Medical Waste Management Rules of 2016 and subsequent amendments. E-waste is handed over to a vendor authorized by the CPCB. Additionally, other waste is securely stored and regularly cleared according to local municipality rules before collection by municipal authorities.					
 E-waste						
 Hazardous waste						
 Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
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Not Applicable

3

Principle

Business should respect and promote the wellbeing of all employees, including those in their value chains

Essential Indicator:

1. A. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities#	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2457	2457	100%	0	0%	NA	NA	0	0%	15	0.6%
Female	2807	2807	100%	0	0%	196	7%	NA	NA	19	0.7%
Total	5264	5264	100%	0	0%	196	7%	0	0%	34	0.6%
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
Other than Permanent Workers											
Male	552	0	0.00%	0	0%	0	0%	0	0%	0	0%
Female	672	0	0.00%	0	0%	0	0%	0	0%	0	0%
Total	1224	0	0.00%	0	0%	0	0%	0	0%	0	0%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY'2024-25	FY'2023-24
Cost incurred on wellbeing measures as a % of total revenue of the company	0.17%	0.13%

2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY'2024-25			FY'2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99%	100%	Y	99%	100%	Y
Gratuity	100%	100%	Y	100%	95%	Y
ESI	63%	100%	Y	64%	100%	Y
Others- please specify	0%	0%	NA	0	0%	NA

3. Accessibility of workplaces

Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

KIMS recognizes the importance of inclusivity and accessibility for all its stakeholders, including patients, visitors, employees, and workers. In alignment with the Rights of Persons with Disabilities Act, 2016, KIMS ensures that its hospitals and workplaces are accessible to differently-abled individuals.

All KIMS facilities across India are equipped with ramps, accessible restrooms, and other necessary infrastructure to cater to the needs of persons with disabilities. Additionally, KIMS staff are sensitized and trained to support differently-abled individuals with empathy and care.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

KIMS is committed to fostering a fair and inclusive workplace, free from discrimination based on race, gender, religion, age, disability, or other characteristics. In addition:

- Recruitment and Selection Policy, which ensures hiring is based purely on merit and capability.
- Employee Rights and Responsibilities Policy, which mandates equal treatment and promotes a respectful work environment.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers*	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
 Male	0%	0%	0%	0%
 Female	59%	100%	0%	0%
Total	59%	100%	0%	0%

*The Company does not have any permanent workers which is why the number reflected above equals zero.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
 Permanent workers	NA
 Other than permanent workers	KIMS has established a multi-channel grievance redressal mechanism for employees to raise concerns: • Grievances may be raised orally or in writing. • Complaints are reviewed by a Grievance Redressal Committee, which ensures a fair hearing for all parties involved. • Post-investigation, appropriate action is taken. • If the decision is unsatisfactory, employees can appeal to the Management, which is required to respond within 45 days.
 Permanent employees	
 Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY'2024-25			FY'2023-24		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	5264	0	0%	5013	0	0%
Male	2457	0	0%	2411	0	0%
Female	2807	0	0%	2602	0	0%
Total Permanent Workers	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY'2024-25					FY'2023-24				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
👤 Male	2457	1695	69%	1400	57%	2411	1562	65%	1254	52%
👤 Female	2807	1992	71%	1712	61%	2602	1708	66%	1521	58%
Total	5264	3687	70%	3112	59%	5013	3270	65%	2775	55%
Workers										
👤 Male	552	413	74%	442	80%	516	316	61%	352	68%
👤 Female	672	497	73%	512	76%	564	412	73%	403	71%
Total	1224	910	0%	954	78%	1080	728	67%	755	70%

9. Details of performance and career development reviews of employees and workers:

Category	FY'2024-25			FY'2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2457	2457	100%	2411	2411	100%
Female	2807	2807	100%	2602	2602	100%
Total	5264	5264	100%	5013	5013	100%
Workers						
Male	552	552	100%	516	516	100%
Female	672	672	100%	564	564	100%
Total	1224	1224	100%	1080	1080	100%

10. Health and Safety Management System:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. KIMS has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) to ensure workplace safety and promote a healthy environment for all employees. The system includes a robust incident reporting mechanism that facilitates timely documentation, investigation, and resolution of safety-related incidents. Updates and reviews are conducted quarterly, ensuring the system remains responsive to emerging risks and aligned with best practices.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

KIMS' Quality Department conducts systematic audits across departments to identify routine and non-routine work-related hazards. These audits support continuous assessment and mitigation of potential occupational risks, thereby strengthening overall safety management.

c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

Yes. Standard Operating Procedures (SOPs) are in place across all work units. These SOPs guide employees in reporting hazards and, when necessary, withdrawing from unsafe conditions. Employees are empowered to take action without fear of retribution, promoting a culture of proactive safety.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. All employees and workers at KIMS have access to non-occupational medical and healthcare services, ensuring their holistic well-being beyond work-related needs.

11. Details of safety related incidents, in the following format:

Safety Incident /Number	Category	FY'2024-25	FY'2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

KIMS is committed to maintaining a safe, healthy, and inclusive workplace. Key measures undertaken include:

- **POSH Compliance:** Full adherence to the Prevention of Sexual Harassment Act, with an Internal Complaints Committee in place.
- **Grievance Redressal:** Active Grievance Committee to resolve employee concerns fairly.
- **Emergency Preparedness:** Regular fire drills, implementation of emergency codes, and awareness sessions.
- **Occupational Health Training:** Regular training on fire safety, hazard identification, and safe operational practices, covering both new and existing employees.
- **Biomedical Waste Management:** SOPs are strictly followed for safe disposal of hazardous biomedical waste in line with Biomedical Waste Management Rules.

13. Number of Complaints on the following made by employees and workers:

Category	FY'2024-25			FY'2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

Safety Incident /Number	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0
Working Conditions	0

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- Not Applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. All employees and workers at KIMS are enrolled under the Employees' State Insurance (ESI) scheme.

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

KIMS ensures that value chain partners adhere to statutory compliance requirements, including:

- EPF, ESI, and Professional Tax: Deductions are made from employee wages and deposited before the statutory deadlines.
- Contracts with vendors include explicit clauses requiring partners to comply with labour laws and fulfil obligations concerning statutory dues.

3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY'2024-25	FY'2023-24	FY'2024-25	FY'2023-24
Employees				
Workers				

Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes. KIMS has instituted transition assistance programs aimed at employees nearing retirement or facing employment termination. These include:

- Guidance sessions on post-retirement benefits
- Support for career planning
- Employee welfare programs aimed at enhancing continued employability

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NA
Working Conditions	NA

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

4

Principle

Business should respect the interests of and be responsive to all its stakeholders

Essential Indicator:
1. Describe the processes for identifying key stakeholder groups of the Company.

KIMS recognizes that its stakeholders play a vital role in shaping and sustaining its business operations. Stakeholders include all individuals, entities, and organizations involved in or affected by the hospital's day-to-day functioning such as patients, employees, shareholders, investors, suppliers/vendors, and the local community. The company places significant importance on nurturing these relationships and engages stakeholders through a variety of channels including performance reviews, meetings, surveys, feedback mechanisms, media interactions, and organized events. This multi-faceted engagement approach strengthens partnerships, fosters transparency, and builds long-term trust.

KIMS views both internal and external stakeholders as integral to achieving its strategic and operational objectives spanning both financial and non-financial dimensions. Regular and meaningful engagement helps the organization understand stakeholder concerns, expectations, and responsibilities, thereby enabling informed and responsible decision-making.

2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly / others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulatory bodies/ Government/ Industry Associations	No	Website, Newspaper, Email	Need basis The Company engages with stakeholders as and when required.	Ethical business practices, transparency in disclosures
Investors/ Funders/ Shareholders	No	Website, Newspaper, Email, Meetings		Business and financial performance, strategic roadmap for growth, ROCE, dividends
Vendors/ Suppliers/ Contractors/ Sellers	No	Meetings, Email		Quality assurance in the supply chain, mitigating environmental & social risks
Patients	Yes	Website, Newspaper, Email, SMS, Pamphlets		Healthcare service quality, data privacy, patient relationship management, affordable healthcare
Local Communities	Yes	Newspaper, Website, Pamphlets, Advertisements		Affordability, better access to health & nutrition
Employees	No	Email, SMS, Meetings, Notice Board, Website, Intranet, Advertisements		Career progression, diversity & inclusion, employee engagement, well-being, rewards & recognitions
Industry Associates	No	Newspaper, Website, Pamphlets, Advertisements		Research & development partnerships
Healthcare Professionals	No	Email, Website, Newspaper, SMS, Meetings		Infrastructure support, research & development, occupational health & well-being

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

KIMS ensures regular communication with its key stakeholders through its management team. Various mechanisms, including performance reviews and strategy meetings, are used to identify, analyse, and engage stakeholders. Feedback from these consultations is integrated into the company's strategic planning processes, aligning stakeholder needs with organizational goals.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultations are pivotal in identifying and managing environmental and social issues. These consultations help prioritize key issues that impact environmental, social, economic, and governance factors. The identified issues are mapped to relevant risks, and as part of the risk management plan, the company develops mitigation strategies to address them effectively.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

KIMS' Corporate Social Responsibility (CSR) initiatives focus on supporting vulnerable and marginalized groups, in line with the company's CSR Policy. Major areas of focus include education, gender equality, women's empowerment, and addressing hunger, poverty, nutrition, and health. Through these initiatives, the company takes actionable steps to alleviate the challenges faced by disadvantaged communities.

5

Principle

Business should respect and promote human rights

Essential Indicator:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY'2024-25			FY'2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	5264	3,741	71%	5,013	3270	65.23%
Other than Permanent	0	0	0	0	0	0
Total Employees	5264	0	71%	5013	3270	65.23%
Workers						
Permanent	0	0	0	0	0	0
Other than Permanent	1224	842	69%	1080	728	67.40%
Total Workers	1224	842	69%	1080	728	67.40%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY'2024-25					FY'2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	5,264	453	9%	4811	91%	5,013	100	2.0%	4,913	98.0%
 Male	2,457	131	5%	2326	95%	2,411	31	1.3%	2,380	98.7%
 Female	2,807	322	11%	2485	89%	2,602	69	2.7%	2,533	97.3%
Other than Permanent	0	0	0	0	0	0	0	0	0	0
 Male	0	0	0	0	0	0	0	0	0	0
 Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	0	0	0	0	0	0	0	0	0	0
 Male	0	0	0	0	0	0	0	0	0	0
 Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	1,224	0	0%	0	0	1,080	0	0%	0	0
 Male	552	0	0%	0	0	516	0	0%	0	0
 Female	672	0	0%	0	0	564	0	0%	0	0

3. Details of remuneration/salary/wages, in the following format:

a. The details are provided below:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)*	7	22,50,000	2	40,50,000
Key Managerial Personnel**	1	1,39,78,404	1	14,10,097
Employees other than BoD and KMP	2454	2,14,621	2805	1,83,018
Workers	552	1,54,200	672	1,49,088

*Since Chairman & Managing Director, Chief Executive Officer and Whole-time Director are already included under the category Board of Directors, the same has not been included again under the heading KMP.

**The median remuneration for male KMP has been calculated taking the actual amount paid to the KMPs during the year. For Calculating median remuneration for female KMP, as the KMP joined during the year, it is based on actual amount paid from the month of her joining.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	PY 2023-24
Gross wages paid to females as % of total wages	39.15%	39.41%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, KIMS has designated internal mechanisms to address human rights impacts arising from its business activities. The company has implemented a comprehensive Grievance Policy to ensure a fair, accessible, and timely grievance redressal process for all employees. A formal Code of Conduct outlines standards of behaviour and responsibilities for staff, mandating compliance across all levels. Additionally, various internal committees oversee the enforcement of human rights standards. Notably, KIMS follows a zero-tolerance policy toward workplace sexual harassment, with a dedicated committee established under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to handle complaints.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company's Grievance Redressal Policy provides a structured and confidential process to address and resolve employee grievances. This mechanism ensures timely action while protecting the anonymity and privacy of complainants, fostering a safe and supportive work environment.

6. Number of Complaints on the following made by employees and workers:

The details are provided below:

Category	FY'2024-25			FY'2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	0	NA	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other Human rights related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	PY 2023-24
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
ii) Complaints on POSH as a % of female employees / workers	0.028%	0
iii) Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

KIMS upholds a strict stance against any form of retaliation, discrimination, or harassment toward individuals who report grievances or participate in investigations. Policies such as the Whistle Blower Policy, Code of Conduct, and Grievance Policy are aligned to protect the identity of complainants and ensure confidentiality throughout the resolution process.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights considerations are embedded in KIMS's business agreements. Specific clauses reflecting the principles of the company's Code of Conduct, which include human rights commitments, are incorporated in all contracts, purchase orders, and agreements with partners.

10. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Sexual Harassment	NA
Discrimination at workplace	NA
Wages	NA
Other- please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

NA

Leadership Indicators**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

KIMS has not received any grievances or complaints related to human rights violations. However, the company remains committed to upholding the highest standards of ethical conduct and human rights. As part of this commitment, KIMS regularly reviews and updates its policies and business processes to remain aligned with evolving regulatory frameworks and internal governance needs. These proactive reviews help ensure that the organization remains responsive and resilient in addressing potential human rights concerns.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Currently, KIMS has not undertaken formal human rights due diligence activities. Nevertheless, the company acknowledges the growing importance of such assessments and is open to evaluating their applicability and incorporating them into its operational framework in future financial years.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, KIMS fully committed to creating an inclusive and accessible environment for all individuals. The hospital has implemented infrastructure such as ramps and separate urinals designed specifically to support differently-abled visitors. Moreover, KIMS fosters an empathetic culture, where staff members are trained to understand and respond to the unique needs of specially-abled individuals, ensuring equitable access to healthcare services for everyone.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	NA
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Wages	NA
Others – please specify	NA

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

6

Principle

Business should respect and make efforts to protect and restore the environment.

Essential Indicator:

1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:

Parameter	FY'2024-2025	FY'2023-24
From renewable sources		
Total electricity consumption (A)	18867.8592	30017.77
Total fuel consumption (B)*	-	252.1224
Energy consumption through other sources(c)	-	-
Total energy consumed from renewable sources (A+B+C)	18867.8592	30269.8924
From non-renewable sources		
Total electricity consumption (D)	48394.944	33744.244
Total fuel consumption (E)	1680.681917	15219.41
Energy consumption through other sources(F)	-	81.216
Total energy consumed from non-renewable sources (D+E+F)	50075.62592	49044.87
Total energy consumed (A+B+C+D+E+F)	68943.48512	79314.7624
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	4.98	6.49
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	102.91	148.51
Energy intensity in terms of physical output	-	-

*The methodology for calculating renewable energy has been revised, reflecting the Company's strategic focus on solar energy adoption through partnership with a leading energy services provider.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY'2024-2025	FY'2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	246904	175768
(iii) Third party water	5729	3315
(iv) Seawater / desalinated water	0	0
(v) Others	58292	1225
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	310925	180308
Total volume of water consumption (in kilolitres)	310925	180308
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	22.46	14.75
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	464.12	304.74
Water intensity in terms of physical output	-	-
Water intensity (optional) –the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY'2024-2025	FY'2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has implemented a Zero Liquid Discharge system as part of its sustainability initiatives. Sewage from hospitals in Secunderabad, Nellore, and Rajahmundry is treated and reused for toilet flushing and cooling systems. At the Ongole unit, treated wastewater is utilized for landscaping within the premises.

6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY'2024-25	FY'2023-24
NO _x	µg/m ³	16.74	15.78
SO _x	µg/m ³	19.99	22.15
Particulate matter (PM) (Including PM _{2.5} & PM ₁₀)	µg/m ³	36.40	43.75
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others	-	-	-

The values for the previous year have been revised due to changes in methodology and units of measurement, ensuring consistency and data accuracy across all relevant parameters.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY'2024-25	FY'2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1057.44	1768.05
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9773.09	7714.31
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT of CO ₂ e/Rs. in Crore	0.78	0.77

Parameter	Unit	FY'2024-25	FY'2023-24
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MT of CO ₂ e/ Crore US Dollar	16.17	17.75
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

KIMS has undertaken multiple initiatives to reduce its greenhouse gas emissions, with a key focus on energy efficiency. In 2018, KIMS Secunderabad entered into a strategic partnership with Smart Joules Pvt. Ltd. (SJPL), an Energy Services Company (ESCO), under the JoulePAYS model. This performance-based model enables the hospital to implement various Energy Conservation Measures (ECMs) without any upfront capital investment, while securing a guaranteed minimum of 10% annual energy savings over the baseline.

Additionally, the company has adopted clean technologies and energy-efficient practices across all its units, including the complete transition to LED lighting. These measures contribute to lower energy consumption and reduced carbon emissions, reinforcing KIMS's sustainability goals.

9. Provide details related to waste management by the Company, in the following format:

Parameter	FY'2024-25	FY'2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	1.28	1.44
Bio-medical waste (C)	279.133535	192.185
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0.025	0.06
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	280.438	193.685
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.02	0.01
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.42	0.23
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY'2024-25	FY'2023-24
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	280.438	193.685
Total	280.438	193.685

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

KIMS follows stringent waste management protocols in compliance with regulatory norms.

- Bio-medical waste is handled in accordance with the Bio-Medical Waste Management Rules, 2016 and its amendments. It is collected, segregated, and transferred to Central Pollution Control Board (CPCB)-authorized Bio-Medical Waste Treatment Facilities.
- E-waste is disposed of through CPCB-authorized vendors to ensure safe and responsible handling.
- Other general waste is stored and managed appropriately.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable. The Company has no operations/offices in/around ecologically sensitive area			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Yes, the Company ensures strict adherence to all applicable environmental laws, regulations, and guidelines established in India. BBL maintains a proactive approach toward environmental management, diligently monitoring emissions and waste generation across all operational units. All activities are conducted within the prescribed permissible limits, and the company ensures regular internal reviews and audits to assess compliance. Monitoring outcomes are reported to the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs), as mandated. This ongoing commitment reflects BBL's dedication to environmental responsibility and sustainable operational practices.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable KIMS does not withdraw, consume or discharge water in areas of water stress.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The company did not measure its Scope 3 emissions during the reporting year. However, ongoing efforts are in place to track and record this data, which will be made available in the upcoming years.

3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format: v

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Nil			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

KIMS has developed a robust disaster management policy and program aimed at ensuring operational continuity during emergencies. The policy facilitates prompt activation of disaster response protocols, rapid mobilization of resources, and effective triage, stabilization, and care delivery during mass casualty incidents. Regular emergency drills are conducted across facilities to test preparedness, and insights from these drills are used to continuously improve response capabilities. The disaster preparedness program is aligned with the objective of minimizing morbidity and mortality while safeguarding both patients and staff.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

NA

7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?

KIMS is actively working to strengthen the sustainability of its value chain. Although a formal environmental assessment of value chain partners has not yet been completed, the company is currently evaluating opportunities to initiate such assessments. Relevant steps are planned for upcoming financial years to promote environmentally responsible practices among its partners.

8. How Many green credits have been generated or produced

a	By the listed entity	NA
b	By the top ten (in terms of value of purchase and sales respectively) value chain partners	NA

7

Principle

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicator:

1. a. Number of affiliations with trade and industry chambers/associations.

2

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Association of Healthcare Providers (India)	National
2	Consortium of Accredited Health Care Organization	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.		

Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
Nil					

8

Principle

Businesses should promote inclusive growth and equitable development.

Essential Indicator:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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NA. The company has not undertaken any SIA projects in the reporting year. The requirement of the same shall be assessed in the upcoming year and taken up accordingly.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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NA

3. Describe the mechanisms to receive and redress grievances of the community.

Although KIMS's operations do not pose any significant adverse impact on the local community, the organization remains committed to fostering strong, transparent, and accountable relationships with surrounding communities. To this end, KIMS follows an open-door policy that encourages community members to voice their concerns or grievances freely. This inclusive approach ensures that local residents have a reliable mechanism to seek redress and engage constructively with the organization.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY'2024-25	FY'2023-24
Directly sourced from MSMEs/small producers	The company's medical procurements are primarily based on prescriptions and clinician requirements. When products are supplied through MSME (Micro, Small, and Medium Enterprises) vendors, they are on boarded for supplies. However, no specific initiatives have been implemented to encourage MSME vendor on boarding specifically for medical supplies.	
Directly from within India	91.81%	88%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost*

Location	FY'2024-25	FY'2023-24
Rural		
% of Job creation in Rural areas	0	0
Semi-urban		
% of Job creation in Semi-urban areas	0	0
Urban		
% of Job creation in Urban areas	28.63%	28.12%
Metropolitan		
% of Job creation in Metropolitan areas	71.37%	71.87%

* Reclassification made as required (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable as no social impact assessment is carried out during FY 2024-25	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
Nil			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?

No, As a healthcare service provider, the company prioritizes patient safety and clinical efficacy by sourcing medicines, consumables, medical devices, and equipment strictly from regulated and approved vendors. While this rigorous sourcing approach ensures compliance with healthcare standards, it has not yet been supplemented with specific initiatives to encourage participation from marginalized supplier groups.

- (b) From which marginalized/vulnerable groups do you procure?

NA

- (c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects*:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	HI Vision Foundation – Student Scholarship Programme	178	100%
2	Skilling & Reskilling	481	100%
3	Skilling & training for Govt exams (Parvasthu Creative Foundation)	300	80%
4	Medical Camps (At various Locations) Healthcare	81612	100%
5	Free Cancer Screening Camps-MBU	2206	100%
6	Grocery Support to Orphanage (Aman Vedika) & Students (Kakatiya Vidya Trust)	634	100%
7	Remedial classes- Jaganmatha Sri Vengamamba Foundation	30	100%
8	Sign care : Telemedicine for the Deaf	287	80%
9	Dristi Smart Glasses for Blind People	102	100%

* at Group Level

9

Principle

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicator:

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

KIMS places high priority on patient experience and maintains a multi-layered system to receive, address, and resolve patient grievances efficiently. The hospital provides the following channels for feedback and complaint resolution:

- Direct Interaction with Relationship Managers: Patients may share concerns during direct visits to the assigned relationship manager.
- Prompt Reporting: Complaints are immediately reported by the relationship manager to the relevant department. The designated Head of Department (HOD) is expected to resolve the issue within one hour.
- Post-Discharge Feedback: Patient feedback is systematically collected post-discharge via a third-party service provider.
- Quality Department Review: The Quality Department regularly analyzes discharge feedback to identify systemic issues and drive service improvements.
- Escalation Channels: Patients may escalate unresolved grievances to the Patient Care Floor Manager or reach the Grievance Manager via phone at 7995222794 or by email at assistance@kimshospitals.com. Additionally, assistance is available through the company website.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Number of consumer complaints in respect of the following:	FY'2024-25		Remarks	FY'2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services		NIL			NIL	
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		
Forced recalls	Not Applicable	

5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, KIMS has instituted a robust cybersecurity and data privacy policy to safeguard sensitive patient data, including medical records and personal information. The policy is hosted on the company's intranet and guides the management of data privacy risks in compliance with relevant healthcare data protection standards.

