



B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

Independent Auditor's Review Report on the Quarterly and Year to Date Audited Financial Results of the KIMS Hospital Private Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
KIMS Hospital Private Limited**

1. We have reviewed the accompanying statement of Audited financial results of **KIMS Hospital Private Limited** (the "Company") for the quarter and year ended 31st March 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

4. Based on our review conducted as above , nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other matters

5. The Statement includes the results for the corresponding quarter and year ended 31st March, 2023 as reported in these Audited Financial Results have been prepared solely based on the information compiled by the management, and have not been subject to audit or review.

Our conclusion on the Statement is not modified in respect of this matter.

For B. Naga Bhushan & Co

Chartered Accountants

ICAI Firm Registration Number: 005548S


B. Naga Bhushan
Partner

Membership No: 028574

UDIN: 23028574BGRDRC8212



Place: Hyderabad

Date: 16.05.2023



B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

Independent Auditors' Report

To

The Members of

KIMS HOSPITALS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of KIMS HOSPITALS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in equity and statement of cash flows for the year then ended, and notes to the financial statements of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled out 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 opinion.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the director's report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, financial performance, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant of the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act 2013, 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.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("Order") issued by the Central Government in terms of section 143 (11) of the Companies Act 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act. Read with Rule 7 of the Companies (Accounts) Rules, 2014.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

- e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- There were no pending litigations as at 31 March 2023 which would impact the financial position of the Company;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B NAGA BHUSHAN & Co.,

Chartered Accountants

Registration No: 005584S

B. Naga Bhushan
Partner

Membership No: 028574

UDIN No: 23028574BGRDRB9089

Date: 16.05.2023

Place: Hyderabad.



B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772
Cell: 9849995678, 7382590368
email : nagabhushanca@gmail.com
bnagabhushan@yahoo.com
1-1-380/38, Ashok Nagar Extn.,
Hyderabad - 500 020, Telangana

Date : 16.05.2023

Annexure A to the Independent Auditors' Report on the financial statements of KIMS HOSPITALS PRIVATE LIMITED.

With reference to the Annexure-A referred to in paragraph 1 in report on the legal and regulatory requirements of Independent Auditor's report to the members of KIMS Hospitals Private Limited on the financial statements for the year ended 31st March 2023, we report that:

- i. (a) (A) According to the information and explanations given to us, there are no fixed assets acquired in the name of the company.

(B) According to the information and explanations given to us, there are no intangible assets in the name of the company.
- (b) According to the information and explanations given to us, the company Property, Plant and Equipment have been physically verified by the management at reasonable intervals; any material discrepancies noticed on such verification have been properly dealt with in the books of account;
- (c) According to the information and explanations given to us, 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) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us, no proceedings have not been initiated or are not pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) According to the information and explanations given to us, the Company has conducted physical verification of inventory at reasonable intervals and the coverage and procedure of such verification by the management is appropriate.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

- (b) According to the information and explanations given to us, the Company has not availed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets;
- iii. According to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or not provided security to any other entity.
- iv. According to the information and explanations given to us, the Company has not made any loans, investments, guarantees, and security outside the provisions of sections 185 and 186 of the Companies Act.
- v. According to the information and explanations given to us, the Company has not accepted deposits covered under the provisions of Sections 73, 74, 75 and 76, of the Act rules framed there under. Therefore, the provisions paragraph 3(v) of the said order is not applicable to the company.
- vi. According to the information and explanations given to us, we have been informed that the Central Government has not prescribed maintenance of cost records U/s 148(1) of the Companies Act for any services rendered by the company.
- vii. (a) According to the records of the Company, The Company is generally regular in depositing Provident Fund, ESI, Goods & Service Tax, Income Tax, Sales Tax dues with the appropriate authorities. There is no amount outstanding in respect of income tax, sales tax, GST, customs duty and excise duty dues with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of financial year for a period of more than six months from the date they became payable;
- viii.a) In our opinion and according to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (viii) of the Order are not applicable to the Company.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (viii) of the Order are not applicable to the Company.
- ix. According to the information and explanations given to us, During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- x. According to the information and explanations given to us, the company is not a Nidhi Company. Therefore, the provisions of paragraph 3(x) of the order are not applicable.
- xi. According to the information and explanations given to us, and based on our examinations of the records of the company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xii. According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
- xiii. According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions of section 192 of the Companies Act are not applicable.
- xiv. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.
- xv. According to information and explanations given to us, the company has incurred cash losses in the financial year to the tune of Rs.32.28 lakhs.