Link- This policy is present on company's intranet.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	NIL
b. Percentage of data breaches involving personally identifiable information of customer	NIL
c. Impact, if any, of the data breaches	NA

Leadership Indicators

1. **Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

Information on KIMS services is available via the following channels:

- Website: www.kimshospitals.com, www.kimscuddles.com
- Facebook: KIMS Hospitals Facebook
- Instagram: @kimshospitals
- Twitter: @kimshospitals
- LinkedIn: KIMS LinkedIn
- YouTube: KIMS YouTube Channel

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

KIMS ensures that detailed information about its medical services and operational policies is readily accessible via its official website and social media platforms. The hospital educates consumers on responsible service usage and ensures transparency through published policies and announcements.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

In cases of anticipated service disruptions—arising from natural disasters, cyber-attacks, technical failures, or regulatory directives KIMS informs patients prior to their scheduled visits. Communications include the cause, expected duration, and interim arrangements. The hospital maintains a comprehensive contingency plan that includes backup power systems, emergency medical supplies, and evacuation protocols to ensure minimal impact on patient care.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)**

The hospital does not display service-related information beyond statutory requirements. However, KIMS conducts regular post-discharge patient satisfaction surveys through a third-party agency. The Quality Department reviews this feedback weekly and forwards specific concerns or suggestions to the respective departments for resolution and quality improvement.

Financial Statements

Independent Auditor's Report

To
The Members of
Krishna Institute of Medical Sciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Krishna Institute of Medical Sciences Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered

Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Investments in and Loans to subsidiaries (Sarvejana Healthcare Private Limited, KIMS Hospital Enterprises Private Limited and Spanv Medisearch Lifesciences Private Limited) (as described in Note 2.2 and 2.3 of the standalone financial statements) As at March 31, 2025, the Company has investments in Sarvejana Healthcare Private Limited, KIMS Hospital Enterprises Private Limited and Spanv Medisearch Lifesciences Private Limited amounting to Rs. 6,310 million, Rs. 1,546 million and Rs. 1,571 million respectively carried at cost. Further, the Company has granted loans to above subsidiaries amounting to Rs. 204 million. The investments/loans are tested annually for impairment using discounted cash-flow models by which recoverable value is compared to the carrying value as at balance sheet date. A deficit between the recoverable value and the carrying value would result in impairment The inputs to the impairment testing model include: - Projected revenue growth, operating margins, operating cash-flows and capex during the periods related to explicit forecast;	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over impairment assessments; • We gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. • We evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions; and tested the arithmetical accuracy of model;

Key audit matters	How our audit addressed the key audit matter
- Stable long-term growth rates beyond explicit forecast period and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax). The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing of these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Standalone Financial Statements as a whole	• We tested budgeting procedures upon which the cash flow forecasts were based. We have also compared the actual past performances with the budgeted figures • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We assessed the adequacy of the related disclosures in notes to the Standalone Financial Statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.25 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except in respect of one accounting software where audit trail feature is not enabled for direct changes to data when using certain access rights from April 01, 2024 to March 25, 2025, as described in note 2.38 to the financial statements. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software used where the audit trail has been enabled. Additionally, the audit trail of the prior year 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

Place of Signature: Hyderabad

Membership Number: 102328

Date: May 12, 2025

UDIN: 25102328BMOPZN3613

Annexure '1' referred to in paragraph under the heading "Report on other Legal And Regulatory Requirements" of our report of even date

Re: Krishna Institute Of Medical Sciences Limited ("The Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year ended March 31, 2025.
- 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 2.12 (b) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

- (iii) a) During the year the Company has provided loans and stood guarantee to companies as follows:

₹ in Million

	Guarantees	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	Rs. 2,460	Rs. 2,928
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	Rs. Nil	Rs. 2,831

- b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest.
- c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the medical and healthcare services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess, and other statutory dues have not been deposited on account of any dispute, are as follows

Name of the statute	Nature of the dues	Amount Demanded (Rs. in Million)	Amount paid under protest (Rs. in Million)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
CGST Act, 2017	CGST and SGST including penalty	6.59	0.44	July 2017 to August 2019	Assistant Commissioner, Ongole

(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.

b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(xi) a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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) Term loans were applied for the purpose for which the loans were obtained.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(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.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

b) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(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.

c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 2.39 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.33 to the financial statements.
- b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.33 to the financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**

Partner

Place of Signature: Hyderabad

Membership Number: 102328

Date: May 12, 2025

UDIN: 25102328BMOPZN3613

Annexure '2' to the Independent Auditor's Report of even date on the Standalone Financial Statements of Krishna Institute of Medical Sciences Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Krishna Institute of Medical Sciences Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with

reference to standalone financial statements were operating effectively as at March 31, 2025, 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

Place of Signature: Hyderabad

Membership Number: 102328

Date: May 12, 2025

UDIN: 25102328BMOPZN3613

Standalone Balance Sheet

as at 31 March 2025

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

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	7,238	6,265
Capital work-in-progress	2.1 (b)	5,303	2,920
Intangible assets	2.1 (c)	208	184
Right-of-use assets	2.26	287	290
Financial assets			
(i) Investments	2.2 (a)	12,258	10,007
(ii) Loans	2.3 (a)	2,761	958
(iii) Other financial assets	2.4 (a)	278	100
Non-current tax assets (net)	2.9	-	37
Other non-current assets	2.5	564	193
Total non-current assets		28,897	20,954
Current assets			
Inventories	2.6	263	221
Financial assets			
(i) Investments	2.2 (b)	-	616
(ii) Trade receivables	2.7	1,874	1,487
(iii) Cash and cash equivalents	2.8 (a)	261	205
(iv) Bank balances other than (iii) above	2.8 (b)	34	-
(v) Loans	2.3 (b)	70	92
(vi) Other financial assets	2.4 (b)	304	235
Other current assets	2.10	188	156
Total current assets		2,994	3,012
Total assets		31,891	23,966
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.11 (a)	800	800
Other equity	2.11 (b)	20,880	17,864
Total equity		21,680	18,664
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (a)	5,771	2,572
(ii) Other financial liabilities	2.13 (a)	26	100
Provisions	2.14	207	191
Deferred tax liabilities (net)	2.36	392	346
Other non-current liabilities	2.17 (a)	228	-
Total non-current liabilities		6,624	3,209
Current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (b)	1,309	691
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises;	2.15	52	3
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.15	892	782
(iii) Other financial liabilities	2.13 (b)	833	179
Other current liabilities	2.17 (b)	346	336
Provisions	2.16	139	102
Current tax liabilities (net)		16	-
Total current liabilities		3,587	2,093
Total equity and liabilities		31,891	23,966
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: 12 May 2025

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Sachin Ashok Salvi
Chief Financial Officer

Place: Hyderabad
Date: 12 May 2025

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Standalone Statement of Profit and Loss

for the year ended 31 March 2025

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

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	2.18	13,841	12,221
Other income	2.19	567	182
Total Income		14,408	12,403
Expenses			
Purchase of medical consumables, drugs and surgical instruments		2,795	2,536
Increase in inventories of medical consumables, drugs and surgical instruments	2.20	(42)	(29)
Employee benefits expense	2.21	2,364	2,196
Finance costs	2.22	232	36
Depreciation and amortisation expense	2.23	577	581
Other expenses	2.24	4,559	3,901
Total expenses		10,485	9,221
Profit before tax and exceptional items		3,923	3,182
Exceptional items			
Gain on fair valuation of Call option (net)	2.35	108	-
Profit before tax		4,031	3,182
Tax expense			
- Current tax	2.36	951	817
- Deferred tax charge/(credit)	2.36	47	(6)
- Adjustments of tax relating to earlier year	2.36	4	18
Total tax expense		1,002	829
Profit for the year (A)		3,029	2,353
Other comprehensive (loss) / income			
Items that will not be reclassified subsequently to profit and loss			
- Re-measurement (loss)/gain on defined benefit plans		(18)	3
- Income tax effect		5	(1)
Other comprehensive (loss)/income, net of tax (B)		(13)	2
Total comprehensive income for the year (A+B)		3,016	2,355
Earnings per share (face value of share Rs. 2 each)	2.29		
- Basic (Rs.)		7.57	5.88
- Diluted (Rs.)		7.57	5.88
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: 12 May 2025

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

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Place: Hyderabad
Date: 12 May 2025

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Standalone Statement of Cash Flows

for the year ended 31 March 2025

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
I. Cash flows from operating activities:		
Profit before tax for the year	4,031	3,182
Adjustments for operating activities:		
Depreciation and amortisation expense	577	581
Profit on sale of property, plant and equipment	(128)	(1)
Provision/(reversal) of expected credit loss for trade receivables (including bad debts)	81	(27)
Guarantee commission income	(161)	(12)
Rental income	(1)	(1)
Interest income	(224)	(90)
Liabilities no longer required written back	-	(7)
Interest income on income tax refund	(4)	-
Gain on fair valuation of Call option (net)	(108)	-
Gain on Mutual funds	(29)	(3)
Finance costs	232	36
Operating cash flows before working capital changes	4,266	3,658
Adjustments for:		
Increase in trade receivables	(468)	(261)
Increase in inventories	(42)	(29)
Increase in other financial assets and other assets	(110)	(152)
Increase in trade payables, other financial liabilities, provisions and other liabilities	188	261
Cash generated from operations	3,834	3,477
Income taxes paid, net of refunds	(898)	(853)
Net cash flows generated from operating activities (A)	2,936	2,624
II. Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(3,517)	(3,209)
Proceeds from sale of property, plant and equipment	459	5
Investment in subsidiaries	(2,202)	(2,143)
Investment in mutual funds	(1,895)	(1,955)
Proceeds from sale of mutual funds	2,540	1,753
Loans given to subsidiaries	(2,928)	(318)
Loans repaid by subsidiaries	1,147	145
Redemption of bank deposits (having original maturity of more than three months)	12	20
Investment in bank deposits (having original maturity of more than three months)	(46)	(2)
Rental income received	1	1
Interest received	163	17
Net cash flows used in investing activities (B)	(6,266)	(5,686)

Standalone Statement of Cash Flows

for the year ended 31 March 2025

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
III. Cash flows from financing activities		
Proceeds from long-term borrowings	3,871	2,613
Repayment of long-term borrowings	(219)	(42)
Proceeds from short-term borrowings (net)	165	650
Payment of lease obligations	-	(290)
Interest paid	(431)	(45)
Net cash flows generated from from financing activities (C)	3,386	2,886
Net increase/(decrease) in cash and cash equivalents (A+B+C)	56	(176)
Cash and cash equivalents at the beginning of the year	205	381
Cash and cash equivalents at the end of the year	261	205

Note:

- a) The standalone statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind 7)-Statement of cash flows.
- b) Cash and cash equivalents comprises of:

	As at 31 March 2025	As at 31 March 2024
Cash on hand	14	10
Balances with banks		
- On current accounts	247	195
Total	261	205

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: 12 May 2025

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Sachin Ashok Salvi
Chief Financial Officer

Place: Hyderabad
Date: 12 May 2025

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273
J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Standalone Statement of Changes in Equity

for the year ended 31 March 2025

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

a) Equity share capital

Equity shares of Rs.2 each (31 March 2024: Rs.10 each) issued, subscribed and fully paid	No of shares	Amount
At 1 April 2023	8,00,27,787	800
Add: Shares issued during the year	-	-
At 31 March 2024	8,00,27,787	800
Add; Increase in shares on account of split*	32,01,11,148	-
Add: Shares issued during the year	-	-
At 31 March 2025	40,01,38,935	800

*The Board of Directors, at their meeting held on June 28, 2024, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each to face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the Annual General Meeting of the Company held on August 29, 2024. The Company fixed the "record date" of September 13, 2024. Accordingly, equity shares of the Company of Rs. 10/- have been sub-divided into 5 equity shares of Rs. 2/- each w.e.f. September 13, 2024 and earnings per equity share has been restated for all the periods.

b) Other Equity

Particulars	Other equity			Total of other equity
	Reserve and surplus			
	Securities premium account	Adjustment reserve	Retained earnings	
Balance as at 01 April 2023	10,340	58	5,111	15,509
Profit for the year	-	-	2,353	2,353
Other comprehensive income for the year	-	-	2	2
Balance as at 31 March 2024	10,340	58	7,466	17,864
Profit for the year	-	-	3,029	3,029
Other comprehensive loss for the year	-	-	(13)	(13)
Balance as at 31 March 2025	10,340	58	10,482	20,880

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

for and on behalf of the Board of Directors of

Krishna Institute of Medical Sciences Limited
Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Sachin Ashok Salvi

Chief Financial Officer

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

Place: Hyderabad

Date: 12 May 2025

Place: Hyderabad

Date: 12 May 2025

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

1.1 Company Overview

Krishna Institute of Medical Sciences Limited ('the Company') was originally incorporated on 26 July 1973 under the name "Jagjit Singh and Sons Private Limited" which was subsequently changed to "Krishna Institute of Medical Sciences Private Limited" on 2 January 2004. The Company was converted into a public limited company under the Companies Act, 1956 on 29 January 2004 and consequently, the name was changed to "Krishna Institute of Medical Sciences Limited".

The Company is primarily engaged in the business of rendering medical and healthcare services. The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

The Company is a listed company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The standalone financial statements were approved for issue by the Company's Board of Directors on 12 May 2025.

1.2 Basis of preparation of standalone financial statements

a) Statement of Compliances:

The Standalone financial statements of the Company as at and for the year ended 31 March 2024, have been prepared in accordance with requirements of Indian Accounting Standards ("Ind AS"), as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act.

All amounts are in Indian Rupees millions, except share data, unless otherwise stated.

b) Basis of measurement:

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value - refer accounting policy regarding financial instruments
Net defined benefit (asset)/liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

These standalone financial statements are presented in Indian Rupees Rs. which is also the Company's functional currency. All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated.

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 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Ind AS 117 Insurance Contracts
- Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

These amendments had no impact on the financial statements of the company.

e) Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

f) Significant accounting judgement, estimates and assumptions:

The preparation of Company's standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenue, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and unbilled revenue

The Company uses a provision matrix to calculate ECLs for trade receivables and unbilled revenue. The provision

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

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 revenue are provided in Note 2.7 & Note 2.35.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.36 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.27 - Measurement of defined benefit obligations, key actuarial assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest

rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.35 for further disclosures.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. Impairment exists when the carrying value exceeds its recoverable amount, and the recoverable value is measured based on value in use. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next eight years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

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:

- i. it is expected to be settled in the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

B. Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction

between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

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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 2.35 – financial instruments.

C. Revenue from contract with customer

The Company's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items. The Company has generally concluded that it is the principal in its revenue arrangements, except for the Operating & Maintenance (O&M) arrangements below, because it typically controls the goods or services before transferring them to the customer.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers

and deposited back to the respective statutory authorities. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

In respect of Medical service fee, i.e. the revenue arising from the Operating & Maintenance (O&M) contracts where the performance obligation is satisfied over time, revenue is recognised along the period when the services are received and accepted by 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 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 revenue 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 revenue are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

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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. 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 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.

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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.

E. Property, plant and equipment

Freehold land is carried at cost net of accumulated impairment, if any. All other items of property, plant and equipment are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it located. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working conditions for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The Company has elected to continue with the carrying value for all of its Property, Plant and Equipment recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Depreciation

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

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Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 for the following:

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is in the nature of perpetual lease without any limited useful life is not amortised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

F. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Derecognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The Company has elected to continue with the carrying value for all of its other intangibles recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6

G. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated

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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.

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. 10 mn on date of recognition. In making this assessment, the Group 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 Group has classified multiple leases such as IT equipment, office equipments, accomodations 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.

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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.

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 standalone financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the standalone financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

L. Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund.

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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. Remeasurements 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.

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

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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.

Subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables and loan to subsidiaries included under other non-current financial assets. For more information on receivables, refer to Note 2.35.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of 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:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

- 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 revenue, 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.

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.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

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.

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. 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.

P. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

1.4 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.1 (a) Property, plant and equipment

Particulars	Freehold land	Leasehold land (refer note 1 below)	Buildings (refer note 2 below)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Gross Carrying amount											
Balance as at 1 April 2023	636	152	3,801	2,964	174	56	345	177	267	44	8,616
Additions	-	-	283	432	67	7	20	33	17	11	870
Disposals	-	-	-	(5)	(2)	-	(2)	-	-	(2)	(11)
Balance as at 31 March 2024	636	152	4,084	3,391	239	63	363	210	284	53	9,475
Balance as at 1 April 2024	636	152	4,084	3,391	239	63	363	210	284	53	9,475
Additions	57	-	93	1,526	7	12	24	51	24	32	1,826
Disposals	(325)	-	-	(108)	-	-	-	-	-	-	(433)
Balance as at 31 March 2025	368	152	4,177	4,809	246	75	387	261	308	85	10,868
Accumulated depreciation											
Balance as at 1 April 2023	-	-	418	1,542	73	42	277	121	184	26	2,683
Depreciation charge for the year	-	-	154	285	13	6	18	30	22	5	533
Disposals	-	-	-	(1)	(1)	-	(2)	-	-	(2)	(6)
Balance as at 31 March 2024	-	-	572	1,826	85	48	293	151	206	29	3,210
Balance as at 1 April 2024	-	-	572	1,826	85	48	293	151	206	29	3,210
Depreciation charge for the year	-	-	105	314	17	8	15	34	20	9	522
Disposals	-	-	-	(102)	-	-	-	-	-	-	(102)
Balance as at 31 March 2025	-	-	677	2,038	102	56	308	185	226	38	3,630
Net book value											
At 31 March 2024	636	152	3,512	1,565	154	15	70	59	78	24	6,265
At 31 March 2025	368	152	3,500	2,771	144	19	79	76	82	47	7,238

Notes:

- Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.
- Buildings amounting to gross block Rs. 254 (31 March 2024: Rs. 254) and net block Rs. 212 (31 March 2024: Rs. 214) are constructed on the land taken on lease from promoters for a year of 30 years without making any upfront payment and renewable at the option of the Company.
- 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 2.12 for details of assets pledged as security.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

(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 2025	As at 31 March 2024
Gross carrying amount		
Balance as at beginning of the year	2,920	160
Additions	2,517	3,221
Capitalised during the year	(134)	(461)
Balance as at end of the year	5,303	2,920

i) 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	2,382	2,921	-	-	5,303
- Projects temporarily suspended	-	-	-	-	-
Total	2,382	2,921	-	-	5,303

ii) For capital work in progress, aging Schedule as on 31 March 2024

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
- Projects in Progress	2,905	15	-	-	2,920
- Projects temporarily suspended	-	-	-	-	-
Total	2,905	15	-	-	2,920

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 2025 and 31 March 2024.

The amount of borrowing costs capitalised during the year ended 31 March 2025 is Rs. 199 (31 March 2024: 8). The rate used to determine the amount of borrowing costs eligible for capitalisation is 8.45% - 8.60% (31 March 2024: 8.70%), which is the effective interest rate of the specific borrowing.

2.1 (c) Intangible assets

Particulars	Software	Total of Intangible assets
Gross Carrying amount		
Balance as at 1 April 2023	273	273
Additions	43	43
Balance as at 31 March 2024	316	316
Balance as at 1 April 2024	316	316
Additions	79	79
Balance as at 31 March 2025	395	395
Accumulated amortisation		
Balance as at 1 April 2023	84	84
Amortisation charge for the year	48	48
Balance as at 31 March 2024	132	132
Balance as at 1 April 2024	132	132
Amortisation charge for the year	55	55
Balance as at 31 March 2025	187	187
Net book value		
At 31 March 2024	184	184
At 31 March 2025	208	208

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.2 (a) Non current investments

	As at 31 March 2025	As at 31 March 2024
Investment in subsidiaries - valued at cost		
a) Equity shares		
1,432,415 (31 March 2024: 1,371,537) equity shares of Rs. 10 each fully paid up held in Arunodaya Hospitals Private Limited	160	137
27,994,460 (31 March 2024: 17,994,480) equity shares of Rs. 10 each fully paid up held in KIMS Hospitals Private Limited	282	180
10,000 (31 March 2024: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Swastha Private Limited	0	0
10,000 (31 March 2024: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Bengaluru Private Limited	96	48
22,317,857 (31 March 2024: 22,272,857) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Enterprises Private Limited	1,546	1,522
5,100 (31 March 2024: 5,100) equity shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Private Limited	74	74
7,650 (31 March 2024: 7,650) equity shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	43	43
3,300,000 (31 March 2024: 3,300,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Kurnool Private Limited	117	117
25,324,770 (31 March 2024: 23,449,207) equity shares of Rs. 10 each partly paid up held in Sarvejana Healthcare Private Limited	6,310	5,415
510,000 (31 March 2024: 510,000) equity shares of Rs. 10 each fully paid up held in KIMS Manavata Hospitals Private Limited	5	5
12,117,989 (31 March 2024: 12,117,989) equity shares of Rs. 10 each fully paid up held in Spanv Medisearch Lifesciences Private Limited	1,571	1,571
1,020,000 (31 March 2024: Nil) equity shares of Rs. 10 each fully paid up held in Meda Institute of Podiatry Private Limited	10	-
5,234,477 (31 March 2024: Nil) equity shares of Rs. 10 each fully paid up held in Chalasani Hospitals Private Limited	277	-
b) Preference shares		
30,990,000 (31 March 2024: 30,990,000) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	310	310
9,500,000 (31 March 2024: 9,500,000) 12% cumulative optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Private Limited	95	95
64,928,000 (31 March 2024: 49,000,000) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in KIMS Manavata Hospitals Private Limited	649	490
71,275,000 (31 March 2024: Nil) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in KIMS Hospital Bengaluru Private Limited	713	-
Total	12,258	10,007
Aggregate amount of unquoted investments	12,258	10,007
Aggregate provision for impairment in value of investments	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.2 (b) Current investments

	As at 31 March 2025	As at 31 March 2024
(Quoted investments, fair value through profit or loss)		
Investment in mutual funds	-	-
Nil units (31 March 2024: 103,789 units) - ICICI prudential Liquid fund direct plan growth	-	37
Nil units (31 March 2024: 2,486,908 units) - ICICI prudential Ultra short term fund direct plan growth	-	68
Nil units (31 March 2024: 1,464,894 units) - ICICI prudential Money market fund direct plan growth	-	511
Total	-	616
Aggregate book value of quoted investments	-	616
Aggregate market value of quoted investments	-	616
Aggregate provision for impairment in value of investments	-	-

2.3 Loans (at amortised cost)

(Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
- To related parties (Refer note 2.28)		
Loans to related parties	2,761	958
Total	2,761	958
(b) Current		
- To related parties (Refer note 2.28)		
Loans to related parties	70	92
Total	70	92

All the above loans were granted for general corporate purpose to subsidiaries. The loans are carrying an interest rate in the range of 8% - 12% (31 March 2024: 8% - 9%). The Company has no loans which are either repayable on demand or are without specifying any terms or period of repayment.

2.4 Other financial assets (at amortised cost)

(Unsecured, considered good)

(a) Non-current

	As at 31 March 2025	As at 31 March 2024
- To parties other than related parties		
Deposits with remaining maturity more than 12 months*	5	5
Interest accrued on bank deposits	1	1
Security deposits	39	84
Call option asset	108	-
- To related parties (Refer note 2.28)		
Interest accrued on loans	125	10
Total	278	100

* Includes Rs.5 (31 March 2024: Rs.5) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.4 Other financial assets (at amortised cost) (Contd..)

(b) Current

	As at 31 March 2025	As at 31 March 2024
- To parties other than related parties		
Unbilled revenue (Refer note 2.37)	207	134
Interest accrued on bank deposits	1	-
Security deposits	67	17
- To related parties (Refer note 2.28)		
Interest accrued on loans	29	84
Total	304	235

2.5 Other non-current assets

(Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
Capital advances	559	188
Balance with government authorities	3	2
Prepaid expenses	2	3
Total	564	193

2.6 Inventories

(Valued at lower of cost or net realisable value)

	As at 31 March 2025	As at 31 March 2024
Medical consumables, drugs and surgical instruments	263	221
Total	263	221

Inventories are hypothecated against the loans taken by the company from banks and financial institutions. Refer note 2.12 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.

2.7 Trade receivables (amortised cost)

(Unsecured)

	As at 31 March 2025	As at 31 March 2024
Trade receivables - Considered good - Unsecured	2,123	1,699
Trade receivables from related parties - Considered good - Unsecured (Refer note 2.28)	51	24
Less: Allowance for expected credit loss	(300)	(236)
	1,874	1,487
Trade receivables - credit impaired - Unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	1,874	1,487

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.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.7 Trade receivables (amortised cost) (Contd..)

Trade Receivables ageing schedule as on 31 March 2025

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	657	908	243	245	38	83	2,174
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							2,174
Less : Allowance for expected credit loss							(300)
Balance at the end of the year							1,874

Trade Receivables ageing schedule as on 31 March 2024

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	481	731	265	142	26	78	1,723
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							1,723
Less : Allowance for expected credit loss							(236)
Balance at the end of the year							1,487

2.8 Cash and bank balances

	As at 31 March 2025	As at 31 March 2024
a) Cash and cash equivalents		
Cash on hand	14	10
Balances with banks		
- in current accounts	247	195
	261	205
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	34	-
	34	-
Total	295	205

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.8 Cash and bank balances (Contd..)

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. 34 (31 March 2024: Rs. Nil) 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.

c) Changes in liabilities arising from financing activities:

Particulars	1 April 2024	Cash flows	31 March 2025
Short term borrowings	649	165	814
Long term borrowings (including current maturities)	2,614	3,652	6,266
Total liabilities from financing activities	3,263	3,817	7,080

Particulars	1 April 2023	Cash flows	31 March 2024
Short term borrowings	-	649	649
Long term borrowings (including current maturities)	42	2,572	2,614
Total liabilities from financing activities	42	3,221	3,263

2.9 Non-current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance tax (net of provision for taxation)	-	37
Total	-	37

2.10 Other current assets

(Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
Advance to suppliers	132	105
Prepaid expenses	39	18
Staff advances	17	33
Total	188	156

2.11 (a) Equity share capital

	As at 31 March 2025	As at 31 March 2024
Authorised Equity shares		
475,000,000 equity shares of Rs. 2 each (31 March 2024: 95,000,000 equity shares of Rs. 10 each) *	950	950
	950	950
Issued, subscribed and paid-up		
400,138,935 equity shares of Rs. 2 each fully paid-up (31 March 2024: 80,027,787 equity shares of Rs. 10 each fully paid-up) *	800	800
Total	800	800

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.11 (a) Equity share capital (Contd..)

- (i) **Reconciliation of number of equity shares of Rs. 2 each (31 March 2024: Rs.10 each), fully paid up outstanding at the beginning and at the end of the year:**

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	8,00,27,787	800	8,00,27,787	800
Add: Increase in shares on account of split*	32,01,11,148	-	-	-
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	40,01,38,935	800	8,00,27,787	800

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

The Company has only one class of equity shares having par value of Rs. 2/- each (31 March 2024: Rs 10/- each). Each equity share holder is entitled to one vote per equity share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (iii) **Particulars of shareholders holding more than 5% equity shares of Rs. 2 each (31 March 2024: Rs 10/- each), fully paid up**

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskara Rao	10,50,99,645	26%	2,10,19,929	26%
SBI Mutual Fund	3,67,61,700	9%	57,63,084	7%
Bluebridge Capital Private Limited	2,42,03,310	6%	-	0%
Bollineni Ramanaiah Memorial Hospitals Private Limited	-	0%	48,40,662	6%

- (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 2025

S. No.	Promoter name	No of shares at beginning of the year	Increase in shares on account of split*	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Dr. B Bhaskara Rao	2,10,19,929	8,40,79,716	-	10,50,99,645	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	1,93,62,648	(2,42,03,310)	-	0%	(100%)
3	Bluebridge Capital Private Limited	-	-	2,42,03,310	2,42,03,310	6%	100%
4	Mrs. Rajyasri Bollineni	13,74,003	54,96,012	-	68,70,015	2%	0%
5	Dr. Abhinay Bollineni	47,299	1,89,196	-	2,36,495	0%	0%
6	Mr. Adwik Bollineni	8,128	32,512	-	40,640	0%	0%
Total		2,72,90,021	10,91,60,084	-	13,64,50,105	34%	0%

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.11 (a) Equity share capital (Contd..)

As at 31 March 2024

S. No.	Promoter name	No of shares at beginning of the year	Increase in shares on account of split*	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Dr. B Bhaskara Rao	2,10,19,929	-	-	2,10,19,929	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	-	48,40,662	6%	0%
3	Mrs. Rajyasri Bollineni	13,74,003	-	-	13,74,003	2%	0%
4	Dr. Abhinay Bollineni	47,299	-	-	47,299	0%	0%
5	Mr. Adwik Bollineni	8,128	-	-	8,128	0%	0%
Total		2,72,90,021	-	-	2,72,90,021	34%	0%

*The Board of Directors, at their meeting held on June 28, 2024, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each to face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the Annual General Meeting of the Company held on August 29, 2024. The Company fixed the "record date" of September 13, 2024. Accordingly, equity shares of the Company of Rs. 10/- have been sub-divided into 5 equity shares of Rs. 2/- each w.e.f. September 13, 2024 and earnings per equity share has been restated for all the periods.

** Promoters are as per the annual return filed by the Company.

2.11 (b) Other equity

	As at 31 March 2025	As at 31 March 2024
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340	10,340
Closing balance	10,340	10,340
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	58	58
Closing balance	58	58
(iii) Retained earnings (refer below note 3)		
Balance as per last financial statements	7,466	5,111
Add: Profit for the year	3,029	2,353
Add: Other comprehensive (loss) / income	(13)	2
Closing balance	10,482	7,466
Total	20,880	17,864

Nature and purpose of reserves:

1. Securities premium

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

2. Adjustment reserve

On account of shares swap held in earlier years.

3. Retained earnings

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.12 Borrowings (at amortised cost)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current borrowings (Secured)		
Term loans from banks		
- Axis Bank - 1 (refer note i)	2,952	2,016
- Axis Bank - 2 (refer note ii)	456	556
- Federal Bank - (refer note iii)	559	-
- Indusind Bank - (refer note iv)	1,151	-
- Kotak Bank - (refer note v)	370	-
- Axis Bank - 3 (refer note vi)	283	-
Total loans from banks	5,771	2,572
Total non-current borrowings	5,771	2,572
(b) Current borrowings (Secured)		
Loan repayable on demand (from bank)		
- Bank overdrafts (refer note vii)	750	594
- Cash credit (refer note viii)	64	55
Current maturity of long term borrowings		
- Axis Bank -2 (refer note ii)	100	42
- Federal Bank - (refer note iii)	162	-
- Indusind Bank - (refer note iv)	230	-
- Axis Bank - 3 (refer note vi)	3	-
Total current borrowings	1,309	691

Notes:

- i Axis Bank - Term loan Facility-1 is secured by way of exclusive charge on entire fixed assets of the Thane project ,both movable and immovable (including lease hold right) present and future. The loan is repayable in 120 structured monthly instalments after 12 months from estimated date of completion of 31 March 2025 and carries an interest rate of Repo rate + 2.20% per annum (31 March 2024: Repo rate + 2.20% annum), currently the interest rate is 8.45% p.a (31 March 2024 : 8.70%)
- ii Axis Bank - Term loan Facility-2 is secured by way of first pari pasu charge on entire fixed assets of the Company (both movable and immovable) pertaining to Secunderabad hospital along with mortgage on lease hold rights of the hospital lands pertaining to Secunderabad hospital which are not owned by the Company. The loan is repayable in 72 equated monthly instalments post moratorium period of 12 months from the date of first disbursement and carries an interest rate of Repo rate + 2.15% per annum (31 March 2024: Repo rate + 2.15% per annum), currently the interest rate is 8.40% p.a (31 March 2024 : 8.65% p.a)
- iii Federal Bank - Term loan Facility is secured by way of hypothecation of machinery/ equipment procured out of LC and second charge on the movable fixed assets of the company (on best effort basis). The loan is repayable in 60 equated monthly instalments from the date of issue of LC or TL disbursal, as the case may be and carries an interest rate of Repo rate + 2.10% per annum, currently the interest rate is 8.35% p.a. as on 31 March, 2025.
- iv IndusInd Bank - Term loan Facility is secured by way of first pari pasu charge on entire movable fixed assets of the Company pertaining to Secunderabad hospital and Nellore hospital except equipment which were purchased out of medical equipment loans by company. The loan is repayable in 72 equated monthly instalments post moratorium period of 6 months from the date of first disbursement and carries an interest rate of Repo rate + 2.25% per annum, currently the interest rate is 8.50% p.a as on 31 March 2025.
- v Kotak Bank - Term loan Facility is secured by way of first pari pasu charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Secunderabad and Nellore hospital both present and future. And exclusive charge of medical equipment/movable fixed assets to be created out of proposed term loan. The loan is repayable in 60 equated monthly instalments post moratorium period of 24 months from the date of first disbursement and carries an interest rate of Repo rate + 2.10% per annum, currently the interest rate is 8.35% p.a. as on 31 March, 2025.
- vi Axis Bank - Term loan Facility-3 is secured by way of first pari pasu charge on entire fixed assets of the Company (both movable and immovable) pertaining to Secunderabad hospital along with mortgage on lease hold rights of the hospital lands pertaining to Secunderabad hospital which are not owned by the Company. The loan is repayable in 48 structured quarterly instalments from the date of first disbursement and carries an interest rate of Repo rate + 2.20% per annum, currently the interest rate is 8.45% p.a as on 31 March, 2025.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.12 Borrowings (at amortised cost) (Contd..)

- vii Axis Bank - WCDL facility is secured by first pari pasu charge on current assets of the company and repayable on demand and carries an interest rate of 8.25% per annum linked to 3 months MCLR (31 March 2024: 8.25% per annum).
- viii Cash credit is secured by first pari pasu charge on current assets of the Company and repayable on demand and carries an interest rate of 8.5% per annum linked to 3 months Repo + 1.72% spread (31 March 2024: 8.75% per annum).

2.13 Other financial liabilities (at amortised cost)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Capital creditors	26	-
Security deposits	-	1
Financial guarantee liability (Refer note 2.28)	-	99
Total	26	100
(b) Current		
Capital creditors	756	70
Employee related liabilities*	77	96
Financial guarantee liability (Refer note 2.28)	-	13
Total	833	179

*Includes payables to related parties. For details refer note 2.28.

2.14 Non-current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (Refer note 2.27)	207	191
Total	207	191

2.15 Trade payables (at amortised cost)

	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 2.31)	52	3
- total outstanding dues of creditors other than micro enterprises and small enterprises	892	782
Total	944	785

The above includes payable to related party. (Refer note 2.28)

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.15 Trade payables (at amortised cost) (Contd..)

Trade Payable Ageing Schedule as on 31 March 2025

Particulars	Current but not due	Outstanding for following periods from invoice date				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	52	-	-	-	52
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	602	262	22	2	4	892
(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						944

Trade Payable Ageing Schedule as on 31 March 2024

Particulars	Current but not due	Outstanding for following periods from invoice date				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	3	-	-	-	3
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	300	459	13	4	6	782
(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						785

2.16 Current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (Refer note 2.27)	29	8
Compensated absences	110	94
Total	139	102

2.17 Other liabilities

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Deferred Government grants*	228	-
Total	228	-
(b) Current		
Statutory dues payable	87	133
Contract liabilities (Refer note 2.37)	254	189
Staff reimbursement liabilities	5	14
Total	346	336

*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 2.25)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.18 Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
A Revenue from contract with customers		
Revenue from medical and healthcare services (Refer note 2.37)		
Revenue from hospital services	9,314	8,276
Revenue from pharmacy	4,151	3,700
Total	13,465	11,976
B Other operating income		
Income from academic courses	36	23
Income from sale of food and beverages	177	153
Medical service fee	13	-
Other hospital income from corporates	150	69
Total	376	245
Total Revenue from operations (A+B)	13,841	12,221

2.19 Other income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on:		
- fixed deposits	3	1
- income tax refunds	4	-
- security deposit	5	4
- loans to related parties (Refer note 2.28)	216	87
Other non operating income:		
- Fair value gain on mutual funds	-	2
- Realised gain on sale of mutual funds	29	17
- Rental income	1	1
- Liabilities no longer required written back	-	7
- Profit on sale of property, plant and equipment	128	1
- Guarantee commission income from related parties (Refer note 2.28)	161	12
- Reversal of expected credit loss for trade receivables (net of bad debts)	-	27
- Miscellaneous income	20	23
Total	567	182

2.20 Increase in inventories of medical consumables, drugs and surgical instruments

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock	221	192
Less: Closing stock	263	221
Total	(42)	(29)

2.21 Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	2,208	2,052
Contribution to provident and other funds (Refer note 2.27)	133	128
Staff welfare expenses	23	16
Total	2,364	2,196

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.22 Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest from banks and financial institutions		
- term loans	167	24
- other loans	65	12
Total	232	36

2.23 Depreciation and amortisation expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (Refer note 2.1(a))	522	533
Amortisation of intangible assets (Refer note 2.1(c))	55	48
Total	577	581

2.24 Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Consultancy charges	2,704	2,386
House keeping expenses	377	296
Power and fuel	173	175
Catering and patient welfare expenses	153	149
Rent (Refer note 2.26)	42	54
Repairs and maintenance:		
- Medical equipment	209	176
- Hospital building and others	179	159
Printing and stationery	54	49
Audit fee (Refer note A)	9	9
Legal and professional charges	56	59
Rates and taxes	40	40
Travelling and conveyance	139	76
Advertisement and publicity	115	99
Expected credit loss for trade receivables (including bad debts)	81	-
Insurance	12	17
Contributions towards Corporate Social Responsibility (Refer note 2.33)	67	64
Bank charges	44	38
Commission to Directors (Refer note 2.28)	10	9
Miscellaneous expenses	95	46
Total	4,559	3,901

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Audit fee	9	9
Out of pocket expenses	0	0

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.25 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
i) Guarantee issued by the Company on behalf of related entities	-	5,440
ii) Good and Service tax matters in dispute (Refer note (a) below)	7	35
iii) Medical and other claims (gross, excluding interest/costs) (Refer note (a) and (b) below)	382	345

- iv) The Company has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the standalone financial statements.
- v) 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 an import of capital goods on FOB basis within a period of six years. As at 31 March 2025, the benefit availed under EPCG scheme amounts to Rs.228 (31 March 2024:Nil). 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.

Notes:

- (a) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of the cash flow, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in its standalone financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.
- (b) Includes a consumer case filed by an individual at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs. 235 (31 March 2024: Rs. 235) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the Company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Standalone financial statements.

(b) Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4,829	1,942

2.26 Lease

Company as a lessee

The Company has land lease contract used in its operations with lease term of 99 years. The Company's obligations under its lease is secured by the lessor's title to the leased assets.

Leases of buildings with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.26 Lease (Contd..)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Land	Total
As at 01 April 2023	-	-
Additions*	290	290
Depreciation expense transferred to CWIP	0	0
As at 31 March 2024	290	290
Depreciation expense transferred to CWIP	3	3
As at 31 March 2025	287	287

* The Company paid upfront lease premium against the land lease.

The following are the amounts recognised in the statement of profit or loss:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Expense relating to short-term leases and low-value assets (included in other expenses)	42	54
Total amount recognised in profit or loss	42	54

The Company had total cash outflows for leases of Rs. 42 in 31 March 2025 (31 March 2024: Rs. 344).

2.27 Employee benefits

(i) Defined benefit plan

The Company operate post-employment defined benefit plan that provides for gratuity. The Company accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed services at the time of retirement/exit. The gratuity fund is administered by trust formed for this purpose and is managed by Life Insurance Corporation of India. The Company's obligation in respect of gratuity plan, which is a defined benefit plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at the balance sheet date:

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligations	264	230
Fair value of plan assets	28	31
Net defined benefit obligations	236	199
Non-current	207	191
Current	29	8

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation, plan assets and its components.

i) Reconciliation of present value of defined benefit obligation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Defined benefit obligation as at beginning of the year	230	207
Benefits paid	(23)	(15)
Current service cost	31	28

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.27 Employee benefits (Contd..)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest cost	15	14
Liabilities settled	(6)	(1)
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	7	2
- Changes in demographic assumptions	(2)	-
- Experience adjustments	12	(5)
Defined benefit obligation at the end of the year	264	230

ii) Reconciliation of fair value of plan assets

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Plan assets at beginning of the year	31	35
Contributions paid into the plan	18	9
Interest income	2	1
Benefits paid	(23)	(15)
Return on plan assets	0	1
Plan assets at end of the year	28	31

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	31	28
Interest on net defined benefit obligation	13	13
Net gratuity cost, included in 'employee benefits expense'	44	41

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (loss) / gain on net defined benefit obligation	(18)	3

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2025	As at 31 March 2024
Fund managed by Insurer	28	31

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.27 Employee benefits (contd..)

E Defined benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2025	As at 31 March 2024
Attrition rate	Medical - 12% to 42% Non-medical - 9% to 32%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	6.55%	7.15%
Salary escalation rate	8%	8%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
1st following year	57	39
Year 2 to 5	150	128
Year 6 to 9	80	79
Year 10 and above	93	116

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 5 years (31 March 2024: 4 years).

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 2025		For the year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(11)	14	(12)	13
Salary escalation rate (1% movement)	13	(10)	12	(11)

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.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.27 Employee benefits (contd..)

(ii) Defined contribution plan

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amount recognised in the statement of profit and loss towards		
i) Provident fund	74	70
ii) Employee state insurance	21	18

- (iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 03 May 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

2.28 Related party disclosures

(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Subsidiaries	Arunodaya Hospitals Private Limited KIMS Hospitals Private Limited KIMS Swastha Private Limited KIMS Hospital Enterprises Private Limited KIMS Hospital Bengaluru Private Limited Iconkrishi Institute of Medical Sciences Private Limited Saveera Institute of Medical Sciences Private Limited KIMS Hospitals Kurnool Private Limited Sarvejana Healthcare Private Limited Rajyalakshmi Healthcare Private Limited (Merged with Sarvejana Healthcare Private Limited w.e.f 01 April 2024) Spanv Medisearch Lifesciences Private Limited KIMS Manavata Hospitals Private Limited Chalasani Hospitals Private Limited (Acquired w.e.f 31 August 2024) Meda Institute of Podiatry Private Limited (Acquired w.e.f 11 June 2024)
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director Dr. B Abhinay - Chief Executive Officer (CEO) Mr. Uma Shanker Mantha - Company Secretary (Resigned w.e.f 17 December 2024) Mrs. J R Nagajayanthi - Company Secretary (Joined w.e.f 04 January 2025) Mr. Vikas Maheshwari - Chief Financial Officer (Resigned w.e.f 31 May 2023) Mr. Sachin Ashok Salvi - Chief Financial Officer Mrs. Dandamudi Anitha - Whole-time Director
Directors	Mr G Rajeswara Rao (Resigned w.e.f 25 Jan 2024) Mr. Saumen Chakraborty Mr. Pankaj Vaish (Resigned w.e.f 08 Jan 2024) Mr. Venkata Ramudu Jasthi Mr. Kaza Ratna Kishore Mrs. Y.Prameela Rani Mr. Shantanu Rastogi (Resigned w.e.f 07 Nov 2023) Mr Suresh Natwarlal Patel (Joined w.e.f 04 January 2025)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.28 Related party disclosures (Contd..)

Nature of relationship	Name of related parties
	Mr. Adwik Bollineni (Joined w.e.f 28 Nov 2023)
Close member of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of	Sri Viswa Medicare Limited
KMP and other close member (where transaction exists)	KIMS Foundation and Research Centre
	Krishnaiah Projects Private Limited

(b) Transactions with related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i. Loans given		
Iconkrishi Institute of Medical Sciences Private Limited	9	20
Saveera Institute of Medical Sciences Private Limited	-	161
KIMS Hospitals Kurnool Private Limited	35	35
Spanv Medisearch Lifesciences Private Limited	-	40
Arunodaya Hospitals private Limited	84	10
KIMS Manavata Hospitals Private Limited	128	50
KIMS Hospitals Private Limited	-	2
KIMS Swastha Private Limited	1,166	-
KIMS Hospital Bengaluru Private Limited	639	-
Chalasani Hospitals Private Limited	867	-
ii. Repayment of loans		
KIMS Swastha Private Limited	350	-
Arunodaya Hospitals Private Limited	30	10
Iconkrishi Institute of Medical Sciences Private Limited	14	25
Saveera Institute of Medical Sciences Private Limited	-	40
KIMS Hospitals Kurnool Private Limited	20	10
KIMS Hospital Bengaluru Private Limited	628	-
Spanv Medisearch Lifesciences Private Limited	27	10
KIMS Manavata Hospitals Private Limited	78	50
iii. Interest income earned on loans given		
Iconkrishi Institute of Medical Sciences Private Limited	1	1
Saveera Institute of Medical Sciences Private Limited	16	10
KIMS Hospitals Kurnool Private Limited	6	2
KIMS Hospital Bengaluru Private Limited	70	55
Spanv Medisearch Lifesciences Private Limited	18	17
Arunodaya Hospitals private Limited	4	0
KIMS Manavata Hospitals Private Limited	3	1
KIMS Hospitals Private Limited	-	0
KIMS Swastha Private Limited	37	-
Chalasani Hospitals Private Limited	61	-
iv. Professional fee to KMP		
Dr. B Bhaskara Rao	11	15
v. Professional fee to close member of KMP		
Dr. Raavi Swetha	-	2
vi. Rent to KMP		
Dr. B Bhaskara Rao	0	0
vii. Managerial remuneration *		
Short-term employee benefits		
Dr. B Bhaskara Rao	45	39
Mrs. Dandamudi Anitha	7	6
Dr. B Abhinay	21	22

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.28 Related party disclosures (Contd..)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Mr. Vikas Maheshwari	-	6
Mr. Sachin Ashok Salvi	15	7
Mrs. J R Nagajayanthi	1	-
Mr. Uma Shankar Mantha	5	5
viii. Commission to Directors		
Mr G Rajeswara Rao	-	1
Mr. Saumen Chakraborty	4	4
Mr. Pankaj Vaish	-	1
Mr. Kaza Ratna Kishore	2	1
Mr. Venkata Ramudu Jasthi	2	1
Mrs. Y.Prameela Rani	2	1
ix. Expenditure towards CSR		
KIMS Foundation and Research Centre	73	64
x. Purchase of medical consumables, drugs and surgical instruments		
KIMS Hospital Enterprises Private Limited	14	9
Iconkrishi Institute of Medical Sciences Private Limited	0	0
Saveera Institute of Medical Sciences Private Limited	0	0
Sarvejana Healthcare Private Limited	1	0
KIMS Manavata Hospitals Private Limited	0	-
xi. Income from pharmacy		
KIMS Hospital Enterprises Private Limited	26	16
Arunodaya Hospitals Private Limited	2	1
Iconkrishi Institute of Medical Sciences Private Limited	3	4
Saveera Institute of Medical Sciences Private Limited	7	5
KIMS Hospitals Kurnool Private Limited	3	5
Sarvejana Healthcare Private Limited	14	8
Spanv Medisearch Lifesciences Private Limited	7	2
Chalasani Hospitals Private Limited	1	-
KIMS Manavata Hospitals Private Limited	0	-
Meda Institute of Podiatry Private Limited	1	-
xii. Investment in subsidiaries		
KIMS Hospital Enterprises Private Limited	24	-
Arunodaya Hospitals private Limited	23	-
Sarvejana Healthcare Private Limited	895	1,100
KIMS Manavata Hospitals Private Limited	159	315
Spanv Medisearch Lifesciences Private Limited	-	710
KIMS Hospital Private Limited	100	18
KIMS Hospital Bengaluru Private Limited	713	-
Chalasani Hospitals Private Limited	277	-
Meda Institute of Podiatry Private Limited	10	-
xiii. Revenue from Test and Investigations		
KIMS Hospital Enterprises Private Limited	30	18
Saveera Institute of Medical Sciences Private Limited	0	1
KIMS Hospitals Kurnool Private Limited	0	-
Sarvejana Healthcare Private Limited	99	35
xiv. Income from sale of Food and Beverages		
KIMS Hospital Enterprises Private Limited	1	0
xv. Guarantee given on behalf of		
KIMS Hospitals Private Limited	2,460	-
xvi. Guarantee closed during the year		
KIMS Hospitals Kurnool Private Limited	640	-
Spanv Medisearch Lifesciences Private Limited	1,850	-
KIMS Hospital Bengaluru Private Limited	2,950	-
KIMS Hospitals Private Limited	2,460	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.28 Related party disclosures (Contd..)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
xvii. Investment on account of financial guarantee		
KIMS Hospital Bengaluru Private Limited	48	14
xviii. Commission income on guarantees given to		
KIMS Hospitals Kurnool Private Limited	17	2
KIMS Hospital Bengaluru Private Limited	91	4
Spanv Medisearch Lifesciences Private Limited	51	6
KIMS Hospitals Private Limited	2	-
xix. Advance for purchase of capital items		
KIMS Hospitals Private Limited	20	-
xx. Advance for purchase of pharmacy items		
Chalasani Hospitals Private Limited	40	-
xxi. Sale of land		
Krishnaiah Projects Private Limited	450	-