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

- xvi. According to information and explanations given to us, there has not been any resignation of the statutory auditors during the current year.
- xvii. on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on the date of the audit report and that the company is 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;
- xviii. According to the information and explanations given to us, the company is not covered under the provisions of Sec 135 of the Companies Act.
- xix. In our opinion and based on the explanations provided, there are no consolidation of financial statements and hence the observations on the qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements does not arise.

For B NAGA BHUSHAN & Co.,

Chartered Accountants

Registration No: 005584S


B. Naga Bhushan

Partner

Membership No: 028574

UDIN No: 23028574BGRDRB9089



Date: 16.05.2023

Place: Hyderabad



B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

Annexure B to the Independent Auditors' report on the financial statements of KIMS HOSPITALS PRIVATE LIMITED.

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' independent Auditor's Report)

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls with reference to financial statements of **KIMS Hospitals Private Limited**. ("the Company") as at 31 March 2023 in conjunction with our audit of the financial statements of the Company for the period ('the period') ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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) (the "Guidance Note"). 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 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 (hereinafter referred to as "the Act").





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Auditors' Responsibility

Date : 16.05.2023

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that;

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;





B. NAGA BHUSHAN & Co.,
CHARTERED ACCOUNTANTS

(O) 040-27612772

Cell: 9849995678, 7382590368

email : nagabhushanca@gmail.com

bnagabhushan@yahoo.com

1-1-380/38, Ashok Nagar Extn.,

Hyderabad - 500 020, Telangana

Date : 16.05.2023

- (ii) 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
- (iii) 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 Financial Statements

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

for B. NAGA BHUSHAN & CO.,
Chartered Accountants
Firm Reg. No: 005584S


B. Naga Bhushan
Partner

Membership No: 028574

UDIN No: 23028574BGRDRB9089

Place: Hyderabad

Date: 16.05.2023

Notes to the Accounts: 2.11

- a) There are no Contingent liabilities for the period ending 31st March, 2023.
- b) Paisa has been rounded off to the nearest rupee.
- c) **Earnings per share (EPS):**

Earnings per share /diluted earnings per share of the Company has been calculated as per the Accounting Standard 20"earning per share issued by ICAI. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(Amount Rs in lakhs)		
Particulars	2022-23	2021-22
Profit available to equity shareholders (Rs)	(32.28)	(33.46)
Weighted average number of equity shares	1,61,84,480	1,61,84,480
Earnings per share (basic & diluted) (Rs)	(0.20)	(0.21)

- d) Previous year figures have been regrouped wherever necessary.
- e) As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:
 - i. List of related parties where control exists and related parties with whom transactions have taken place and relationships

S. No.	Name of the related party	Relationship
1.	M/s. Krishna Institute of Medical and Sciences Limited Ltd.	Enterprises over which is holding company their relatives are able to exercise significant influence
2.	Dr. Bhaskara Rao Bollineni	Director
3.	Mr. Swarna Ram Mohan	Director



ii. Transactions during the year with related parties.

Nature of transaction	Associate in Rs.	Holding Company Rs in lakhs.	Key Managerial Persons of Relatives In Rs.
Equity Shares held *	Nil	1,618.45	Nil

* Represents year ending balances

As per our report of even date
for B. NAGA BHUSHAN & CO.,
Chartered Accountants
Firm Reg. No: 005584S

for KIMS HOSPITALS PRIVATE LIMITED

B. Naga Bhushan
Partner



Membership No: 028574
UDIN No: 23028574BGRDRB9089

Date: 16.05.2023
Place: Hyderabad.

[Signature]

Director
Bhaskara Rao Bollineni
00008985

[Signature]

Director
Swarna Ram Mohan
06779750

KIMS HOSPITALS PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH 2023

(U85110AP2014PTC095812)

(All amounts are in lakhs of INR except for share data or otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS:			
Non-current assets			
Plant, property and equipment	2.1	1,107.39	1,136.92
Capital work-in-progress	2.1	-	-
Total non-current assets		1,107.39	1,136.92
Current assets			
Financial assets			
(i) Cash and cash equivalents	2.2	0.13	2.60
(ii) Other financial assets	2.3	50.03	50.03
Total current assets		50.16	52.63
Total assets		1,157.55	1,189.55
EQUITY AND LIABILITIES:			
EQUITY			
Equity share capital	2.4	1,618.45	1,618.45
Other equity		(487.85)	(455.57)
Total equity		1,130.60	1,162.88
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings		-	-
Total non-current liabilities		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings	2.5	25.00	25.00
(ii) Trade payables		-	-
(a) Total outstanding dues of micro enterprises and small enterprises	2.5	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.5	1.78	1.48
(iii) Other financial liabilities	2.6	0.17	0.19
Total current liabilities		26.95	26.67
Total liabilities		1,157.55	1,189.55

Significant accounting policies 1
Notes to the financial statements 2
The accompanying notes form an integral part of the financial statements.

As per our report of even date
For B. NAGA BHUSHAN & Co.,
Chartered Accountants
Registration No: 005584S

B. Naga Bhushan
Partner

Membership No: 028574
UDIN: 23028574BGRDRB9089

Place: Hyderabad
Date: 16.05.2023

For and On behalf of the Board of Directors
KIMS HOSPITALS PRIVATE LIMITED

Director
Bhaskara Rao Bollineni
00008985

Director
Swarna Ram Mohan
06779750

Place: Hyderabad
Date: 16.05.2023

KIMS HOSPITALS PRIVATE LIMITED
PROFIT & LOSS FOR THE YEAR ENDED 31 DECEMBER 2022
(U85110AP2014PTC095812)
(All amounts are in lakhs of INR except for share data or otherwise stated)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations		-	-
Other income	2.7	-	-
Total revenue		-	-
Expenses			
Finance costs	2.9	-	2.01
Depreciation and amortisation expense	2.1	29.53	29.53
Other expenses	2.10	2.75	2.11
Total expenses		32.28	33.65
Profit before tax		(32.28)	(33.65)
Tax expense			
- Current tax		-	-
- Income Tax Earlier Year		-	-
- Deferred tax charge		-	-
Total tax expense		-	-
Profit for the year		(32.28)	(33.65)
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
- Re-measurement of defined benefit plans		-	-
- Income tax effect		-	-
Other comprehensive income, net of tax		-	-
		(32.28)	(33.65)
Total Comprehensive Income for the year			
Earning per share (face value of share INR 10 each)			
- Basic		(0.20)	(0.21)
- Diluted		-	-

Significant accounting policies 1
Notes to the financial statements 2
The accompanying notes form an integral part of the financial statements.

As per our report of even date
For B. NAGA BHUSHAN & Co.,
Chartered Accountants
Registration No: 005584S

B. Naga Bhushan
Partner
Membership No: 028574
UDIN: 23028574BGRDRB9089
Place: Hyderabad
Date: 16.05.2023

For and On behalf of the Board of Directors
KIMS HOSPITALS PRIVATE LIMITED

Director
Bhaskara Rao Bollineni
00008985

Director
Swarna Ram Mohan
06779750

Place: Hyderabad
Date: 16.05.2023

KIMS HOSPITALS PRIVATE LIMITED

(All amounts are in lakhs of INR except for share data or otherwise stated)

Standalone statement of changes in equity

INR

Particulars	Equity share capital	Other equity			Total of other equity
		Reserve and surplus			
		Securities premium	Adjustment reserve	Retained earnings	
Balance as at 1 April 2022	16,18,44,600	-	-	(455.57)	(455.57)
Profit for the year				(32.28)	(32.28)
Issue of shares	-				-
Remeasurement of net defined benefit liability (net of tax)					-
Balance as at 31 March 2023	16,18,44,600	-	-	(487.85)	(487.85)