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

Particulars	As at 31 March 2025	As at 31 March 2024
i. Trade receivables		
Sri Viswa Medicare Limited	2	2
Iconkrishi Institute of Medical Sciences Private Limited	-	1
Saveera Institute of Medical Sciences Private Limited	16	10
KIMS Hospitals Kurnool Private Limited	2	2
Arunodaya Hospitals private Limited	3	1
Sarvejana Healthcare Private Limited	17	6
Spanv Medisearch Lifesciences Private Limited	7	2
KIMS Hospital Enterprises Private Limited	2	-
KIMS Manavata Hospitals Private Limited	0	-
Chalasani Hospitals Private Limited	1	-
Meda Institute of Podiatry Private Limited	1	-
ii. Loans		
Iconkrishi Institute of Medical Sciences Private Limited	-	5
Saveera Institute of Medical Sciences Private Limited	131	131
KIMS Hospitals Kurnool Private Limited	50	35
KIMS Hospital Bengaluru Private Limited	657	646
Spanv Medisearch Lifesciences Private Limited	204	231
KIMS Hospitals Private Limited	2	2
KIMS Swastha Private Limited	816	-
Arunodaya Hospitals Private Limited	54	-
KIMS Manavata Hospitals Private Limited	50	-
Chalasani Hospitals Private Limited	868	-
iii. Interest accrued on loans		
KIMS Swastha Private Limited	33	-
Iconkrishi Institute of Medical Sciences Private Limited	-	0
Saveera Institute of Medical Sciences Private Limited	23	9
KIMS Hospitals Kurnool Private Limited	6	1
KIMS Hospital Bengaluru Private Limited	31	62
Spanv Medisearch Lifesciences Private Limited	0	22
KIMS Hospitals Private Limited	0	0
Arunodaya Hospitals Private Limited	4	-
KIMS Manavata Hospitals Private Limited	3	-
Chalasani Hospitals Private Limited	54	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.28 Related party disclosures (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
iv. Trade payables		
Dr. B Bhaskara Rao	0	1
Dr. Raavi Swetha	-	0
KIMS Hospital Enterprises Private Limited	-	3
v. Commission payable to Directors		
Mr. Saumen Chakraborty	1	1
Mr. Kaza Ratna Kishore	0	0
Mr. Venkata Ramudu Jasthi	0	0
Mrs. Y.Prameela Rani	0	0
vi. Guarantee given on behalf of		
KIMS Hospitals Kurnool Private Limited	-	640
KIMS Hospital Bengaluru Private Limited	-	2,950
Spanv Medisearch Lifesciences Private Limited	-	1,850
vii. Financial guarantee liability		
KIMS Hospitals Kurnool Private Limited	-	17
KIMS Hospital Bengaluru Private Limited	-	44
Spanv Medisearch Lifesciences Private Limited	-	51
viii. Advance for purchase of capital items		
KIMS Hospitals Private Limited	20	-
ix. Advance for purchase of pharmacy items		
Chalasani Hospitals Private Limited	40	-

Note: "0" represents less than Rs.1 million.

Terms and conditions:

- Purchases/sales of healthcare services are made from related parties on arm's length basis and in the ordinary course of business. The Company mutually negotiates and agrees the prices and payment terms with the related parties by benchmarking the same to the transactions with non-related parties. These transactions generally include payment terms of 30 to 120 days (31 March 2024: 30 to 120 days) from the date of invoice.
- Trade receivables /payables are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these . The amounts are recoverable / payable within 30 to 120 days from the reporting date (31 March 2024: 30 to 120 days). For the year ended 31 March 2025, the Company has not recorded any impairment on receivables due from related parties (31 March 2024: Nil).
- The Company has given loans to it's subsidiaries for general corporate purposes. These loans have been utilized by the subsidiaries for the purpose these were obtained. The loans are unsecured, repayable in monthly instalments over a period of 1 to 3 years from the date of disbursement and carries interest at the rate of 8% - 12% (31 March 2024: 8% - 9%). For the year ended 31 March 2025, the Company has not recorded any impairment on loans due from the subsidiaries (31 March 2024: Nil). The Company has also provided corporate guarantees to it's subsidiaries and have charged commission on arm's length basis. No such guarantees are outstanding as at 31 March 2025
- During the current year, the Company has sold land to one of it's related parties on arm's length basis.
- * 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

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.29 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. The weighted average number of equity shares outstanding during the period is adjusted for share split that have changed the number of equity shares outstanding, without a corresponding change in reserves.

Diluted EPS amounts are calculated by dividing the profit attributable to owners of the 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 weighted average number of equity shares including dilutive potential equity shares, outstanding during the period is adjusted for share split that have changed the number of equity shares outstanding, without a corresponding change in reserves.

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

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
Earnings			
Profit for the year attributable to equity shareholders	(A)	3,029	2,353
Shares			
Number shares at the beginning of the year		40,01,38,935	40,01,38,935
Add: Equity shares issued during the year		-	-
Total number of equity shares outstanding at the end of the year		40,01,38,935	40,01,38,935
Weighted average number of equity shares outstanding during the year - Basic	(B)	40,01,38,935	40,01,38,935
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS		-	-
Weighted average number of equity shares outstanding during the year - Diluted	(C)	40,01,38,935	40,01,38,935
Earnings per equity share of par value Rs. 2 - Basic (Rs.)	(A) / (B)	7.57	5.88
Earnings per equity share of par value Rs. 2 - Diluted (Rs.)	(A) / (C)	7.57	5.88

2.30 Segment information

The Managing Director of the Company takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker. Based on the Company's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the standalone financial statements. Presently, the Company's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Company's total revenue. All non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets of the Company are located in India.

2.31 Due to Micro and Small Enterprises

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.31 Due to Micro and Small Enterprises (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	52	3
- 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.	-	-

2.32 Investments, loans, guarantees and security:

(a) The Company has made investment in the following Companies:

Entity	As at 1 April 2024	Allotted / purchased during the year	Sold/ Redemption during the year	Adjustment	As at 31 March 2025
Investment in subsidiaries					
KIMS Hospitals Private Limited	180	102	-	-	282
KIMS Swastha Private Limited	0	-	-	-	0
Arunodaya Hospitals Private Limited	137	23	-	-	160
KIMS Hospitals Enterprises Private Limited	1,522	24	-	-	1,546
KIMS Hospital Bengaluru Private Limited	48	761	-	-	809
Iconkrishi Institute of Medical Sciences Private Limited	169	-	-	-	169
Saveera Institute of Medical Sciences Private Limited	353	-	-	-	353
KIMS Hospitals Kurnool Private Limited	117	-	-	-	117
Sarvejana Healthcare Private Limited	5,415	895	-	-	6,310
KIMS Manavata Hospitals Private Limited	495	159	-	-	654
Spanv Medisearch Lifesciences Private Limited	1,571	-	-	-	1,571
Chalasani Hospitals Private Limited	-	277	-	-	277
Meda Institute of Podiatry Private Limited	-	10	-	-	10

Entity	As at 1 April 2023	Allotted / purchased during the year	Sold/ Redemption during the year	Adjustment	As at 31 March 2024
Investment in subsidiaries					
KIMS Hospitals Private Limited	162	18	-	-	180
KIMS Swastha Private Limited	0	-	-	-	0

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.32 Investments, loans, guarantees and security: (Contd..)

Entity	As at 1 April 2023	Allotted / purchased during the year	Sold/ Redemption during the year	Adjustment	As at 31 March 2024
Arunodaya Hospitals Private Limited	137	-	-	-	137
KIMS Hospitals Enterprises Private Limited	1,522	-	-	-	1,522
KIMS Hospital Bengaluru Private Limited	34	-	-	14	48
Iconkrishi Institute of Medical Sciences Private Limited	169	-	-	-	169
Saveera Institute of Medical Sciences Private Limited	353	-	-	-	353
KIMS Hospitals Kurnool Private Limited	117	-	-	-	117
Sarvejana Healthcare Private Limited	4,315	1,100	-	-	5,415
KIMS Manavata Hospitals Private Limited	180	315	-	-	495
Spanv Medisearch Lifesciences Private Limited	861	710	-	-	1,571

(b) The Company has given unsecured loans to its following subsidiaries:

Entity	As at 1 April 2024	Given during the year	Repaid during the year	As at 31 March 2025	Maximum amount outstanding during the year
Iconkrishi Institute of Medical Sciences Private Limited	5	9	(14)	-	14
Saveera Institute of Medical Sciences Private Limited	131	-	-	131	131
KIMS Hospitals Kurnool Private Limited	35	35	(20)	50	60
KIMS Hospital Bengaluru Private Limited	646	639	(628)	657	854
Arunodaya Hospitals Private Limited	-	84	(30)	54	69
Kims Manavata Hospitals Private Limited	-	128	(78)	50	80
KIMS Hospitals Private Limited	2	-	-	2	2
Spanv Medisearch Lifesciences Private Limited	231	-	(27)	204	231
KIMS Swastha Private Limited	-	1,166	(350)	816	824
Chalasani Hospitals Private Limited	-	867	-	867	868

Entity	As at 1 April 2023	Given during the year	Repaid during the year	As at 31 March 2024	Maximum amount outstanding during the year
Iconkrishi Institute of Medical Sciences Private Limited	10	20	(25)	5	20
Saveera Institute of Medical Sciences Private Limited	10	161	(40)	131	171
KIMS Hospitals Kurnool Private Limited	10	35	(10)	35	35
KIMS Hospital Bengaluru Private Limited	646	-	-	646	646
Arunodaya Hospitals Private Limited	-	10	(10)	-	10
Kims Manavata Hospitals Private Limited	-	50	(50)	-	50
KIMS Hospitals Private Limited	-	2	-	2	2
Spanv Medisearch Lifesciences Private Limited	201	40	(10)	231	231

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.32 Investments, loans, guarantees and security: (Contd..)

(c) Details of guarantee provided

The Company has provided guarantees to the following subsidiaries:

For the year ended 31 March 2025

Particulars	Guarantee provided outstanding as at the beginning of the year	Guarantee provided during the financial year	Guarantee cancelled during the financial year	Guarantee provided outstanding as at the end of the year
KIMS Hospitals Kurnool Private Limited	640	-	640	-
KIMS Hospital Bengaluru Private Limited	2,950	-	2,950	-
SPANV Medisearch Lifesciences Private Limited	1,850	-	1,850	-
KIMS Hospitals Private Limited	-	2,460	2,460	-

For the year ended 31 March 2024

Particulars	Guarantee provided outstanding as at the beginning of the year	Guarantee provided during the financial year	Guarantee cancelled during the financial year	Guarantee provided outstanding as at the end of the year
KIMS Hospitals Kurnool Private Limited	640	-	-	640
KIMS Hospital Bengaluru Private Limited	2,950	-	-	2,950
SPANV Medisearch Lifesciences Private Limited	1,850	-	-	1,850

2.33 Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule III of the Companies Act, 2013 and activities approved by the CSR committee:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Gross amount required to be spent by the Company during the year	67	63
b) Amount approved by the Board to be spent during the year	67	64

c) Amount spent during the year ending on 31 March 2025:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	67	-	67

d) Amount spent during the year ending on 31 March 2024:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	64	-	64

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.33 (Contd..)

e) Details related to spent / unspent obligations:

Particulars	As at 31 March 2025	As at 31 March 2024
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	67	64
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-
	67	64

f) Details related to excess spent amount :

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	-	-
Amount required to be spent during the year	(67)	(64)
Amount spent during the year	73	64
Closing Balance	6	-

2.34 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the 'net debt' to 'total equity' ratio.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components of equity excluding adjustment reserve.

The Company's net debt to equity ratio as of 31 March 2025 and 31 March 2024 was as follows:

Particulars *	As at 31 March 2025	As at 31 March 2024
Total borrowings	7,080	3,263
Less: Cash and cash equivalents	(261)	(205)
Net debt	6,819	3,058
Total equity	21,622	18,606
Net debt to equity ratio - Gearing Ratio	32%	16%

No changes were made in the objectives, policies or processes for managing capital during and for year ended 31 March 2025 and 31 March 2024.

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 borrowings during the current year which could result in the banks recalling the loans earlier.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.35 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2025

Particulars	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	1,874	1,874	Level 3
Cash and cash equivalents	261	261	
Bank balances other than above	34	34	
Loans	2,831	2,831	
Other financial assets	582	582	
Total	5,582	5582	
Financial asset at fair value through profit or loss (Refer note below)			
Call option asset	108	108	Level 3
Total	108	108	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	6,266	6,266	Level 3
Short-term borrowings	814	814	
Trade payables	944	944	
Other financial liabilities	859	859	
Total	8,883	8,883	

As at 31 March 2024

Particulars	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			Level 3
Trade receivables	1,487	1,487	
Cash and cash equivalents	205	205	
Loans	1,050	1,050	
Other financial assets	335	335	
Total	3,077	3,077	
			Level 1
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds	616	616	
Total	616	616	
Financial liabilities at amortised cost (Refer note below)			Level 3
Long-term borrowings (including current maturities)	2,614	2,614	
Short-term borrowings	649	649	
Trade payables	785	785	
Other financial liabilities	279	279	
Total	4,327	4,327	

B. Measurement of fair values

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

- The fair values of Investment in mutual funds are based on the market value using net asset value. They are classified as level 1 fair value hierarchy due to the use of quoted prices in an active market.
- The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The fair values of long term borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.35 Financial instruments : Fair value and risk management (Contd..)

- (d) 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.
- (e) The fair value of the derivative call option is determined using Monte Carlo simulation. The significant unobservable inputs used in the fair value measurement are volatility and annual drift rate.

During the current year, the Company has entered into Operations and Management agreements with the LLPs/Companies engaged in Healthcare Services as per which the Company will act as a Hospital Operator, on an exclusive basis, to run, manage, operate and direct the Hospital and provide medical services to the Hospitals owned by the respective LLPs/Companies. The Company has also entered into a Call Option Agreement whereby, the Company has a call option to buy majority equity interest of those LLPs/Companies as per the agreed pricing terms of the call option. The options are exercisable from January 2027 onwards. The Company accounts for such call options at fair value using Monte Carlo simulation model and other valuation techniques.

Sensitivity analysis:

For the fair values of call option, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Particulars	As at 31 March 2025	
	Increase	Decrease
Sensitivity		
1% Movement in Volatility and annual drift rate	4	(6)

(i) Risk management framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the 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. 2,381 as on 31 March 2025

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.35 Financial instruments : Fair value and risk management (Contd..)

(31 March 2024: Rs. 1,857). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	236	264
Credit loss provided / (reversed)	64	(28)
Closing balance	300	236
Trade receivable write off not routed through the above movement	17	1

The Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and unbilled revenue and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Accordingly, the Company creates provision for past due receivables less than one year ranging between 2% to 24% and beyond one year ranging between 40% to 100%. Set out below is the information about the credit risk exposure of the Company's trade receivables and unbilled revenue using provision matrix:

Particulars	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and unbilled revenue
For the year ended 31 March 2025	864	908	609	2,381
For the year ended 31 March 2024	615	731	511	1,857

Customer Concentration

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2025 and 31 March 2024. 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.

(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 2025:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	6,266	495	2,960	2,826	6,281
Short-term borrowings	814	814	-	-	814
Trade payables	944	944	-	-	944
Other financial liabilities	859	833	26	-	859
Total	8,883	3,086	2,986	2,826	8,898

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.35 Financial instruments : Fair value and risk management (Contd..)

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2024:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	2,614	42	757	1,826	2,625
Short-term borrowings	649	649	-	-	649
Trade payables	785	785	-	-	785
Other financial liabilities	279	179	100	-	279
Total	4,327	1,655	857	1,826	4,338

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

(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 year are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate long term borrowings (including current maturities) and short term borrowings	7,080	3,263
Total borrowings	7,080	3,263

(b) Sensitivity

Particulars	Impact on profit or loss		Impact on equity, net of tax	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Sensitivity				
1% increase in MCLR	(71)	(33)	(53)	(24)
1% decrease in MCLR	71	33	53	24

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

(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 2025:

Particulars	Amount in Rs.
Assets	
Trade receivables	101
Liabilities	
Trade payables	192

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.35 Financial instruments : Fair value and risk management (Contd..)

Sensitivity Analysis:

A reasonably possible strengthening/weakening of the USD against all other currencies as at 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	31 March 2025	
	Strengthening	Weakening
USD	(5)	5

2.36 Income-tax

a. Amount recognised in statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax	951	817
Adjustments of tax relating to earlier year	4	18
Deferred tax attributable to temporary differences	47	(6)
Tax expenses for the year	1,002	829

b. Amount recognised in other comprehensive income

Particulars	For the year ended 31 March 2025			For the year ended 31 March 2024		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	(18)	5	(13)	3	(1)	2

c. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	4,031	3,182
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	1,015	801
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	8	10
Adjustment in respect of income-tax for earlier years	4	18
Impact of difference in tax rates	(25)	-
Total	1,002	829
Effective tax rates	24.86%	26.05%

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax asset		
Expected credit loss for trade receivables	76	59
Provision for employee benefits	98	84
Total deferred tax asset	174	143

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.36 Income-tax (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability		
Property, plant and equipment	540	486
Others	26	3
Total deferred tax liability	566	489
Deferred tax liability (net)	(392)	(346)

(ii) Movement in temporary differences

Particulars	Expected credit loss for trade receivables	Provision for employee benefits	Property, plant and equipment	Others - liability	Total
Balance as at 1 April 2023	66	71	(482)	0	(345)
Recognised in profit or loss*	(7)	14	(4)	(3)	-
Recognised in OCI	-	(1)	-	-	(1)
Balance as at 31 March 2024	59	84	(486)	(3)	(346)
Recognised in profit or loss	17	9	(54)	(23)	(51)
Recognised in OCI	-	5	-	-	5
Balance as at 31 March 2025	76	98	(540)	(26)	(392)

* Includes adjustment of deferred taxes for earlier years amounting to Rs. 6.18

2.37 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from hospital services	9,314	8,276
Income from pharmacy	4,151	3,700
Total revenue from contracts with customers	13,465	11,976
India	13,465	11,976
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	9,314	8,276
Goods transferred at a point of time	4,151	3,700
Total revenue from contracts with customers	13,465	11,976
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	14,168	12,583
Less: Discounts and disallowances	(703)	(607)
Total revenue from contracts with customers	13,465	11,976

Contract balances

Particulars	As at 31 March 2025	As at 31 March 2024	As at 1 April 2023
Trade receivables	1,874	1,487	1,200
Unbilled revenue	207	134	98
Contract liabilities	254	189	127

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.37 Revenue from contracts with customers: (Contd..)

Contract liability: During the financial year ended 31 March 2025, the Company has recognised revenue of Rs.189 from advance received from patients outstanding as on 31 March 2024. During the financial year ended 31 March 2024, the company has recognised revenue of Rs. 127 from advance received from patients outstanding as on 31 March 2023. It expects similarly to recognise revenue in year ended 31 March 2026 from the closing balance of advance from customers as at 31 March 2025.

Unbilled revenue: During the financial year ended 31 March 2025, the company has transferred Rs. 134 of unbilled revenue as at 31 March 2024 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2024, the company has transferred Rs. 98 of unbilled revenue as at 31 March 2023 to trade receivables on completion of performance obligation.

2.38 The Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that audit trail feature is not enabled at the database level insofar as it relates to one accounting software from 01 April 2024 to 25 March 2025. Further no instance of audit trail feature being tampered with was noted in respect of the accounting softwares where the audit trail has been enabled. Additionally, the audit trail of prior year 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.

2.39 Ratio Analysis and its elements

Particulars	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	% change
Current Ratio *	Current Assets	Current Liabilities	0.84	1.44	-42%
Debt-Equity ratio *	Total Debts(1)	Shareholder's Equity	0.33	0.17	87%
Debt service coverage ratio **	Earnings for debts service(2)	Debt service(3)	5.20	7.59	-31%
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	11.38	12.14	-6%
Trade Receivable turnover Ratio	Net Credit Sales(4)	Average Trade Receivables	8.01	8.91	-10%
Trade Payable turnover Ratio	Net credit Purchases(5)	Average Trade Payables	8.51	8.51	0%
Net Capital turnover ratio ***	Net Sales(6)	Working capital(7)	(23.34)	13.30	-276%
Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	15.02%	13.46%	12%
Net Profit ratio	Net profit	Net Sales(6)	21.79%	19.27%	13%
Return on Capital employed	Earnings before interest and taxes	Capital Employed(8)	14.36%	14.57%	-1%
Return on Investment	Interest (Finance Income)	Time Weighted Average Investment	6.50%	6.50%	0%

(1) Debt includes Lease Liabilities

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

(3) Interest and lease payments + Principal Repayments

(4) Gross credit sales - sales return

(5) Gross credit purchases - purchase returns + Other expenses

(6) Total sales - sales return

(7) Current assets - Current liabilities

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

* Borrowings availed during the year resulted in the change in the ratio.

** Borrowings repaid and interest paid during the year resulted in the change in the ratio

*** Capital creditor during the year resulted in change in ratio.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

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

2.40 Other Statutory Information

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

2.41 Events after the reporting period

There are 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 Navneet Rai Kabra
Partner
Membership no.: 102328

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Sachin Ashok Salvi
Chief Financial Officer

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 12 May 2025

Place: Hyderabad
Date: 12 May 2025

Independent Auditor's Report

To
The Members of
Krishna Institute of Medical Sciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Krishna Institute of Medical Sciences Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated

Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill on consolidation pertaining to acquisition of Sarvejana Healthcare Private Limited, KIMS Hospital Enterprises Private Limited and Spanv Medisearch Lifesciences Private Limited (as described in Note 2.40 of the consolidated financial statements) As at March 31, 2025, the Group has goodwill of Rs. 2,117 million, Rs. 410 million and Rs. 116 million on consolidation pertaining to acquisitions of Sarvejana Healthcare Private Limited, KIMS Hospital Enterprises Private Limited and Spanv Medisearch Lifesciences Private Limited respectively. These goodwill balances are tested annually for impairment using discounted cash-flow models by which recoverable value is compared to the carrying value of the assets. A deficit between the recoverable value and carrying value would result in impairment.	Our audit procedures included the following: - We tested the design, implementation and operative effectiveness of management's key internal controls over impairment assessments; - We gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied.