INR

Particulars	Equity share capital	Other equity			Total of other equity
		Reserve and surplus			
		Securities premium	Adjustment reserve	Retained earnings	
Balance as at 1 April 2021	16,18,44,600	-	-	(421.92)	(421.92)
Profit for the year				(33.65)	(33.65)
Issue of shares					
Remeasurement of net defined benefit liability (net of tax)					
Income tax relating to remeasurement of defined benefit liability	-	-	-		
Balance as at 31 March 2022	16,18,44,600	-	-	(455.57)	(455.57)

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013. The accompanying notes form an integral part of the financial statements.

As per our report of even date
For B. NAGA BHUSHAN & Co.,

For and On behalf of the Board of Directors
KIMS HOSPITALS PRIVATE LIMITED

Chartered Accountants
Registration No: 005584S

B. Naga Bhushan
Partner
Membership No: 028574
UDIN: 23028574BGRDRB9089

Director
Bhaskara Rao Bollineni
00008985

Director
Swarna Ram Mohan
06779750


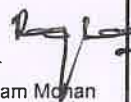
Place: Hyderabad
Date: 16.05.2023

Place: Hyderabad
Date: 16.05.2023

KIMS HOSPITALS PRIVATE LIMITED**Cash Flow Statement for the year ended 31 March 2023**

(U85110AP2014PTC095812)

(All amounts are in lakhs of INR except for share data or otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
<u>A. Cash Flow from Operating Activities</u>		
Net Profit before taxation	(32.28)	(33.65)
<u>Adjustments for:</u>		
Depreciation on fixed assets	29.53	29.53
Loss on sale of fixed assets	-	-
Interest expense	-	2.01
<u>Deduct:</u>		
Profit on sale of fixed assets	-	-
Interest income	-	-
Operating Profit before Working Capital changes	(2.75)	(2.11)
<u>Adjustments for:</u>		
(Increase) / Decrease in inventories	-	-
(Increase) / Decrease in trade receivables	-	-
(Increase) / Decrease in loans and advances	-	-
Increase/(Decrease) in liabilities	0.28	(20.26)
Increase/(Decrease) in provisions	-	-
CASH GENERATED FROM OPERATIONS	(2.47)	(22.37)
Income tax Paid	-	-
Net Cash inflow from/ (outflow) from Operating activities	(2.47)	(22.37)
<u>B. Cash Flow from Investing Activities</u>		
Purchase of investments	-	-
Purchase of fixed assets	-	-
Purchase of investments	-	-
Sale Proceeds from fixed assets	-	-
Proceeds from issue of shares	-	-
Increase in non current investments	-	-
Interest received	-	-
Net Cash inflow from/ (outflow) from Investing activities	-	-
<u>C. Cash Flow from Financing Activities</u>		
Proceeds from issue of shares including premium	-	-
Repayments of borrowings	-	25.00
Loans and advances given	-	-
Interest paid	-	(2.01)
Net Cash inflow from/ (outflow) from Financing activities	-	22.99
Net increase / (decrease) in cash and cash equivalents	(2.47)	0.62
Opening Cash and Cash Equivalents		
Cash in hand	-	-
Bank balances	2.60	1.99
	2.60	1.99
Closing Cash and Cash Equivalents		
Cash in hand	-	-
Bank balances	0.13	2.60
	0.13	2.60
Notes forming part of financial statements		
In terms of our report of even date		
for B. NAGA BHUSHAN & CO.		
Chartered Accountants		
Firm Registration No. 005584S		
B. Naga Bhushan		
Partner		
Membership No. 028574		
UDIN: 23028574BGRDRB9089		
Place : Hyderabad		
Date : 16.05.2023		
	for and on behalf of the Board of Directors	
	KIMS HOSPITALS PRIVATE LIMITED	
		
	Director	Director
	Bhaskara Rao Bollineni	Swarna Ram Mohan
	00008985	06779750
	Place : Hyderabad	
	Date : 16.05.2023	