Key audit matters	How our audit addressed the key audit matter
The inputs to the impairment testing model include: - Projected revenue growth, operating margins, operating cashflows and capex during the periods related to explicit forecast; - Stable long-term growth rates beyond explicit forecast period and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax). The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing of goodwill pertaining to these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Financial Statements as a whole	• We evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions; and tested the arithmetical accuracy of model; • We tested budgeting procedures upon which the cash flow forecasts were based. We have also compared the actual past performances with the budgeted figures • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We assessed the adequacy of the related disclosures in notes to the Consolidated Financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of

the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated

financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information, in respect of 4 subsidiaries, whose financial statements include total assets of Rs. 4,752 million as at March 31, 2025, and total revenues of Rs. 953 million and net cash inflows of Rs. 52 million for the year ended on that date. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of Rs. Nil for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the report(s) of such other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "**Annexure 1**" a statement on the matters specified in paragraph 3(xxii) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and associate company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies and associate company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "**Annexure 2**" to this report;
 - (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 2.24 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate, incorporated in India during the year ended March 31, 2025.
 - iv. a) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India

- whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and associate company, incorporated in India.
- vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, and as described in note 2.41 to the financial statements, the Holding Company, subsidiaries and associate have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except in respect of one accounting software where audit trail feature is not enabled for direct changes to data when using certain access rights from April 01, 2024 to March 25, 2025. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and associate did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Holding Company and the above referred subsidiaries and associate 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

Place of Signature: Hyderabad
Date: May 12, 2025

Membership Number: 102328
UDIN: 25102328BMOPZN3613

Annexure ‘1’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date on the Consolidated Financial Statements of Krishna Institute of Medical Sciences Limited (“The Holding Company”)

In terms of the information and explanations sought by us and given by the Holding Company and to the best of our knowledge and belief, we state that:

3(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**

Partner

Membership Number: 102328

UDIN: 25102328BMOPZN3613

Place of Signature: Hyderabad

Date: May 12, 2025

Annexure '2' to the independent auditor's report of even date on the Consolidated Financial Statements of Krishna Institute of Medical Sciences Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Krishna Institute of Medical Sciences Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the

internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 4 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**

Partner

Place of Signature: Hyderabad

Date: May 12, 2025

Membership Number: 102328

UDIN: 25102328BMOPZN3613

Consolidated Balance Sheet

as at 31 March 2025

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

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	21,988	17,301
Capital work-in-progress	2.1(b)	12,138	6,001
Goodwill	2.40	3,386	3,080
Other intangible assets	2.1 (c)	677	646
Right-of-use assets	2.25	7,434	3,312
Investments accounted for using equity method	2.35	765	738
Financial assets			
(i) Investments	2.2 (a)	6	6
(ii) Loans	2.3(a)	55	260
(iii) Other financial assets	2.4(a)	601	349
Deferred tax assets (net)	2.38	599	319
Non-current tax assets (net)	2.9	438	455
Other non-current assets	2.5(a)	2,300	577
Total non-current assets		50,387	33,044
Current assets			
Inventories	2.6	640	494
Financial assets			
(i) Investments	2.2 (b)	220	829
(ii) Trade receivables	2.7	3,954	2,944
(iii) Cash and cash equivalents	2.8(a)	560	469
(iv) Bank balances other than (iii) above	2.8(b)	237	21
(v) Loans	2.3(b)	477	-
(vi) Other financial assets	2.4(b)	508	358
Other current assets	2.5(b)	377	358
Total current assets		6,973	5,473
Total assets		57,360	38,517
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10 (a)	800	800
Other equity	2.10 (b)	20,578	17,482
Total equity attributable to owners of the Company		21,378	18,282
Non-controlling interests		2,810	2,649
Total Equity		24,188	20,931
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (a)	16,541	9,277
(ii) Lease liabilities	2.25	6,331	2,988
(iii) Other financial liabilities	2.12(a)	778	65
Provisions	2.13	335	274
Deferred tax liabilities (net)	2.38	468	463
Other non-current liabilities	2.16(a)	357	-
Total non-current liabilities		24,810	13,067
Current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (b)	2,519	1,186
(ii) Lease liabilities	2.25	176	104
(iii) Trade payables	2.14		
(a) Total outstanding dues of micro enterprises and small enterprises; and		150	125
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,541	1,842
(iv) Other financial liabilities	2.12(b)	2,158	612
Other current liabilities	2.16(b)	538	464
Provisions	2.15	264	186
Current tax liabilities (net)		16	-
Total current liabilities		8,362	4,519
Total equity and liabilities		57,360	38,517
Material accounting policies	1.3		

The accompanying notes referred above form an integral part of the consolidated 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

for and on behalf of the Board of Directors of

Krishna Institute of Medical Sciences Limited
Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Sachin Ashok Salvi

Chief Financial Officer

Dr. B Abhinav

Chief Executive Officer

DIN: 01681273

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

Place: Hyderabad

Date: 12 May 2025

Place: Hyderabad

Date: 12 May 2025

Consolidated Statement of Profit and Loss

for the year ended 31 March 2025

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

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	2.17	30,351	24,982
Other income	2.18	319	161
Total income		30,670	25,143
Expenses			
Purchase of medical consumables, drugs and surgical instruments		6,404	5,369
Increase in inventories of medical consumables, drugs and surgical instruments	2.19	(135)	(65)
Employee benefits expense	2.20	4,995	4,224
Finance costs	2.21	903	470
Depreciation and amortisation expense	2.22	1,772	1,465
Other expenses	2.23	11,258	9,082
Total expenses		25,197	20,545
Profit before share of loss from associate and exceptional items		5,473	4,598
Share of loss from associate, net of tax	2.35	-	(3)
Profit before tax and exceptional items		5,473	4,595
Exceptional Items			
Gain on fair valuation of Call option (net)	2.33	108	-
Profit before tax		5,581	4,595
Tax expense			
- Current tax	2.38	1,495	1,162
- Deferred tax (credit)/charge	2.38	(47)	40
- Adjustment of tax relating to earlier years	2.38	(15)	34
Total tax expense		1,433	1,236
Profit for the year (A)		4,148	3,359
Other comprehensive (loss) / income			
Items that will not be reclassified subsequently to statement of profit and loss			
- Re-measurement (loss) / gain of defined benefit plans		(31)	4
- Income tax effect		8	(1)
Other comprehensive (loss) / income for the year, net of tax (B)		(23)	3
Total comprehensive income for the year (A+B)		4,125	3,362
Profit for the year attributable to:			
Owners of the Company		3,845	3,100
Non-controlling interests		303	259
Profit for the year		4,148	3,359
Other comprehensive (loss) / income for the year attributable to:			
Owners of the Company		(20)	2
Non-controlling interests		(3)	1
Other comprehensive (loss) / income for the year		(23)	3
Total comprehensive income for the year attributable to:			
Owners of the Company		3,825	3,102
Non-controlling interests		300	260
Total comprehensive income for the year		4,125	3,362
Earnings per equity share attributable to owners of the Company (face value of share Rs. 2 each)			
- Basic (Rs.)	2.28	9.61	7.75
- Diluted (Rs.)	2.28	9.61	7.75
Material accounting policies	1.3		

The accompanying notes referred above form an integral part of the consolidated 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

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Sachin Ashok Salvi
Chief Financial Officer

Dr. B Abhinav
Chief Executive Officer
DIN: 01681273

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 12 May 2025

Place: Hyderabad
Date: 12 May 2025

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
I Cash flows from operating activities		
Profit before tax for the year	5,581	4,595
Adjustments for:		
Depreciation and amortisation expense	1,772	1,465
Finance costs	903	470
Provision / (reversal) of expected credit loss for trade receivables (net of bad debts)	130	(14)
Interest income	(102)	(23)
Profit on sale of property, plant and equipment (net)	(109)	(4)
Liabilities no longer required written back	(6)	(12)
Gain on mutual funds	(48)	(18)
Rental income	(7)	(5)
Gain on fair valuation of Call option (net)	(108)	-
Income on termination of lease	(5)	-
Share of loss of an associate	-	3
Operating cash flows before working capital changes	8,001	6,457
Adjustments for:		
Increase in trade receivables	(934)	(403)
Increase in inventories	(133)	(66)
(Increase)/decrease in other financial assets and other assets	(322)	124
Increase in trade payables, other financial liabilities, provisions and other liabilities	620	502
Cash generated from operations	7,232	6,614
Income taxes paid, net of refunds	(1,414)	(1,402)
Net cash flows generated from operating activities (A)	5,818	5,212
II Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(10,089)	(6,473)
Proceeds from sale of property, plant and equipment	472	14
Investment in associate	(27)	(741)
Investment in equity shares	-	(6)
Acquisition of subsidiaries	(1,123)	-
Acquisition of business	(634)	-
Investment in mutual funds	(3,500)	(2,902)
Proceeds from sale of mutual funds	4,157	2,778
Loans given	(272)	(260)
Rental income received	7	5
Interest received	79	11
Redemption of bank deposits (having original maturity of more than three months)	117	62
Investment in bank deposits (having original maturity of more than three months)	(349)	(14)
Net cash flows used in investing activities (B)	(11,162)	(7,526)

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
III Cash flows from financing activities		
Repayment of long-term borrowings	(837)	(177)
Proceeds from long-term borrowings	8,487	4,593
Proceeds from short-term borrowings (net)	288	714
Issue of preference shares to non controlling interest	64	-
Acquisition of non-controlling interest	(942)	(1,811)
Payment of principal of lease liability	(131)	(323)
Payment of interest on lease liability	(269)	(236)
Interest paid	(1,229)	(593)
Net cash flows generated from financing activities (C)	5,431	2,167
Net increase/(decrease) in cash and cash equivalents (A+B+C)	87	(147)
Cash and cash equivalents acquired through business combination	4	-
Cash and cash equivalents at the beginning of the year	469	616
Cash and cash equivalents at the end of the year	560	469

Note:

- The consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind AS 7) - Statement of cash flows:
- Cash and cash equivalents comprises of:

	As at 31 March 2025	As at 31 March 2024
Cash on hand	32	23
Balances with banks		
- On current accounts	461	288
- In deposit accounts (with original maturity of 3 months or less)	67	158
Total	560	469

The accompanying notes referred above form an integral part of the consolidated 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

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Sachin Ashok Salvi
Chief Financial Officer

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273
J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 12 May 2025

Place: Hyderabad
Date: 12 May 2025

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

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

a) Equity share capital

Equity shares of Rs.2 each (31 March 2024: Rs.10 each) issued, subscribed and fully paid	No of shares	Amount
At 1 April 2023	8,00,27,787	800
Add: Shares issued during the year	-	-
At 31 March 2024	8,00,27,787	800
Add: Increase in shares on account of split*	32,01,11,148	-
Add: Shares issued during the year	-	-
At 31 March 2025	40,01,38,935	800

*The Board of Directors, at their meeting held on June 28, 2024, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each to face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the Annual General Meeting of the Company held on August 29, 2024. The Company fixed the "record date" of September 13, 2024. Accordingly, equity shares of the Company of Rs. 10/- have been sub-divided into 5 equity shares of Rs. 2/- each w.e.f. September 13, 2024 and earnings per equity share has been restated for all the periods.

b) Other equity

Particulars	Other equity attributable to the owners of the Company				Total other equity	Non-controlling interest	Total (Includes equity share capital as per (a) above)
	Securities premium account	Adjustment reserve	Capital contribution	Retained earnings			
Balance as at 01 April 2023	10,340	58	114	5,383	15,895	2,684	19,379
Profit for the year	-	-	-	3,100	3,100	259	3,359
Acquisition of non-controlling interests	-	-	-	(1,276)	(1,276)	(535)	(1,811)
Other equity (refer note 2.10(b))	-	-	(240)	-	(240)	240	-
Other comprehensive income for the year	-	-	-	3	3	1	4
Balance as at 31 March 2024	10,340	58	(126)	7,210	17,482	2,649	20,931
Profit for the year	-	-	-	3,845	3,845	303	4,148
Acquisition of subsidiaries	-	-	-	-	-	10	10
Acquisition of non-controlling interests	-	-	-	(683)	(683)	(259)	(942)
Issue of preference shares to non-controlling interests	-	-	-	-	-	64	64
Other equity (refer note 2.10(b))	-	-	(46)	-	(46)	46	-
Other comprehensive income for the year	-	-	-	(20)	(20)	(3)	(23)
Balance as at 31 March 2025	10,340	58	(172)	10,352	20,578	2,810	24,188

The accompanying notes referred above form an integral part of the consolidated 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

for and on behalf of the Board of Directors of

Krishna Institute of Medical Sciences Limited
Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Sachin Ashok Salvi

Chief Financial Officer

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

Place: Hyderabad

Date: 12 May 2025

Place: Hyderabad

Date: 12 May 2025

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

1.1 Group Overview

The consolidated financial statements comprise financial statements of Krishna Institute of Medical Sciences Limited ("the Company" or "Parent" or "Holding Company") its subsidiaries (the holding Company and its subsidiaries together referred to as, the Group) and its associate for the year ended 31 March 2024. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The Group is principally engaged in the business of rendering medical and healthcare services. Information on the Group's structure is provided in Note 1.3A. Information on other related party relationships of the Group is provided in Note 2.27. The Company's shares were listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

The Company was originally incorporated on 26 July 1973 under the name "Jagjit Singh and Sons Private Limited" which was subsequently changed to "Krishna Institute of Medical Sciences Private Limited" on 2 January 2004. The Company was converted into a public limited company under the Companies Act, 1956 on 29 January 2004 and consequently, the name was changed to "Krishna Institute of Medical Sciences Limited".

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 12 May 2025.

1.2 Basis of preparation of consolidated financial statements

a) Statement of compliance:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

All amounts are in Indian Rupees millions, except share data, unless otherwise stated.

b) Basis of measurement:

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value or refer accounting policy regarding financial instruments

Items	Measurement basis
Net defined benefit (asset)/ liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

The Group's consolidated financial statements are presented in Indian rupee (INR), which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated.

d) New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Ind AS 117 Insurance Contracts
- Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

These amendments had no impact on the financial statements of the group.

e) Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

f) Significant accounting judgement, estimates and assumptions:

The preparation of Group's consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenue, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and unbilled revenue

The Group uses a provision matrix to calculate ECLs for trade receivables and unbilled revenue. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The disclosures of significant estimates and assumptions relating to the ECLs for trade receivables and unbilled revenue are provided in Note 2.7 & Note 2.33.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.38 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the

complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.26 - Measurement of defined benefit obligations, key actuarial assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.33 for further disclosures.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating). See Note 2.25 for further disclosures.

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

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably

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certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next eight years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group.

1.3 Material accounting policies

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses

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of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements as at and for the year ended 31 March 2025 have been prepared on the basis of the financial statements of the following subsidiaries which are principally engaged in the business of rendering medical and healthcare services.

Name of the Company	Nature of Relationship	Country of incorporation	Ownership interest (in %)	
			31 March 2025	31 March 2024
Arunodaya Hospitals Private Limited ('AHPL')	Subsidiary	India	70.67	67.66
KIMS Hospital Enterprises Private Limited ('KHEPL')	Subsidiary	India	90.93	90.74
Iconkrishi Institute of Medical Sciences Private Limited ('ICIMSPL')	Subsidiary	India	51.00	51.00
Saveera Intitute of Medical Sciences Private Limited ('SIMSPL')	Subsidiary	India	76.50	76.50
KIMS Hospitals Private Limited ('KHPL')	Subsidiary	India	100.00	100.00
KIMS Swastha Private Limited ('KSPL')	Subsidiary	India	100.00	100.00
KIMS Hospital Bengaluru Private Limited ('KHBPL')	Subsidiary	India	100.00	100.00
KIMS Hospital Kurnool Private Limited ('KHKPL')	Subsidiary	India	55.00	55.00
Sarvejana Healthcare Private Limited ('SHPL')*	Subsidiary	India	69.35	64.22
Rajyalakshmi Healthcare Private Limited (RHPL)*	Subsidiary	India	NA	NA
SPANV Medisearch Lifesciences Private Limited ('SPANV')	Subsidiary	India	69.30	69.30
KIMS Manavata Hospitals Private Limited ('KMHPL')	Subsidiary	India	51.00	51.00
Kondapur Healthcare Limited (Formerly known as RVM Healthcare Limited) ('KHL')**	Associate	India	35.00	33.73
Meda Institute of Podiatry Private Limited #	Subsidiary	India	51.00	-
Chalasani Hospitals Private Limited (QNRI) #	Subsidiary	India	100.00	-

* Rajyalakshmi Healthcare Private Limited merged with Sarvejana Healthcare Private Limited (parent company) during the current year with effect from April 1, 2024

** Became an associate from 15 September 2023

Became a Subsidiary during the year.

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B. Business combination and goodwill

Business combinations except common control transactions are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IND AS 109 Financial Instruments or IND AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognised in Consolidated financial statements of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and it's subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation

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within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

B.1 Investment in Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of an associate' in the statement of profit or loss.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown separately on the face of the statement of profit and loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit and loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

C. Current-non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

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

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;

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- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

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

- i. it is expected to be settled in the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

D. Fair value measurement:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that

market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Group's Chief Financial officer analyses the movements in the values of assets and liabilities which are required to be re measured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.33 – financial instruments.

E. Revenue from contract with customer

The Group's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items. The Group has generally concluded that it is the principal in its revenue arrangements, except for the Operating & Maintenance (O&M) arrangements below, because it typically controls the goods or services before transferring them to the customer.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers and deposited back to the respective statutory authorities. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term

on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

In respect of Medical service fee, i.e. the revenue arising from the Operating & Maintenance (O&M) contracts where the performance obligation is satisfied over time, revenue is recognised along the period when the services are received and accepted by the customer.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Contract Balances:

Unbilled revenue 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 revenue are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

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Other Income

Interest on deposits, loans and debt instruments are measured at amortized cost. Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the consolidated statement of profit and loss.

F. Income-tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in consolidated statement of profit and loss except to the extent that 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 countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
 - When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
 - In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce

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goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

G. Property, plant and equipment

Freehold land is carried at cost net of accumulated impairment, if any. All other items of property, plant and equipment are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it located. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other cost directly attributable to bringing the item to working conditions for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The Group has elected to continue with the carrying value for all of its Property, Plant and Equipment recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de- recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

Depreciation

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment which are

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different from the useful life prescribed in Schedule II to the Companies Act, 2013 for the following :

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is in the nature of perpetual lease without any limited useful life is not amortised.
- Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

H. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

De-recognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss, when the asset is derecognised.

The Group has elected to continue with the carrying value for all of its other intangibles recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6
Brand	5
Operation and Management Rights*	15-20
Non-Compete fee	5
Customer Contract	5

* O&M Rights are amortised over the term of O&M Arrangements.

I. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

J. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

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Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change

in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption for those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

The Group 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. 10 mn on date of recognition. In making this assessment, the Group 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 Group 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.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

K. Inventories

The inventories comprising of medical consumables, drugs and surgical instruments are measured at the lower of cost and net realisable value. The cost of inventories is

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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.

L. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of eight years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the eighth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired

M. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain

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future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined liability (assets) for the year by applying the

discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes to the defined benefit liability (asset) as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss. The Group recognises gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in the consolidated statement of profit and loss on the earlier of amendment or curtailment.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g, under short term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated absences

As per the leave encashment policy of the Group, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-

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term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of consolidated profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

N. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in to following categories

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through Other Comprehensive Income (FVTOCI)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables, and loan to an associate included under other non-current financial assets. For more information on receivables, refer to Note 2.33.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at fair value through Other Comprehensive Income (FVTOCI)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

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- The asset's contractual cash flows represent SPPI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation for the issuer and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity investment which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

For trade receivables and Unbilled revenue, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk

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since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to consolidated statement of profit & loss. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial instrument are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS 32 (Financial instruments: Presentation). Financial instrument issued by the Group classified as equity is carried at its transaction value and shown within "equity". Financial instrument issued by the

Group classified as liability is initially recognised at fair value (issue price). Subsequent to initial recognition, such Financial instrument is fair valued through the statement of profit or loss. On modification of Financial instrument from liability to equity, the Financial instrument is recorded at the fair value of Financial instrument classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the statement of profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss. This category generally applies to borrowings.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

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.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.1 (a) Property, plant and equipment

Particulars	Freehold land	Leasehold land (refer Note 3)	Leasehold improvement	Buildings (refer Note 1 & 6)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Gross carrying amount												
Balance as at 1 April 2023	1,306	152	642	5,662	5,984	513	109	658	337	642	117	16,122
Additions	959	-	38	3,619	1,084	83	37	325	101	106	29	6,381
Disposals	-	-	-	-	(18)	(2)	-	(2)	-	-	(9)	(31)
Balance as at 31 March 2024	2,265	152	680	9,281	7,050	594	146	981	438	748	137	22,472
Balance as at 1 April 2024	2,265	152	680	9,281	7,050	594	146	981	438	748	137	22,472
Acquisition of subsidiaries (refer note 2.34)	789	-	-	376	64	37	2	10	2	5	2	1,287
Additions	113	-	31	1,218	2,761	214	77	417	131	116	50	5,128
Disposals	(325)	-	-	-	(182)	-	-	(1)	-	-	(2)	(510)
Balance as at 31 March 2025	2,842	152	711	10,875	9,693	845	225	1,407	571	869	187	28,377
Accumulated depreciation												
Balance as at 1 April 2023	-	-	197	485	2,145	157	73	376	241	298	49	4,021
Depreciation charge for the year	-	-	94	212	594	38	15	69	62	70	16	1,170
Disposals	-	-	-	-	(10)	(1)	-	(2)	-	-	(7)	(20)
Balance as at 31 March 2024	-	-	291	697	2,729	194	88	443	303	368	58	5,171
Balance as at 1 April 2024	-	-	291	697	2,729	194	88	443	303	368	58	5,171
Depreciation charge for the year	-	-	100	224	685	48	24	108	76	79	21	1,365
Disposals	-	-	-	-	(145)	-	-	-	(0)	-	(2)	(147)
Balance as at 31 March 2025	-	-	391	921	3,269	242	112	551	379	447	77	6,389
Net book value												
At 31 March 2024	2,265	152	389	8,584	4,321	400	58	538	135	380	79	17,301
At 31 March 2025	2,842	152	320	9,954	6,424	603	113	856	192	422	110	21,988

- Buildings amounting to gross block Rs. 254 (31 March 2024; Rs. 254) and net block Rs. 212 (31 March 2024; Rs. 214) are constructed on the land taken on lease from promoters for a period of 30 years without making any upfront payment and renewable at the option of the Company.
- Refer note 2.11 for details of assets pledged as security.
- Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.
- The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.1 (a) Property, plant and equipment (Contd..)

5. The Group has not revalued any of its Property, Plant and Equipment during the year.
6. The amount of borrowing costs capitalised to Buildings during the year Rs 43 (31 March 2024: 116)

2.1(b) Capital Work in Progress

	As at 31 March 2025	As at 31 March 2024
Gross Carrying amount		
Balance as at beginning of the year	6,001	4,769
Additions	8,899	6,133
Capitalised during the year	(2,762)	(4,901)
Balance as at end of the year	12,138	6,001

i) For capital work in progress, ageing 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	6,735	3,775	1,573	55	12,138
- Projects temporarily suspended	-	-	-	-	-
Total	6,735	3,775	1,573	55	12,138

ii) For capital work in progress, ageing Schedule as on 31 March 2024

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
- Projects in Progress	4,231	1,715	55	-	6,001
- Projects temporarily suspended	-	-	-	-	-
Total	4,231	1,715	55	-	6,001

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 2025 and 31 March 2024.