	Name of the Shareholder	As at 31 March 2023	As at 31 March 2022
		No of Equity shares held	No of Equity shares held
	Krishna Institute of Medical Sciences Limited	1,61,84,480	1,61,84,480
2.5	Current liabilities		
	Financial liabilities		
	Borrowings	25.00	25.00
	Sundry Creditors		
	(a) Total outstanding dues of micro enterprises and small enterprises; and	-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.78	1.48
	Total	1.78	1.48
2.6	Other financial liabilities		
	Duties & Taxes	-	0.02
	Interest accrued on loan	0.17	0.17
	Total	0.17	0.19
2.7	Other Income		
	Interest Income	-	-
	Consultancy Charges Provided	-	-
	Miscellaneous Income	-	-
		-	-
2.8	Employee benefits expenses		
	Salaries	-	-
		-	-
2.9	Finance costs		
	Interest on Loan	-	2.01
		-	2.01
2.10	Indirect Expenses		
	land leveling charges	-	-
	Audit Fee	0.30	0.30
	Consultancy Charges	-	-
	Repair and maintenance	-	-
	Professional fee	2.46	1.41
	Rates & Taxes	0.00	0.40
	Bank Charges	0.00	0.00
		2.75	2.11



KIMS HOSPITALS PRIVATE LIMITED

Notes forming part of the Statements as at 31 March 2023

(All amounts are in lakhs of INR except for share data or otherwise stated)

Note No.	Particulars	As at March 2023	As at 31 March 2022
2.1	Non-current assets		
	Plant, property and equipment	1,107.39	1,136.92
	Capital work-in-progress	-	-
	Total	1,107.39	1,136.92
2.2	Financial assets		
	(i) Cash and cash equivalents		
	Cash with Scheduled Banks		
	In Current Accounts	0.13	2.60
	Total	0.13	2.60
2.3	Other financial assets		
	Loans & Advances	50.03	50.03
	Total	50.03	50.03
	Equity		
	Authorised		
	18,000,000 Equity Shares of R 10/- each.	1,800.00	1,800.00
		1,800.00	1,800.00
2.4	Issued, Subscribed & Paid up		
	(16,184,480 Equity Shares of R 10/- each fully paid up)	1,618.45	1,618.45
	Total	1,618.45	1,618.45
	Par Value of Shares	10/-	10/-
	Reconciliation of Number of Equity Shares		
	Number of Shares outstanding at the beginning of the year	1,61,84,480	1,61,84,480
	Add: Addition during the Year	-	-
	Number of Shares outstanding at the end of the year	1,61,84,480	1,61,84,480
	The company has only one class of shares i.e. Equity Shares.		
	The Details of Shareholders holding more than 5% shares:		



KIMS Hospital Private Limited

Notes to the financial statements for the year ended 31 March 2023

1.1 Company Overview

KIMS Hospital Private Limited ('the Company') was incorporated on 10 December 2014 as a private limited company under the Companies Act, 1956. The Company is primarily engaged in business of rendering medical and healthcare services.

The Company is a subsidiary of Krishna Institute of Medical Sciences Limited.

1.2 Basis of preparation of financial statements

a) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act ("previous GAAP").

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in Note 2.11.

The financial statements were authorised for issue by the Company's Board of Directors on 16.05.2023

b) Functional and presentation currency:

These financial statements are presented in Indian Rupees INR, which is also the Company's functional currency. All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated.

c) Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

d) Use of estimates and judgements: 2

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.



1.2 Basis of preparation of financial statements (continued)

e) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements.

f) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31 March 2022.

g) Current-non-current classification

All assets and liabilities are classified into current and non-current.

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.

Current assets include the current portion of non-current financial assets. 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.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Company has ascertained its operating cycle as twelve months that is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.



1.2 Basis of preparation of financial statements (continued)

h) Measurement of fair values:

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- 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)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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.

1.3 Significant accounting policies

a) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial asset

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVTPL



a) Financial instruments (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- 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.

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.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition

Financial assets

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.



KIMS Hospital Private Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

a) Financial instruments (continued)

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

b) Inventories

The inventories comprising of medical consumables and pharmacy items are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The Company follows the weighted average method for determining the cost of such inventories.