The amount of borrowing costs capitalised during the year ended 31 March 2025 was Rs. 749 (31 March 2024 was Rs. 124). The rates used to determine the amount of borrowing costs eligible for capitalisation are ranging between 8.15% to 8.55% which is the effective interest rate of these specific borrowings.

2.1 (c) Other intangible assets

Particulars	Software	Brand	Non compete	Operation and Management Rights	Customer contract	Total of Intangible assets
Gross carrying amount						
Balance as at 1 April 2023	343	513	28	-	188	1,072
Additions	51	-	-	-	-	51
Balance as at 31 March 2024	394	513	28	-	188	1,123
Balance as at 1 April 2024	394	513	28	-	188	1,123
Acquisition of subsidiaries (Refer note 2.34)	3	17	-	100	-	120
Additions	95	-	-	-	-	95
Balance as at 31 March 2025	492	530	28	100	188	1,338

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.1 (c) Other intangible assets (Contd..)

Particulars	Software	Brand	Non compete	Operation and Management Rights	Customer contract	Total of Intangible assets
Accumulated amortisation						
Balance as at 1 April 2023	114	125	25	-	31	295
Amortisation charge for the year	63	110	3	-	6	182
Balance as at 31 March 2024	177	235	28	-	37	477
Balance as at 1 April 2024	177	235	28	-	37	477
Amortisation charge for the year	69	108	-	1	6	184
Balance as at 31 March 2025	246	343	28	1	43	661
Net book value						
At 31 March 2024	217	278	-	-	151	646
At 31 March 2025	246	187	-	99	145	677

2.2 Investments

	As at 31 March 2025	As at 31 March 2024
(a) Non current investments		
(Unquoted)		
Investment carried at fair value through other comprehensive income		
596,700 (31 March 2024: 596,700) equity shares of Rs. 10 each fully paid up held in MSPL Unit 4 Limited	6	6
Total	6	6
Aggregate book value of unquoted investments	6	6
Aggregate provision for impairment in value of investments	-	-
(b) Current investments		
(Quoted investments, fair value through profit or loss)		
Investment in mutual funds		
5,15,416 units (31 March 2024: 2,08,247 units) - ICICI prudential Liquid fund direct plan growth	197	74
231,744 units (31 March 2024: 2,486,908 units) - ICICI prudential Ultra short term fund direct plan growth	7	68
14,175,223 units (31 March 2024: 1,968,807 units) - ICICI prudential Money market fund direct plan growth	16	687
291 units (31 March 2024: 291 units) - ICICI prudential Overnight fund direct plan growth	0	0
Total	220	829
Aggregate book value of quoted investments	220	829
Aggregate market value of quoted investments	220	829
Aggregate provision for impairment in value of investments	-	-

2.3 Loans (at amortised cost)

(Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
- To parties other than related parties		
Loans to others	55	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.3 Loans (at amortised cost) (Contd..)

	As at 31 March 2025	As at 31 March 2024
- To related parties (Refer note 2.27)		
Loans to related parties	-	260
Total	55	260
(b) Current		
- To parties other than related parties		
Loans to others	28	-
- To related parties (Refer note 2.27)		
Loans to related parties	449	-
Total	477	-

The loan to associate has been granted for setting up of a new multispeciality hospital and the loan to others have been granted for general corporate purposes. The loans are carrying an interest rate of 9%-12% (31 March 2024: 9%). The Group has no loans which are either repayable on demand or are without specifying any terms or period of repayment.

2.4 Other financial assets (at amortised cost)

(Unsecured, Considered good)

(a) Non-current

	As at 31 March 2025	As at 31 March 2024
- To parties other than related parties		
Deposits with remaining maturity more than 12 months*	91	39
Interest accrued on bank deposits	4	1
Security deposits	398	306
Call option asset	108	-
- To related parties (Refer note 2.27)		
Interest accrued on loans	-	3
Total	601	349

*Includes Rs 91 (March 2024: Rs 38) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date.

(b) Current

	As at 31 March 2025	As at 31 March 2024
- To parties other than related parties		
Unbilled revenue (Refer note 2.31)	371	260
Other advances	16	48
Interest accrued on bank deposits	8	2
Security deposits	98	48
Interest accrued on loans	1	-
- To related parties (Refer note 2.27)		
Interest accrued on loans	14	-
Total	508	358

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.5 Other assets

(Unsecured, considered good)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Capital advances	2,163	535
Balance with government authorities	51	22
Prepaid expenses	86	20
Total	2,300	577
(b) Current		
Advance to suppliers	252	228
Prepaid expenses	92	77
Staff advances	28	51
Other receivables	5	2
Total	377	358

2.6 Inventories

(Valued at lower of cost or net realisable value)

	As at 31 March 2025	As at 31 March 2024
Medical consumables, drugs and surgical instruments	640	494
Total	640	494

Inventories are hypothecated against the loans taken by the Group from banks and financial institutions. Refer note 2.11 for details. The quarterly returns or statements of the current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

2.7 Trade receivables (at amortised cost)

(Unsecured)

	As at 31 March 2025	As at 31 March 2024
Trade receivables - Considered good - Unsecured*	4,529	3,484
Less: Allowance for expected credit loss	(575)	(540)
	3,954	2,944
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	3,954	2,944

* Includes amounts receivable from related party (Refer Note 2.27)

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.7 Trade receivables (at amortised cost) (Contd..)

Trade Receivables ageing schedule as on 31 March 2025

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	1,408	1,844	642	372	68	195	4,529
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							4,529
Less : Allowance for expected credit loss							(575)
Balance at the end of the year							3,954

Trade Receivables ageing schedule as on 31 March 2024

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	1,108	1,396	455	263	111	151	3,484
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							3,484
Less : Allowance for expected credit loss							(540)
Balance at the end of the year							2,944

2.8 Cash and bank balances

	As at 31 March 2025	As at 31 March 2024
a) Cash and cash equivalents		
Cash on hand	32	23
Balances with banks		
- in current accounts	461	288
- in deposit accounts (with original maturity of 3 months or less)	67	158
	560	469

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.8 Cash and bank balances (Contd..)

	As at 31 March 2025	As at 31 March 2024
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	237	21
	237	21
Total	797	490

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

* Includes Rs. 237 (31 March 2024: Rs. 21) deposits placed which are restrictive in nature as these pertain to letters of credit. These letters are maturing within 12 months of the reporting date.

c) Changes in liabilities arising from financing activities:

	As at 31 March 2025	As at 31 March 2024
Borrowings (Non-current and current):		
Opening balance	10,463	5,333
Proceeds from/ (repayment of) borrowings, net	7,938	5,130
Acquisition of subsidiaries (Refer note 2.34)	659	-
Closing balance	19,060	10,463
Lease liabilities:		
Opening balance	3,092	1,450
Additions	2,649	1,966
Acquisition through business combination (Refer note 2.34)	790	-
Interest accrued on lease liabilities*	411	236
Payment of lease liabilities	(401)	(559)
Others	(34)	(1)
Closing balance	6,507	3,092

* Includes interest capitalised to CWIP amounting to Rs 280 (31 March 2024: Rs 138)

2.9 Non-current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance tax (net of provision for taxation)	438	455
Total	438	455

2.10 (a) Equity share capital

	As at 31 March 2025	As at 31 March 2024
Authorised share capital		
475,000,000 equity shares of Rs. 2 each (31 March 2024: 95,000,000 equity shares of Rs. 10 each)*	950	950
	950	950
Issued, subscribed and paid-up		
400,138,935 equity shares of Rs. 2 each fully paid-up (31 March 2024: 80,027,787 equity shares of Rs. 10 each fully paid-up)*	800	800
	800	800

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.10 (a) Equity share capital (Contd..)

(i) Reconciliation of number of equity shares of Rs. 2 each (31 March 2024; Rs.10 each), fully paid up outstanding at the beginning and at the end of the year:

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	8,00,27,787	800	8,00,27,787	800
Add: Increase in shares on account of split*	32,01,11,148	-	-	-
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	40,01,38,935	800	8,00,27,787	800

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

The Company has only one class of equity shares having par value of Rs. 2/- each (31 March 2024: Rs 10/- each). Each equity share holder is entitled to one vote per equity share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Particulars of shareholders holding more than 5% equity shares of Rs. 2 each (31 March 2024: Rs 10/- each), fully paid up

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskar Rao	10,50,99,645	26%	2,10,19,929	26%
SBI Mutual Fund	3,67,61,700	9%	57,63,084	7%
Bluebridge Capital Private Limited	2,42,03,310	6%	-	0
Bollineni Ramanaiah Memorial Hospitals Private Limited	-	0%	48,40,662	6%

(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 2025

S. No.	Promoter name	No of shares at beginning of the year	Increase in shares on account of split*	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Dr. B Bhaskara Rao	2,10,19,929	8,40,79,716	-	10,50,99,645	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	1,93,62,648	(2,42,03,310)	-	0%	-100%
3	Bluebridge Capital Private Limited	-	-	2,42,03,310	2,42,03,310	6%	100%
4	Mrs. Rajyasri Bollineni	13,74,003	54,96,012	-	68,70,015	2%	0%
5	Dr. Abhinay Bollineni	47,299	1,89,196	-	2,36,495	0%	0%
6	Mr. Adwik Bollineni	8,128	32,512	-	40,640	0%	0%
Total		2,72,90,021	10,91,60,084	-	13,64,50,105	34%	0%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.10 (a) Equity share capital (Contd..)

As at 31 March 2024

S. No.	Promoter name	No of shares at beginning of the year	Increase in shares on account of split*	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Dr. B Bhaskara Rao	2,10,19,929	-	-	2,10,19,929	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	-	48,40,662	6%	0%
3	Mrs. Rajyasri Bollineni	13,74,003	-	-	13,74,003	2%	0%
4	Dr. Abhinay Bollineni	47,299	-	-	47,299	0%	0%
5	Mr. Adwik Bollineni	8,128	-	-	8,128	0%	0%
Total		2,72,90,021	-	-	2,72,90,021	34%	0%

*The Board of Directors, at their meeting held on June 28, 2024, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each to face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the Annual General Meeting of the Company held on August 29, 2024. The Company fixed the "record date" of September 13, 2024. Accordingly, equity shares of the Company of Rs. 10/- have been sub-divided into 5 equity shares of Rs. 2/- each w.e.f. September 13, 2024 and earnings per equity share has been restated for all the periods.

**Promoters as per the annual return filed by the Company

2.10 (b) Other equity

	As at 31 March 2025	As at 31 March 2024
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340	10,340
Shares issued during the year	-	-
Closing balance	10,340	10,340
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	58	58
Movement during the year	-	-
Closing balance	58	58
(iii) Capital contribution (refer below note 3)		
Balance as per last financial statements	(126)	114
Additions	(46)	(240)
Closing balance	(172)	(126)
(iv) Retained earnings (refer below note 4)		
Balance as per last financial statements	7,210	5,383
Acquisition of non-controlling interests (Refer note 2.34)	(683)	(1,276)
Profit for the year	3,845	3,100
Other comprehensive income for the year	(20)	3
Closing balance	10,352	7,210
	20,578	17,482

Nature and purpose of reserves:

1. Securities premium

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

2. Adjustment reserve

On account of shares swap held in earlier years.

3. Capital contribution

During the year ended 31 March 2023, the Group has entered into a land lease agreement with the promoter shareholders of KMHPL at a concessional rate for a period of 99 years on which the hospital building is being constructed. The Group has

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.10 (b) Other equity (Contd..)

obtained valuation report from an independent valuer for land lease, and the ROU asset has been accounted for, at fair value of land of Rs. 230. The difference between the ROU asset and lease liability has been recognised as capital contribution.

During the year, the Group has contributed to the equity of KMHPL and the non-controlling interest's proportionate share of equity amounting to Rs. 46 (31 March 2024: Rs. 240) has been added to its value.

4. Retained earnings

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

2.10 (c) Issuance of preference shares to Non controlling interests

During the year, 0.001% Optionally convertible redeemable preference shares (OCRPS) were issued to promoter shareholders of KMHPL. OCRPS carry a dividend rate of 0.001% p.a. and have a preferential right of dividend over equity shareholders and repayment of capital during winding up.

Following are the terms and conditions:

- The OCRPS can be converted into equity shares of Rs. 10/- each at par (i.e. each OCRPS shall be converted into 1 (One) Equity Share) of KMHPL at any time after the 15th year but before 19th year from the date of issuance and allotment of OCRPS at the option of KMHPL.
- The OCRPS will be redeemable at the option of KMHPL either of by way of: Conversion of OCRPS after 15th year but before 19th year from the date of issuance and allotment or at the end of 20th year from the date of issuance.

2.11 Borrowings (at amortised cost)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current borrowings		
Secured		
Term loans from banks	16,277	9,228
Term loans from financial institutions	105	-
Unsecured		
Loan from others	159	49
Total non-current borrowings	16,541	9,277
(b) Current borrowings		
Secured		
Working capital loans	1,293	907
Current maturity of long-term borrowings	1,217	271
Unsecured		
Loan from others	9	8
Total current borrowings	2,519	1,186

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Secured/Unsecured borrowing facilities from banks and others

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
Axis Bank	Monthly/120 months availed in 2023-2024	Exclusive charge on entire fixed assets of the Thane project, both movable and immovable (including lease hold right) present and future.	Repo rate + 2.20% p.a	Repo rate + 2.20% p.a	2,952	2,016
Axis Bank	Monthly/72 months availed in 2023-2024	First pari pasu charge on entire fixed assets of the Company (both movable and immovable) pertaining to Secunderabad hospital along with mortgage on lease hold rights of the hospital lands pertaining to Secunderabad hospital which are not owned by the Company.	Repo rate + 2.15% p.a	Repo rate + 2.15% p.a	556	598
Federal Bank	Monthly/60 months availed in 2024-2025	Hypothecation of machinery/ equipment procured out of LC and second charge on the movable fixed assets of the Company (on best effort basis).	Repo rate + 2.10% p.a	Nil	721	-
IndusInd Bank	Monthly/72 months availed in 2024-2025	First pari pasu charge on entire movable fixed assets of the Company pertaining to Secunderabad hospital and Nellore hospital except equipment which were purchased out of medical equipment loans taken by the Company.	Repo rate + 2.25% p.a	Nil	1,381	-
Kotak Bank	Monthly/60 months availed in 2024-2025	First pari pasu charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Secunderabad and Nellore hospital both present and future, exclusive charge of medical equipment/movable fixed assets to be created out of term loan.	Repo rate + 2.10% p.a	Nil	370	-
Axis Bank	Quarterly/48 quarters availed in 2024-2025	First pari pasu charge on entire fixed assets of the Company (both movable and immovable) pertaining to Secunderabad hospital along with mortgage on lease hold rights of the hospital lands pertaining to Secunderabad hospital which are not owned by the Company.	Repo rate + 2.20% p.a	Nil	286	-
Federal Bank	Monthly/60 months availed in 2022-2023	All assets acquired or to be acquired out of the facility or loan amount in favour of the Bank by way of first and exclusive charge as security for the repayment of facility together with interests, costs and other charges, expenses. Further hypothecated, by way of second charge all assets as security lot the repayment of the facility and also for payment of any other charges, interest costs and expenses payable to or incurred by the Bank in relation thereto.	Repo Rate + 3.25% p.a	Repo Rate + 3.25% p.a	162	217

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
Federal Bank	Monthly/72 months availed in 2022-2023	First charge on the medical equipment, furniture & fixtures, second charge on entire current assets of ICIMSPL & charge on plot no MIG 165 & 166 located at Visakhapatnam.	Repo Rate + 2.60% p.a	Repo Rate + 2.60% p.a		
Federal Bank	Monthly/72 months availed in 2024-2025	First charge on medical equipment purchased out of loan & Second charge on entire current assets of ICIMSPL.	Repo Rate + 2.15% p.a	Nil		
HDFC Bank	Monthly/120 months availed in 2021-2022	First and exclusive charge on movable fixed assets and current assets of SIMSPL (both Present and future) and equitable mortgage on the land and building owned by SIMSPL situated at Anantapur and a vacant piece of land adjacent to the existing hospital. Further the loan is secured by personal guarantee given by the director.	Repo rate + 1.72% p.a	3 month T-Bill + 2.00% p.a	920	548
HDFC Bank	Monthly/96 months availed in 2023-2024	First and exclusive charge on the entire fixed assets and current assets of the SIMSPL (both Present and future) and Extension of mortgage on land and building owned by SIMSPL situated at Anantapur and a vacant piece of land adjacent to the existing hospital. Further the loan is secured by way of personal guarantee given by the director.	Repo rate + 2.10% p.a	3 month T-Bill + 1.31% p.a		
HDFC Bank	Monthly/93 months availed in 2024-2025	Exclusive charge on current assets, charge on fixed assets, charge on the hospital land and building owned by SIMSPL situated at Anantapur and a vacant piece of land adjacent to the existing hospital.	Repo rate + 2.10% p.a	Nil		
HDFC Bank	Monthly/120 months availed in 2021-2022	Equitable mortgage on the property situated at Johrapuram Road, Kurnool and first and exclusive charge on entire movable fixed assets (both present and future) and current assets of KHKPL.	3 month T-Bill + 1.88% p.a	3 month T-Bill + 1.88% p.a	659	589
HDFC Bank	Monthly/96 months availed in 2024-2025	Exclusive charge on plant and machinery, exclusive charge on current assets (present and future) and exclusive charge on the hospital property situated in Johrapuram village, Kurnool.	3 month T-Bill + 2.09% p.a	Nil		

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
HDFC Bank	Monthly/120 months availed in 2023-2024	First mortgage and charge on all immovable properties, present and future, pertaining to SHPL together with all structures and appurtenances thereon, present and future and A first charge by way of hypothecation on (i) all tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) all intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) all current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; (iv) all bank accounts and reserves including other reserves and any other bank accounts, wherever maintained and account(s) in substitution thereof.	3 month T-Bill + 1.61% p.a	3 month T-Bill + 1.61% p.a	1,828	2,145
HDFC Bank	Quarterly/36 quarters availed in 2022-2023	First mortgage and charge on all immovable properties, present and future, pertaining to the SMLPL together with all structures and appurtenances thereon, present and future, - A first charge by way of hypothecation on (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves including but not limited to other reserves and any other bank account, wherever maintained and account(s) in substitution thereof. - Personal Guarantee from two directors throughout tenor of the facility.	3 month T-Bill + 1.60% p.a	3 month T-Bill + 1.60% p.a	1,625	1,585

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
HDFC Bank	Quarterly/28 quarters availed in 2024-2025	Exclusive charge on all immovable properties (owned and/or leased) of SMLPL, present and future, together with all structures and appurtenances thereon, present and future; - Exclusive charge on all Company's immovable Fixed Assets including Intangible Assets; - Exclusive charge by way of hypothecation on all company's (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; including current assets all bank accounts, reserves, DSRA and (iv) all bank accounts and reserves of the company including but not limited to other reserves and any other bank account, wherever maintained and account(s) in substitution thereof. - Personal Guarantee from two directors throughout tenor of the facility.	Repo rate + 2.35% p.a	Nil		
HDFC Bank	Monthly/96 months availed in 2024-2025	Exclusive charge on plant & machinery and current assets of KHEPL (present and future), personal guarantee from directors.	3 month T-Bill + 1.77% p.a	Nil	204	-
HDFC Bank	Monthly/90 months availed in 2023-2024	First charge on entire fixed assets of KHEPL along with mortgage on lease hold rights of the hospital land owned by a director and their close member.	Repo rate + 2.15% p.a	Repo rate + 2.15% p.a	1,053	229
HDFC Bank	Monthly/96 months availed in 2024-2025	Charge on equipment bought from the loan, exclusive charge on current and fixed assets of KSPL.	Repo rate + 2.15% p.a	Nil	10	-
HDFC Bank	Monthly/84 months availed in 2024-2025	Exclusive charge on fixed assets and current assets of MEDA.	3 month T-Bill + 2.74% p.a	Nil	34	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
IndusInd Bank	Monthly/48 months availed in 2023-2024	First and exclusive charge on movable and immovable fixed Assets / immovable properties of AHPL created out of the sanctioned facility.	Repo rate + 1.75% p.a	Repo rate + 1.75% p.a	599	150
ICICI Bank	Quarterly/32 quarters availed in 2022-2023	Exclusive charge by way of equitable mortgage over the immovable fixed assets located at Bengaluru, lease hold rights, movable and current assets of KHBPL (both present and future) of Mahadevpura unit (Soul Space).	1 Year MCLR + 0.15% p.a	1 Year MCLR + 0.15% p.a	3,190	1,421
SBI Bank	Quarterly/32 quarters availed in 2024-2025	Exclusive charge on entire fixed assets of the PES Unit, Mortgage of lease hold rights of the property related to the Hospital property. Further, the loan is also secured by personal Guarantee of one of the directors.	3M MCLR+ 0.25% pa	Nil	189	-
Kotak Mahindra Bank	Quarterly/32 quarters availed in 2023-2024	Leasehold Rights of land situated in Rajahmundry, West Godavari- AP and exclusive charge on immovable and movable fixed assets (excluding vehicles/equipment financed under hire purchase) of KHPL both present and future.	Repo rate + 1.80% p.a	Repo rate + 1.80% p.a	253	1
Bandhan Bank	Monthly/132 months availed in 2024-2025	Exclusive charge by way of equitable mortgage of the hospital land & building (existing as well as proposed) & exclusive charge on movable fixed assets, both present & future, second charge over the current assets of QNRI & FD margin of Rs. 30.	Repo rate + 2.00% p.a	-	481	-
IndusInd Bank*	Monthly/72 months availed in 2021-2022	Hypothecation of medical equipment of QNRI.	EBLR + 1.00% p.a	-	6	-
Axis Bank*	Monthly/60 months availed in 2021-2022	First charge on the medical equipment of QNRI availed out of the loan.	Repo Rate + 4.00% p.a	-	5	-
Bajaj Finance limited*	Monthly/180 months availed in 2023-2024	Collateral security as property H.No.19, S.No.336/P House No.19, "BAY MOUNT" Project, Layout No. 103/89, Rushikonda Layout. Tarakarama Nagar, Madhurawada, GVMC Limits, Visakhapatnam, Andhra Pradesh.	Repo rate + 3.00% p.a	-	99	-
Federal Bank	On demand	First pari pasu charge on current assets of the company.	Repo rate + 1.72% p.a	Repo rate + 1.72% p.a	64	56
Axis Bank	On demand	First pari pasu charge on current assets of the company.	8.25% per annum linked to 3 months MCLR	8.25% per annum linked to 3 months MCLR	750	594

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
IndusInd Bank	On demand	First and exclusive charge on movable and immovable fixed Assets / immovable properties of AHPL created out of the sanctioned facility.	8.25% p.a	8.25% p.a	43	33
Federal Bank	On demand	First charge on entire current assets of the ICIMSPL with a margin of 25% on stock and receivables and second charge on medical equipment, other movable assets, building improvements and fixtures.	8.50% p.a	8.50% p.a	24	15
HDFC Bank	On demand	First and exclusive charge on moveable and immoveable assets, current assets and equitable mortgage on the property owned by SIMSPL situated at Sy no.155, D.No.1-1348,NH 44, Rudrampet Panchayat, Sri Nagar Colony extension, Near Ayyappa Swamy Temple, Anantapur-515004. Further, the loan is secured by way of personal guarantee given by the director.	3 month T-Bill + 1.77% p.a	3 month T-Bill + 1.77% p.a	63	66
HDFC Bank	On demand	Equitable mortgage on the property situated at Johrapuram Road, Kurnool and first and exclusive first charge on movable and immovable assets and current assets of KHKPL.	Repo rate + 2.00% p.a	Repo rate + 2.00% p.a	27	31

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
HDFC Bank	On demand	First mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future, - A first charge by way of hypothecation on (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves including but not limited to other reserves and any other bank account of SMLPL, wherever maintained and account(s) in substitution thereof.	3 month T-Bill + 1.60% p.a	3 month T-Bill + 1.60% p.a	121	112
HDFC Bank	On demand	First and exclusive charge on movable fixed Assets of KSPL created out of the sanctioned facility.	Repo rate + 2.15% p.a	Nil	14	-
HDFC Bank	On demand	First charge on entire fixed assets of KHMPL along with mortgage on lease hold rights of the hospital land owned by a director and their close member.	Repo rate + 2.00% p.a	Nil	49	-
HDFC Bank	On demand	Exclusive charge on current assets and exclusive charge on fixed assets of MEDA (including plant and machinery).	3 month T-Bill + 2.74% p.a	Nil	2	-
Bandhan Bank	On demand	Exclusive charge over entire current assets both present & future including stocks, receivables and all other current assets and second charge on hospital land & building (existing & proposed), other movable assets of QNRI.	Repo rate + 2.00% p.a	Nil	136	-
Spark Mall and Parking Solutions Private Limited	Full repayment after 5 years availed in 2022-2023	None	Bank floating rate currently 8.11% p.a	Bank floating rate currently 8.48% p.a	49	49

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.11 Borrowings (at amortised cost) (Contd..)

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2025)	Effective interest rate (31 March 2024)	As at 31 March 2025	As at 31 March 2024
Raj Vasant Rao Nagarkar	Monthly/60 months availed in 2024-2025	None	12%	Nil	100	-
Narendranadh Meda	Monthly/60 months availed in 2024-2025	None	12%	Nil	10	-
Kosaraju	Full repayment by 31 March 2026 availed in 2022-2023	None	9%	9%	9	8

The quarterly returns or statements of the current assets filed by the group with banks or financial institutions are in agreement with the books of accounts.

* Acquired through business combination.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.12 Other financial liabilities (at amortized cost)

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Capital creditors *	189	65
Liability on business combination (Refer note 2.34)	588	-
Interest accrued but not due on borrowings	1	-
Total	778	65

* Includes retention money of Rs. 111 (31 March 2024: Rs. 32)

	As at 31 March 2025	As at 31 March 2024
(b) Current		
Capital creditors *	1,906	353
Employee related payables	160	176
Interest accrued but not due on borrowings	48	39
Security and caution deposit	44	44
Total	2,158	612

* Includes retention money of Rs. Nil (31 March 2024: Rs. 27)

2.13 Non-current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (Refer Note 2.26)	335	274
Total	335	274

2.14 Trade payables (at amortized cost)

	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer Note 2.30)	150	125
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,541	1,842
Total	2,691	1,967

The above includes payable to related party.(Refer Note 2.27)

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

Trade Payable ageing Schedule as on 31 March 2025

Particulars	Current but not due	Outstanding for following periods from invoice date				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	3	147	-	-	-	150
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,177	1,174	152	19	19	2,541

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.14 Trade payables (at amortized cost) (Contd..)

Particulars	Current but not due	Outstanding for following periods from invoice date				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						2,691

Trade Payable ageing Schedule as on 31 March 2024

Particulars	Current but not due	Outstanding for following periods from invoice date				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	34	91	-	-	-	125
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	907	886	21	19	9	1,842
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						1,967

2.15 Current provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (Refer note 2.26)	49	12
Compensated absences	215	174
Total	264	186

2.16 Other current liabilities

	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Deferred Government grants*	357	-
Total	357	-
(b) Current		
Statutory dues payable	205	206
Contract liabilities (refer note 2.31)	324	242
Staff reimbursement liabilities	9	16
Total	538	464

*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 2.24)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.17 Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
A Revenue from contract with customers		
Revenue from medical and healthcare services (Refer note 2.31)		
Income from hospital services	20,703	16,762
Income from pharmacy	9,319	7,978
Total	30,022	24,740
B Other operating income		
Income from academic courses	49	30
Income from sale of food and beverages	212	175
Medical Service fees	13	-
Other hospital income from corporates	55	37
Total	329	242
Total Revenue from operations (A+B)	30,351	24,982

2.18 Other income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on:		
- fixed deposits	18	7
- income tax refunds	16	4
- security deposits	16	8
- loans to related parties (Refer note 2.27)	50	4
- Loans to others	2	-
Other non operating income:		
- Gain on mutual funds	48	41
- Rental income	7	5
- Liabilities no longer required written back	6	12
- Profit on sale of property, plant and equipment (net)	109	4
- Reversal of expected credit loss for trade receivables (net of bad debts)	-	31
- Income on termination of lease	5	-
- Miscellaneous income	42	45
Total	319	161

2.19 Increase in inventories of medical consumables, drugs and surgical instruments

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock	494	429
Addition on acquisition of subsidiaries	11	-
Less: Closing stock	640	494
Total	(135)	(65)

2.20 Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	4,642	3,923
Contribution to provident and other funds (Refer Note 2.26)	301	262
Staff welfare expenses	52	39
Total	4,995	4,224

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.21 Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest to banks and financial institutions		
- term loans	660	336
- other loans	95	30
Interest expense on lease liabilities (Refer Note 2.25)	132	98
Others	16	6
Total	903	470

2.22 Depreciation and amortisation expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (refer note no 2.1(a))	1,365	1,169
Amortisation of intangible assets (refer note no 2.1(c))	184	181
Depreciation on Right-of-use assets (Refer Note 2.25)	223	115
Total	1,772	1,465

2.23 Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Consultancy charges	6,838	5,494
House keeping expenses	948	740
Power and fuel	522	490
Catering and patient welfare expenses	339	292
Rent (refer Note 2.25)	148	243
Fair value loss on liability on business combination	30	-
Repairs and maintenance:		
- Medical equipment	449	336
- Hospital building and others	415	296
Printing and stationery	131	108
Audit fee (refer note A below)	20	18
Legal and professional charges	126	117
Rates and taxes	155	92
Travelling and conveyance	219	153
Advertisement and publicity	329	252
Expected credit loss for trade receivables (including bad debts)	130	-
Advances written off	-	16
Insurance	27	30
Contribution towards Corporate Social Responsibility expenditure (Refer Note 2.39)	102	92
Bank charges	101	75
Commission to Directors (Refer Note 2.27)	13	9
Miscellaneous Expenses	216	229
Total	11,258	9,082

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Audit fee	19	18
Out of pocket expenses	1	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.24 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
i) Good and Service tax matters in dispute (Refer note (a) below)	7	35
ii) Medical and other claims (gross, excluding interest/costs) (Refer note (a) below)	467	438
An individual has filed a consumer case at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs 235 (31 March 2024: Rs. 235) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Consolidated financial statement.		
iii) Income Tax matter in dispute	364	364

The Group disputed the demands raised by income tax authorities for the assessment years 2016-17, 2017-18 and 2020-21 which are pending at Commissioner of Income Tax (Appeals). The Group is confident that these appeals will be decided in its favour.

- iv) The Group has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the Consolidated financials statements.
- v) The Group, 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 an import of capital goods on FOB basis within a period of six years. As at 31 March 2025, the benefit availed under EPCG scheme amounts to Rs. 357 (31 March 2024: Nil), In the event of failure of the export obligations as specified in the said notifications and the licence, the Group is liable to pay the customs duty for the exemption and also the interest as applicable.

Notes:

- (a) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of the cash flow, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in these financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

(b) Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12,635	5,116

2.25 Lease

a) Group as a lessee

The Group has lease contracts for various items of land, building and medical equipment used in its operations with lease term between 3 and 30 years and certain land leases are with term of 99 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. One of the hospital buildings taken on lease has applied for the requisite approvals from municipal and other authorities. The lessor is in the process of obtaining these approvals from respective authorities.

The Group also has certain leases of buildings and medical equipment with lease terms of 12 months or less with no purchase option and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.25 Lease (Contd..)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Leasehold Land	Building	Property, plant and equipment	Total Right of Use Asset
As at 01 April 2023	961	745	-	1,706
Additions	348	1,657	-	2,005
Others*	(193)	(1)	-	(194)
Depreciation expense charged to P&L	(3)	(112)	-	(115)
Depreciation expense included in CWIP	(53)	(37)	-	(90)
As at 31 March 2024	1,060	2,252	-	3,312
Additions	-	2,651	-	2,651
Acquisition through Business Combination (Refer note 2.34)	-	1,467	390	1,857
Deletion	-	(29)	-	(29)
Depreciation expense charged to P&L	(4)	(200)	(19)	(223)
Depreciation expense included in CWIP	(38)	(96)	-	(134)
As at 31 March 2025	1,018	6,045	371	7,434

* During the year ended 31 March 2024, one of the subsidiary has modified the lease agreement as per which the security deposit has been refunded amounting to an adjustment of Rs. 192

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at 31 March 2025	As at 31 March 2024
Opening Balance	3,092	1,450
Additions	2,649	1,966
Acquisition through Business Combination (Refer note 2.34)	790	-
Deletion	(34)	(1)
Accretion of interest charged to P&L	132	98
Accretion of interest included in CWIP	279	138
Payments	(401)	(559)
Balance as at	6,507	3,092
Current	176	104
Non-current	6,331	2,988

The effective interest rate for lease liabilities ranges between 8% to 10.5%, with maturity between 2025-2053 (31 March 2024: 8% to 10.5%, with maturity between 2024-2053)

The following are the amounts recognised in the statement of profit or loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense of right-of-use assets	223	115
Interest expense on lease liabilities	132	98
Expense relating to short-term leases and low-value assets (included in other expenses)	148	243
Total amount recognised in profit or loss	503	456

The Group had total cash outflows for leases of Rs. 549 in 31 March 2025 (31 March 2024: Rs. 802).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.25 Lease (Contd..)

Set out below are the undiscounted potential future rental payments relating to periods included in the lease term:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Within less than one year	630	293
Between one and five years	2,558	1,398
After more than five years	13,509	6,017
Total	16,697	7,707

Operating lease in the capacity of lessor

- b) The Group has given certain property, plant and equipment on cancellable leases to various parties. The rental income earned from such leases recognised in other income is Rs 7 (31 March 2024: Rs. 5).

2.26 Employee benefits

(i) Defined benefit plan

The Group operates post-employment defined benefit plan that provide gratuity. The Group accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive 15 days salary for each year of completed services at the time of retirement/exit. The gratuity fund is administered by trust formed for this purpose and is managed by Life Insurance Corporation of India. The Group's obligation in respect of gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's Consolidated balance sheet as at reporting date:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of defined benefit obligation	449	355
Fair value of plan assets	65	69
Total employee benefit liability	384	286
Non-current	335	274
Current	49	12

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 2025	As at 31 March 2024
Defined benefit obligation as at beginning of the year	355	310
Addition on acquisition of subsidiaries	13	-
Benefits paid	(36)	(26)
Current service cost	62	54
Interest cost	24	21
Liabilities assumed/(settled)	(0)	-
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	11	3
- Changes in demographic assumptions	4	-
- Experience changes	16	(7)
Defined benefit obligation as at the end of the year	449	355

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for the year ended 31 March 2025

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

2.26 Employee benefits (Contd..)

ii) Reconciliation to fair value of plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Plan assets at beginning of the year	69	68
Contributions paid into the plan	28	22
Interest income	3	4
Benefits paid	(36)	(26)
Return on plan assets	1	1
Plan assets at end of the year	65	69

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	62	54
Interest on defined benefit obligation / plan assets (net)	21	17
Net gratuity cost, included in 'employee benefits expense'	83	71

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (gain) / loss on net defined benefit obligation	31	(4)
Actual return on plan assets less interest on plan assets	(1)	(1)

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2025	As at 31 March 2024
Fund managed by Insurer	65	69

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 2025	As at 31 March 2024
Attrition rate	Medical - 12% to 42% Non-medical - 9% to 32%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	6.55%	7.15%
Salary escalation rate	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.26 Employee benefits (Contd..)

F Maturity profile of defined benefit obligation

The following payments are expected contributions to the defined benefit plan in future years

Particulars	As at 31 March 2025	As at 31 March 2024
1st following year	97	63
Year 2 to 5	251	192
Year 6 to 9	132	117
Year 10 and above	171	209

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 5 years (31 March 2024: 6 years).

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 2025		For the year ended 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(50)	23	(41)	21
Salary escalation rate (1% movement)	21	(49)	20	(40)

Although, the analysis does not take account the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumption shown

(ii) Defined contribution plan

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Amount recognised in the consolidated statement of profit and loss towards		
i) Provident fund	171	153
ii) Employee state insurance	47	38

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code and will record any related impact in the period of the Code becomes effective.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.27 Related party disclosures

(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director Dr. B Abhinay - Chief Executive Officer (CEO) Mr. Uma Shanker Mantha - Company Secretary (Resigned w.e.f 17 December 2024) Mrs. J R Nagajayanthi - Company Secretary (Joined w.e.f 04 January 2025) Mr. Vikas Maheshwari - Chief Financial Officer (resigned w.e.f 31 May 2023) Mr. Sachin Ashok Salvi - Chief Financial Officer (Joined w.e.f 01 August 2023) Mrs. Dandamudi Anitha -Whole-time Director
Directors	Mr G Rajeswara Rao (resigned w.e.f 25 Jan 2024) Mr. Saumen Chakraborty Mr. Pankaj Vaish (resigned w.e.f 08 Jan 2024) Mr. Venkata Ramudu Jasthi Mr. Kaza Ratna Kishore Mrs. Y.Prameela Rani Mr. Shantanu Rastogi (resigned w.e.f 07 Nov 2023) Mr Suresh Natwarlal Patel (Joined w.e.f 04 January 2025) Mr. Adwik Bollineni (Joined w.e.f 28 Nov 2023)
Close member of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of	Sri Viswa Medicare Limited
KMP and other relative (where transaction exists)	KIMS Foundation and Research Centre Krishnaiah Projects Private Limited
Associate	Kondapur Healthcare Limited (formerly known as RVM Healthcare Limited)*

* Acquired interest from 15 September 2023.

(b) Transactions with related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i. Professional fee to KMP		
Dr. B Bhaskara Rao	11	15
ii. Professional fee to close member of KMP		
Dr. Raavi Swetha	-	2
iii. Rent to KMP		
Dr. B Bhaskara Rao	0	0
iv. Managerial remuneration*		
Short-term employee benefits		
Dr. B Bhaskara Rao	45	39
Mrs. Dandamudi Anitha	7	6
Dr. B Abhinay	21	22
Mr. Vikas Maheshwari	-	6
Mr. Sachin Ashok Salvi	15	7
Mrs. J R Nagajayanthi	1	-
Mr. Uma Shankar Mantha	5	5
v. Expenditure towards CSR		
KIMS Foundation and Research Centre	102	92
vi. Advance towards CSR		
KIMS Foundation and Research Centre	19	-

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for the year ended 31 March 2025

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

2.27 Related party disclosures (Contd..)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
vii. Commission to Directors		
Mr G Rajeswara Rao	-	1
Mr. Saumen Chakraborty	4	4
Mr. Pankaj Vaish	-	1
Mr. Kaza Ratna Kishore	2	1
Mr. Venkata Ramudu Jasthi	2	1
Mrs. Y.Prameela Rani	2	1
viii. Loans given		
Kondapur Healthcare Limited	570	260
ix. Loans repayment		
Kondapur Healthcare Limited	381	-
x. Interest income earned on loans given		
Kondapur Healthcare Limited	50	4
xi. Interest received		
Kondapur Healthcare Limited	34	-
xii. Investment in Associate		
Kondapur Healthcare Limited	27	741
xiii. Share of loss from associate, net of tax		
Kondapur Healthcare Limited	-	(3)
xiv. Sale of land		
Krishnaiah Projects Private Limited	450	-

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

Particulars	As at 31 March 2025	As at 31 March 2024
i. Trade receivables		
Sri Viswa Medicare Limited	2	2
ii. Trade payables		
Dr. B Bhaskara Rao	0	1
Dr. Raavi Swetha	-	-
iii. Commission payable to Directors		
Mr. Saumen Chakraborty	1	1
Mr. Kaza Ratna Kishore	0	0
Mr. Venkata Ramudu Jasthi	0	0
Mrs. Y.Prameela Rani	0	0
iv. Loans		
Kondapur Healthcare Limited	449	260
v. Interest accrued on loans		
Kondapur Healthcare Limited	14	3

Note: "0" represents less than Rs.1 million.

For certain loans availed by the Group, few Directors of the Company have given personal guarantee. Refer note 2.11 for details.

Terms and conditions:

- (i) During the current year, the group has sold land to one of it's related parties on arm's length basis.
- (ii) *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.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.27 Related party disclosures (Contd..)

- (iii) The Group has given loan to it's associate for general corporate purposes. This loan has been utilized by the associate for the purpose it was obtained. The loan is unsecured, repayable 12 months after the date of disbursement and carries interest at the rate of 9.5% - 12% (31 March 2024: 9.5%). For the year ended 31 March 2025, the Group has not recorded any impairment on loans due from the associate (31 March 2024: Nil).
- (iv) The Group has invested in equity shares of Kondapur Healthcare Limited (KHL) to finance the construction of a new hospital building. The investment has been utilized by the associate for the purpose it was obtained. KHL has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. KHL declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of KHL, the holders of equity shares will be entitled to receive its remaining assets, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Refer note 2.35 regarding details of equity shares of KHL held by the Group.

2.28 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. The weighted average number of equity shares outstanding during the year is adjusted for share split that have changed the number of equity shares outstanding, without a corresponding change in reserves.

Diluted EPS amounts are calculated by dividing the profit attributable to owners of the 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 weighted average number of equity shares including dilutive potential equity shares , outstanding during the year is adjusted for share split that have changed the number of equity shares outstanding, without a corresponding change in reserves.

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

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
Earnings			
Profit for the year attributable to equity shareholders	(A)	3,845	3,100
Shares			
Number of shares at the beginning of the year		40,01,38,935	40,01,38,935
Add: Equity shares issued during the year		-	-
Total number of equity shares outstanding at the end of the year		40,01,38,935	40,01,38,935
Weighted average number of equity shares outstanding during the year - Basic	(B)	40,01,38,935	40,01,38,935
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS		-	-
Weighted average number of equity shares outstanding during the year - used in calculating Diluted EPS	(C)	40,01,38,935	40,01,38,935
Earnings per equity share of par value Rs. 2 - Basic (Rs.)	(A) / (B)	9.61	7.75
Earnings per equity share of par value Rs. 2 - Diluted (Rs.)	(A) / (C)	9.61	7.75

2.29 Segment information

The Managing Director of the Group takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Group's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the Consolidated Financial Statements. Presently, the Group's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Group's total revenue.

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

2.30 Due to Micro and Small Enterprises

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

Particulars	As at 31 March 2025	As at 31 March 2024
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	150	125
- 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.	-	-

2.31 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from hospital services	20,703	16,762
Income from pharmacy	9,319	7,978
Total revenue from contracts with customers	30,022	24,740
India	30,022	24,740
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	20,703	16,762
Goods transferred at a point of time	9,319	7,978
Total revenue from contracts with customers	30,022	24,740

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	31,749	26,015
Less: Discounts and disallowances	(1,727)	(1,275)
Total revenue from contracts with customers	30,022	24,740

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.31 Revenue from contracts with customers: (Contd..)

Contract balances

Particulars	As at 31 March 2025	As at 31 March 2024	As at 01 April 2023
Trade receivables	3,954	2,944	2,527
Unbilled revenue	371	260	170
Contract liabilities	324	242	170

Contract liabilities: During the financial year ended 31 March 2025, the Group has recognised revenue of Rs. 242 from advance received from patients outstanding as on 31 March 2024. During the financial year ended 31 March 2024, the Group has recognised revenue of Rs. 170 from advance received from patients outstanding as on 31 March 2023. It expects similarly to recognise revenue in year ended 31 March 2026 from the closing balance of advance from customers as at 31 March 2025.

Unbilled revenue: During the financial year ended 31 March 2025, the Group has transferred Rs. 260 of unbilled revenue as at 31 March 2024 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2024, the Group has transferred Rs. 170 of unbilled revenue as at 31 March 2023 to trade receivables on completion of performance obligation.

2.32 Capital management

The Group's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the 'net debt' to 'total equity' ratio.

The Group's net debt to equity ratio as of 31 March 2025 and 31 March 2024 was as follows:

Particulars*	As at 31 March 2025	As at 31 March 2024
Total borrowings	19,060	10,463
Less: Cash and cash equivalents	(560)	(469)
Net debt	18,500	9,994
Total equity	21,492	18,350
Net debt to equity ratio - Gearing ratio	86%	54%

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2025 and 31 March 2024.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in financial covenants of any interest-bearing loans and borrowings in the current year which could result in the banks recalling the loans earlier.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components Total equity attributable to owners of the Group excluding adjustment reserve and capital contribution.

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2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2025

	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			Level 3
Trade receivables	3,954	3,954	
Cash and cash equivalents	560	560	
Bank balances other than above	237	237	
Other financial assets	1,109	1,109	
Loans	532	532	
Total	6,392	6,392	
Financial asset at fair value through profit or loss (Refer note below)			
Call option asset	108	108	
Total	108	108	
Financial asset at fair value through other comprehensive income (Refer note below)			
Other investments in equity shares (unquoted)	6	6	
Total	6	6	
Financial asset at fair value through profit or loss (Refer note below)			Level 1
Investment in mutual funds (quoted)	220	220	
Total	220	220	
Financial liabilities at amortised cost (Refer note below)			Level 3
Long-term borrowings (including current maturities)	17,758	17,758	
Lease liabilities	6,507	6,507	
Current borrowings	1,302	1,302	
Trade payables	2,691	2,691	
Other financial liabilities	2,936	2,936	
Total	31,194	31,194	

As at 31 March 2024

	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			Level 3
Trade receivables	2,944	2,944	
Cash and cash equivalents	469	469	
Bank balances other than above	21	21	
Other financial assets	707	707	
Loans	260	260	
Total	4,401	4,401	
Financial asset at fair value through other comprehensive income (Refer note below)			
Other investments in equity shares (unquoted)	6	6	
Total	6	6	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds (quoted)	829	829	Level 1
Total	829	829	
Financial liabilities at amortised cost (Refer note below)			Level 3
Long-term borrowings (including current maturities)	9,548	9,548	
Lease liabilities	3,092	3,092	
Current borrowings	915	915	
Trade payables	1,967	1,967	
Other financial liabilities	677	677	
Total	16,199	16,199	

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

2.33 Financial instruments : Fair value and risk management (Contd..)

B. Measurement of fair Values

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

- The fair values of Investment in mutual funds are based on the market value using net asset value. They are classified as level 1 fair value hierarchy due to the use of quoted prices in an active market.
- The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The fair values of long term borrowings and lease liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.
- The fair values of trade receivables, trade payables, other financial assets, other financial liabilities, current borrowings, 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.
- The fair values of Investments in other equity are measured at fair value through Other comprehensive income in accordance with Ind AS 109.
- The fair value of the derivative call option is determined using Monte Carlo simulation. The significant unobservable inputs used in the fair value measurement are volatility and annual drift rate.

During the year, the Group has entered into Operations and Management agreements with the LLPs/Companies engaged in Healthcare Services as per which the Group will act as a Hospital Operator, on an exclusive basis, to run, manage, operate and direct the Hospital and provide medical services to the Hospitals owned by the respective LLPs/Companies. The Group has also entered into a Call Option Agreement whereby, the Group has a call option to buy majority equity interest of those LLPs/Companies as per the agreed pricing terms of the call option. The options are exercisable from January 2027 onwards. The Group accounts for such call options at fair value using Monte Carlo simulation model and other valuation techniques.

Sensitivity analysis:

For the fair values of call option , reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Particulars	As at March 31, 2025	
	Increase	Decrease
Sensitivity		
1% Movement in volatility and annual drift rate	4	(6)

(i) Risk management framework

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by the internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.33 Financial instruments : Fair value and risk management (Contd..)

(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 Group 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. 4,900 as on 31 March 2025 (31 March 2024 : Rs. 3,744). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	As at 31 March 2025	As at 31 March 2024
Opening balance	540	612
Credit loss provided/(reversed)	35	(72)
Closing Balance	575	540
Trade receivable write off not routed through the above movement	95	41

The Group uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and unbilled revenue and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Accordingly, the Group creates provision for past due receivables less than one year ranging between 2% to 24% and beyond one year ranging between 40% to 100%. Set out below is the information about the credit risk exposure of the Group's trade receivables and unbilled revenue using provision matrix:

	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and unbilled revenue
For the year ended 31 March 2025	1,779	1,844	1,277	4,900
For the year ended 31 March 2024	1,368	1,396	980	3,744

Customer Concentration

No single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2025 and 31 March 2024. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

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for the year ended 31 March 2025

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2.33 Financial instruments : Fair value and risk management (Contd..)

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)	17,758	1,228	8,780	7,813	17,821
Lease liabilities	6,507	630	2,558	13,509	16,697
Current borrowings	1,302	1,302	-	-	1,302
Trade payables	2,691	2,691	-	-	2,691
Other financial liabilities	2,936	2,167	524	2,071	4,762
Total	31,194	8,018	11,862	23,393	43,273

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2024:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	9,548	276	3,812	5,505	9,593
Lease liabilities	3,092	293	1,398	6,017	7,707
Current borrowings	915	915	-	-	915
Trade payables	1,967	1,967	-	-	1,967
Other financial liabilities	677	601	62	14	677
Total	16,199	4,052	5,271	11,536	20,859

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

C. Market risk

(i) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term borrowings with variable interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate long term borrowings and short term borrowings	18,960	10,463
Total borrowings	18,960	10,463

(i) Sensitivity

Particulars	Impact on profit or loss		Impact on equity, net of tax	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Sensitivity				
1% increase in MCLR	(190)	(105)	(142)	(79)
1% decrease in MCLR	190	105	142	79

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

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

2.33 Financial instruments : Fair value and risk management (Contd..)

D. 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 Group 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 Group 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 2025:

	As at 31 March 2025
Assets	
Trade receivables	101
Liabilities	
Trade payables	352

Sensitivity Analysis:

A reasonably possible strengthening/weakening of the USD against all other currencies as at 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	31 March 2025	
	Strengthening	Weakening
USD	(13)	13

2.34 Business combinations and acquisition of non-controlling interests

Acquisitions during the year ended 31 March 2025

A) Acquisition of Subsidiaries:

- (a) On August 30, 2024, the Group has acquired 100% of equity share capital of Chalasani Hospitals Private Limited ("QNRI") for total cash consideration of Rs. 1,112. Consequently, QNRI became a subsidiary of the Company effective August 30, 2024 and has been consolidated with effect from that date. QNRI is principally engaged in the business of rendering medical and healthcare services. The fair value of net assets acquired on the acquisition date amounted to Rs. 806. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired.

The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 306 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

From the date of acquisition, QNRI has contributed Rs. 462 of revenue and Rs. (71) to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been Rs. 744 and the profit before tax from continuing operations for the Group would have been Rs. (230).

- (b) On June 11, 2024, the Group has invested in MEDA Institute of Podiatry Private Limited ("MEDA"), a newly incorporated entity by acquiring 51% through purchase of 1,020,000 equity shares fully paid up for a total amount of Rs. 10. MEDA became a subsidiary of the Company effective June 11, 2024 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 10. Refer table below for summary of net assets acquired.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.34 Business combinations and acquisition of non-controlling interests (Contd..)

From the date of acquisition, MEDA has contributed Rs. 11 of revenue and Rs. (20) to the profit before tax from continuing operations of the Group.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of subsidiaries as at the date of acquisition were:

Particulars	QNRI	MEDA	Total
Assets			
Property, plant and equipment (Note 2.1(a))	1,243	44	1,287
Trade Receivables	206	-	206
Deferred Tax asset	171	-	171
Cash and bank (including deposits)	37	3	40
Patents and licences (Note 2.1(c))	20	-	20
Other assets	77	3	80
	1,754	50	1,804
Liabilities			
Borrowings (Note 2.8 (c))	659	-	659
Trade Payables	237	30	267
Other liabilities	52	-	52
	948	30	978
Total identifiable net assets at fair value	806	20	826
Non-controlling interests	-	(10)	(10)
Goodwill arising on acquisition (Note 2.40)	306	-	306
Purchase consideration transferred	1,112	10	1,122

B) Acquisition of additional interests during the year ended 31 March 2025

- The Group has increased its stake in KIMS Hospital Enterprises Private Limited from 90.74 % to 90.93% through secondary purchase of 45,000 equity shares from existing shareholders for a total amount of Rs. 24. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 4 and Rs. 20 respectively.
- The Group has increased its stake in Sarvejana Healthcare Private Limited ("Sunshine Hospitals") from 64.22% to 69.35% through purchase of 1,875,563 equity shares fully paid up from existing shareholders for a total amount of Rs.896. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 247 and Rs. 649 respectively.
- The Group has increased its stake in Arunodaya Hospital Private Limited from 67.66 % to 70.67% through secondary purchase of 60,878 equity shares from existing shareholders for a total amount of Rs. 22. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 8 and Rs. 14 respectively.

Acquisition of additional interests during the year ended 31 March 2024

The Group has increased its stake in Sunshine Hospitals from 56.61% to 64.22% through purchase of 2,779,080 equity shares fully paid up from existing shareholders for a total amount of Rs.1,100. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 330 and Rs. 770 respectively.

The Group has increased its stake in SPANV Medisearch Lifesciences Private Limited ("SPANV") from 51.00% to 69.30% through purchase of 3,200,000 equity shares fully paid up from existing shareholders for a total amount of Rs.710. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 205 and Rs. 505 respectively.

Accounting Policy choice for non-controlling interests

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by- acquisition basis. The group has elected to recognise the non-controlling interests at proportionate share of the acquired net identifiable assets for the acquisitions during the year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.34 Business combinations and acquisition of non-controlling interests (Contd..)

C) Hospital Operation & Management Agreement

During the year, the Group has entered into Hospital Operations & Management Agreement ("the Agreements") with a Company and a trust engaged in Healthcare Services (referred to as "the Entities"). Accordingly, the Group has control over the operations of the hospitals and provides healthcare services using the assets which are owned by the Entities. This arrangement attracts the application of business combination as per IndAS103 and the Group has commenced the operations from 01 October 2024 and 01 February 2025 respectively ("Acquisition date"). The term of the Agreements are 15 years and 20 years respectively, which may be extended for a further period on such terms as may be mutually agreed. Acquisition costs relating to stamp duty charges amounting to Rs. 68 have been charged to Statement of Profit or Loss.

The fair value of the purchase consideration of Rs. 1,989 comprises of a contingent consideration (liability on business combination) of Rs. 560 payable subject to the satisfaction of certain conditions. The fair value of the contingent consideration, recognised on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets applying the discounted cash flow approach. The key inputs used for the estimation of fair values are discount rate of 15% and probabilities of achievement of financial targets. The excess amount of such fair value over the fair value of net assets acquired under the arrangement, which the Group uses in exercising control over the operations of the Hospitals has been attributed towards Operations and Management rights.

The fair value accordingly has been attributed to use of the following assets based on Management's estimates:

Particulars	Sreechand Speciality	Valiyath Institute	Total
Purchase consideration	924	1,065	1,989
Less: Net assets			
Right of use of Hospital property (Land and Building) (refer note 2.25)	570	897	1,467
Right of use of Property, plant and equipment (refer note 2.25)	351	39	390
Operations and Management (O&M) rights	3	129	132

The right of use of Hospital property is amortised over the period of the agreements and right of use of Property, plant and equipment over the period of balance useful life. The Operation and Management rights, net of deferred tax amounting to Rs. 100 (refer note 2.1(c)) is attributable to the workforce and synergy benefits of the acquired business. Operation and Management rights arising on the acquisition is not deductible for tax purposes. O&M rights are amortised over the period of the agreements.

2.35 Investment in associate

The Group has a 35% (31 March 2024: 33.73%) interest in Kondapur Healthcare Limited (KHL), which is engaged in business of rendering medical and healthcare services in India. The financial statements of KHL are prepared for the same reporting period as the Group. The accounting policies of the KHL is aligned with those of the Group. The Group's interest in KHL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associate, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

	31 March 2025	31 March 2024
Current assets	65	20
Non-current assets	4,851	3,222
Current liabilities	41	294
Non-current liabilities	2,783	847
Equity	2,092	2,101
Group's share in equity- 35% (31 March 2024: 33.73%)	732	709
Consolidation adjustment	(33)	29
Group's carrying amount of the investment	765	738

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.35 Investment in associate (Contd..)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Total Income	10	-
Total Expenses	(9)	(8)
Profit before tax	1	(8)
Income tax expense	-	-
Profit for the year/period	1	(8)
Group's share of profit for the year/period	0	(3)
Less: Consolidation adjustments	(0)	-
Group's share of profit for the year/period	-	(3)

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs 628 (31 March 2024: Rs. 475)

The associate has no contingent liabilities as at 31 March 2025 and 31 March 2024.

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for the year ended 31 March 2025

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

2.36 Non-controlling interest

The following table summarises the financial information relating to each of the Group's subsidiaries, before any intra-group eliminations

As at 31 March 2025	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	SPANV Medisearch Lifesciences Private Limited	Meda Institute of Podiatry Private Limited
NCI Percentage	29%	49%	9%	24%	45%	31%	49%	31%	49%
Non-current assets	1,143	580	3,280	1,532	654	7,429	2,268	3,487	137
Current assets	175	315	999	372	195	806	196	437	1
Non-current liabilities	(733)	(108)	(1,187)	(1,019)	(710)	(2,258)	(1,213)	(1,707)	(110)
Current liabilities	(304)	(368)	(341)	(365)	(199)	(922)	(490)	(640)	(24)
Net Assets	281	419	2,751	520	(60)	5,055	761	1,577	4
Net Assets attributable to NCI (before adjustments)	82	205	250	122	(27)	1,549	373	484	2
Business combination and other adjustment on consolidation	3	5	18	(88)	(15)	(5)	-	(141)	(7)
Net Assets attributable to NCI	85	210	268	34	(42)	1,544	373	343	(5)
Revenue	415	1,483	3,544	1,125	987	6,000	149	2,213	11
Profit	1	117	690	83	70	799	(180)	(26)	(15)
Other comprehensive income/(loss) ('OCI')	(1)	1	(3)	(1)	(1)	(3)	-	(1)	-
Total comprehensive income	-	118	687	82	69	796	(180)	(27)	(15)
Profit allocated to NCI	-	57	64	20	31	264	(88)	(8)	(7)
OCI allocated to NCI	-	-	-	-	-	(1)	-	-	-
Business combination and other adjustment on consolidation	2	(2)	(1)	(1)	(1)	(35)	-	6	-
Total comprehensive income allocated to NCI	2	55	63	19	30	228	(88)	(2)	(7)
Cash flows									
Cash flow from operating activities	9	159	867	137	183	1,493	(220)	322	11
Cash flow from investing activities	(592)	(76)	(983)	(461)	(201)	(980)	(941)	(156)	(66)
Cash flow from financing activities	581	(77)	114	322	18	(618)	1,176	(164)	50
Net increase / (decrease) in cash and cash equivalents	(2)	6	(2)	(2)	-	(105)	15	2	(5)
Cash flows attributable to NCI	(1)	3	(0)	(0)	-	(32)	7	1	(2)

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2.36 Non-controlling interest (Contd..)

As at 31 March 2024	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	SPANV Medisearch Lifesciences Private Limited
NCI Percentage	32%	49%	9%	24%	45%	36%	49%	31%
Non-current assets	459	505	2,717	1,054	500	6,851	1,013	3,518
Current assets	118	226	501	322	159	979	10	335
Non-current liabilities	(178)	(200)	(893)	(680)	(593)	(2,781)	(250)	(1,755)
Current liabilities	(118)	(230)	(261)	(282)	(194)	(790)	(55)	(541)
Net Assets	281	301	2,064	414	(128)	4,259	718	1,557
Net Assets attributable to NCI (before adjustments)	91	148	191	97	(57)	1,524	352	478
Business combination and other adjustment on consolidation	-	7	(1)	(83)	(16)	48	-	(129)
Net Assets attributable to NCI	91	155	190	14	(73)	1,572	352	349
Revenue	383	1,315	2,902	1,069	812	4,658	1	1,796
Profit	13	42	503	74	19	561	(1)	(83)
Other comprehensive income/(loss) ('OCI')	-	-	(1)	(1)	-	2	-	1
Total comprehensive income	13	42	502	73	19	563	(1)	(82)
Profit allocated to NCI	4	20	47	17	9	229	-	(40)
OCI allocated to NCI	-	-	-	-	-	1	-	-
Business combination and other adjustment on consolidation	1	(2)	-	-	(1)	(27)	-	2
Total comprehensive income allocated to NCI	5	18	47	17	8	203	-	(38)
Cash flows								
Cash flow from operating activities	36	99	1,107	138	89	963	(4)	162
Cash flow from investing activities	(209)	(25)	(992)	(260)	(23)	(1,718)	(561)	(98)
Cash flow from financing activities	174	(71)	(100)	123	(65)	903	542	(65)
Net increase / (decrease) in cash and cash equivalents	1	3	15	1	1	148	(23)	(1)
Cash flows attributable to NCI	0	1	1	0	0	53	(11)	(0)

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2.37 Disclosure of additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013:

31 March 2024

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Krishna Institute of Medical Sciences Limited	90%	21,680	73%	3,029	57%	(13)	73%	3,016
Subsidiary								
Arunodaya Hospitals Private Limited	1%	281	0%	1	4%	(1)	0%	-
KIMS Hospitals Private Limited	1%	223	0%	(5)	0%	-	0%	(5)
KIMS Swastha Private Limited	-1%	(150)	-4%	(150)	0%	-	-4%	(150)
KIMS Hospital Bengaluru Private Limited	3%	714	-2%	(88)	0%	-	-2%	(88)
KIMS Hospital Enterprises Private Limited	11%	2,751	15%	626	9%	(2)	15%	624
Iconkrishi Institute of Medical Sciences Private Limited	2%	419	1%	59	0%	-	1%	59
Saveera Institute of Medical Sciences Private Limited	2%	496	2%	64	4%	(1)	2%	63
KIMS Hospitals Kurnool Private Limited	0%	(59)	1%	38	0%	-	1%	38
Sarvejana Healthcare Private Limited	21%	5,054	13%	535	9%	(2)	13%	533
KIMS Manavata Hospital Private Limited	3%	761	-2%	(92)	0%	-	-2%	(92)
SPANV Medisearch Lifesciences Private Limited	6%	1,530	0%	(18)	4%	(1)	0%	(19)
Chalasani Hospitals Private Limited	-2%	(363)	-1%	(60)	0%	-	-1%	(60)
Meda Institute of Podiatry Private Limited	0%	5	0%	(8)	0%	-	0%	(8)
Associate								
Kondapur Healthcare Limited	NA	NA	0%	-	NA	NA	0%	-
Non-controlling interests in all subsidiaries	12%	2,810	7%	303	13%	(3)	7%	300
Eliminations	-49%	(11,964)	-2%	(86)	0%	-	-2%	(86)
Total	100%	24,188	100%	4,148	100%	(23)	100%	4,125

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2.37 (Contd..)

31 March 2024

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Krishna Institute of Medical Sciences Limited	89%	18,664	70%	2,353	77%	3	70%	2,356
Subsidiary								
Arunodaya Hospitals Private Limited	1%	282	0%	9	-1%	(0)	0%	9
KIMS Hospitals Private Limited	1%	126	0%	(5)	0%	-	0%	(5)
KIMS Swastha Private Limited	0%	0	0%	0	0%	-	0%	0
KIMS Hospital Bengaluru Private Limited	0%	41	0%	(1)	0%	-	0%	(1)
KIMS Hospital Enterprises Private Limited	10%	2,064	14%	456	-28%	(1)	14%	455
Iconkrishi Institute of Medical Sciences Private Limited	1%	301	1%	21	1%	0	1%	21
Saveera Institute of Medical Sciences Private Limited	2%	414	2%	57	-13%	(0)	2%	56
KIMS Hospitals Kurnool Private Limited	-1%	(128)	0%	11	-5%	(0)	0%	10
Sarvejana Healthcare Private Limited	20%	4,259	10%	333	32%	1	10%	334
KIMS Manavata Hospital Private Limited	3%	718	0%	(0)	0%	-	0%	(0)
SPANV Medisearch Lifesciences Private Limited	7%	1,557	-1%	(43)	17%	1	-1%	(42)
Associate								
Kondapur Healthcare Limited	NA	NA	0%	(3)	NA	NA	0%	(3)
Non-controlling interests in all subsidiaries	13%	2,649	8%	259	18%	1	8%	259
Eliminations	-48%	(10,017)	-3%	(87)	0%	0	-3%	(87)
Total	100%	20,931	100%	3,360	100%	3	100%	3,363

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2.38 Income tax

a. Amount recognised in the statement of profit and loss

	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax	1,495	1,162
Deferred tax attributable to temporary differences	(47)	40
Adjustment of tax relating to earlier years	(15)	34
Tax expenses for the year	1,433	1,236

b. Amount recognised in other comprehensive income

	For the year ended 31 March 2025			For the year ended 31 March 2024		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	(31)	8	(23)	4	(1)	3

c. Reconciliation of effective tax rate

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	5,581	4,598
Enacted tax rates	25%	25%
Tax expense at enacted rates	1,405	1,157
Adjustment of tax relating to earlier years	(15)	34
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	42	18
Others	1	26
Total	1,433	1,235
Effective tax rates	25.68%	26.86%

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax asset		
Expected credit loss for trade receivables	220	117
Provision for employee benefits	168	131
Property, Plant and Equipment	3	1
Carry forward of tax losses (including unabsorbed depreciation)	208	25
Fair valuation of net assets on business combination	228	225
Others	138	97
Total deferred tax asset	965	596
Deferred tax liability		
Property, Plant and Equipment (including intangible assets)	799	736
Others	35	3
Total deferred tax liability	834	739
Deferred tax asset/(liability)	131	(143)
Net deferred tax liabilities	(468)	(463)
Net deferred tax asset	599	319

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2.38 Income tax (Contd..)

(ii) Movement in temporary differences

Particulars	Expected credit loss for trade receivables	Carry forward of tax losses (including unabsorbed depreciation)	Fair valuation of net assets on business combination	Provision for employee benefits	Others - assets	Property, plant and equipment (asset)	Property, plant and equipment (including intangible assets) (liability)	Others - liability	Total
Balance as at 1 April 2023	133	75	227	108	76	2	(712)	(1)	(92)
Recognised in profit or loss during the year *	(16)	(51)	(3)	25	21	(1)	(24)	(2)	(51)
Recognised in OCI during the year	-	-	-	(1)	-	-	-	-	(1)
Balance as at 31 March 2024	117	25	225	131	97	1	(736)	(3)	(143)
Recognised in profit or loss during the year *	21	163	(49)	23	8	(9)	(63)	(32)	62
Acquisition of subsidiaries (refer note 2.34)	82	20	52	6	-	11	-	-	171
Acquisition through Business Combination (Refer note 2.34)	-	-	-	-	33	-	-	-	33
Recognised in OCI during the year	-	-	-	8	-	-	-	-	8
Balance as at 31 March 2025	220	208	228	168	138	3	(799)	(35)	131

* Includes adjustment of deferred taxes for earlier years amounting to Rs 15 (31 March 2024: Rs. 13)

Tax loss and unabsorbed depreciation carry-forward for which no deferred tax assets were recorded with expiry date:

	As at 31 March 2025	As at 31 March 2024
Expiry within 1-5 years	-	37.00
Expiry within 6-8 years	-	-
Indefinite	-	124.00
Total	-	161.00

Amount of deferred tax asset that has not been recorded as at year end:

	As at 31 March 2025	As at 31 March 2024
Tax rate	25.17%	25.17%
Deferred tax asset not recorded as at year end	-	40.52

2.39 Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule III of the Companies Act, 2013 and activities approved by the CSR committee:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Gross amount required to be spent by the Group during the year	102	92
b) Amount approved by the Board to be spent during the year	102	92

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.39 (Contd..)

c) Amount spent during the year ending on 31 March 2025:

	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	121	-	121

d) Amount spent during the year ending on 31 March 2024:

	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	92	-	92

e) Details related to spent / unspent obligations:

	As at 31 March 2025	As at 31 March 2024
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	102	92
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-
	102	92

f) Details related to excess spent amount :

	As at 31 March 2025	As at 31 March 2024
Opening Balance	-	-
Amount required to be spent during the year	(102)	92
Amount spent during the year	121	(92)
Closing Balance	19	-

2.40 Goodwill

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	3,080	3,080
Goodwill on business combination (refer note 2.34)	306	-
Impairment of goodwill	-	-
Balance at the end of the year	3,386	3,080

	As at 31 March 2025	As at 31 March 2024
Goodwill on acquisition of subsidiaries	314	314
Goodwill on consolidation	3,072	2,766

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.40 Goodwill (Contd..)

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level within the Company at which goodwill is monitored for internal management purposes and which is not higher than the Company's operating segment. The carrying amount of goodwill of Rs. 3,386 was allocated to the medical and healthcare services CGU.

The group has performed its annual impairment testing for the year ended 31 March 2025 and 31 March 2024.

Medical and Health care Services CGU

The recoverable amount of the CGU, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering an eight-year period. The pre-tax discount rate applied to cash flow projections for impairment testing during the years is stated in the below table and cash flows beyond the eight-year period are extrapolated using a long term growth rate as stated in the below table that is the same as the long-term average growth rate for the Medical and Health care industry.

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	13%	13%
Long term growth rate	5%	5%

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU.

2.41 The Holding Company, subsidiaries and associate which are companies incorporated in India and whose financial statements have been audited under the Act, have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except in respect of Holding Company and 9 subsidiaries where, for one accounting software, the audit trail feature is not enabled at the database level from April 01, 2024 to March 25, 2025. Further, the Holding Company and above referred subsidiaries and associate did not come across any instance of audit trail feature being tampered with, where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Holding Company and the above referred subsidiaries and associate as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

2.42 Other Statutory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025

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

2.42 Other Statutory Information (Contd..)

- (vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Group has not declared/paid any dividend during the year.

2.43 Events after the reporting period

There are 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 Navneet Rai Kabra
Partner
Membership no.: 102328

Place: Hyderabad
Date: 12 May 2025

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

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Sachin Ashok Salvi
Chief Financial Officer

Place: Hyderabad
Date: 12 May 2025

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Notes

Notes



Krishna Institute of Medical Sciences Ltd.

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