The comparison of cost and net realisable is made on an item-by-item basis.

c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

d) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

e) Revenue recognition

Income from hospital services is recognised as revenue when the related services are rendered unless significant future uncertainties exist. Revenue is also recognised in relation to the services rendered, to the patients who are undergoing treatment/ observation on the balance sheet date to the extent of services rendered. Revenue is recognised net of discounts and concessions given to the patients.



e) Revenue recognition (continued)

Revenue from sale of pharmacy is recognised when all significant risk and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

Income from interest on deposits, loans and interest-bearing securities is recognised on the time proportionate method.

f) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation and accumulated impairment loss, 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.

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.

If significant parts of item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit and loss.

Transition to Ind AS

On the transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as deemed cost of such property, plant and equipment.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with expenditure will flow to the Company.

Depreciation and amortisation

The Company provides depreciation under straight line value on Property, Plant and Equipment, other than assets costing less than INR 5,000 based on the useful life specified in schedule II of the Companies Act, 2013, as in the opinion of the Management, the same reflects the estimated useful life. Depreciation is calculated on pro-rata basis from the date on which the assets are ready for use or till the date the assets are sold or disposed of.

Leasehold land is in the nature of perpetual lease without any limited useful life and hence is not amortised. Assets costing less than INR 5,000 based on internal assessment



KIMS Hospital Private Limited**Notes to the financial statements for the year ended 31 March 2022 (continued)**

and materiality the Management has estimated that the same shall be depreciated in the period of purchase.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted appropriately.

f) Property, plant and equipment (continued)

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the statement of profit and loss. 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.

g) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, from the date that they are available for use, based on the expected pattern of economic benefits of assets.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit and loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

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:

Block of assets	Useful life
Software	3-6 years

h) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that



KIMS Hospital Private Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

i) Employee benefits

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.

i) Employee benefits (continued)

Post-employment benefits

Defined contribution plans

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The Company's contributions are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

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.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). 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 immediately in the statement of profit and loss.



KIMS Hospital Private Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

Compensated Absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

j) Leases

Determining whether an arrangement contains a lease

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease.

j) Leases (continued)

At inception or on the reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for the other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Operating leases

Asset held under lease that do not transfer to the Company and associate substantially all the risks and rewards of ownership (i.e., operating lease) are not recognised in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

k) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.



KIMS Hospital Private Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

l) Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in the 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 tax comprises the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the assets and settle the liability on a net basis or simultaneously.

l) Income tax (continued)

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax liabilities are recognised for all taxable temporary differences.

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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period 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.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



m) Foreign exchange transactions and translations

Transactions in foreign currencies are recorded at prevailing rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of profit and loss.

n) Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

n) Impairment (continued)

- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

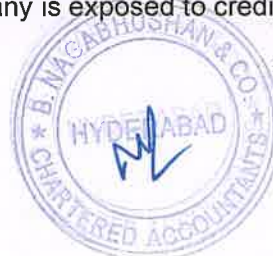
- bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk



KIMS Hospital Private Limited**Notes to the financial statements for the year ended 31 March 2022 (continued)**

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

n) Impairment (continued)**ii. Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

o) Provisions and contingent liabilities**General**

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 disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Onerous contracts

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

p) Recent accounting pronouncements:

Standards issued but not effective on Balance sheet date:

Ind AS 115, Revenue from Contracts with Customers

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition.

p) Recent accounting pronouncements (continued)

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its financial statements. The quantitative impact of adoption of Ind AS 115 on the financial statements in the period of initial application is not reasonably estimable as at present.

Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.



KIMS Hospital Private Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

Ind AS 21, The effect of changes in foreign exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of transactions, for the purpose of determining the exchange rate, is the earlier of the date of initial recognition of the non-monetary prepayment asset or deferred income liability and the date the related item is recognized in the financial statements. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. Based on preliminary evaluation considering known and estimable information, the management believes that the standard will not have a significant impact on the Company's financial statement in the period of its initial application.

Ind AS 40, Investment property

The amendment explains that the transfer to, or from, investment property is made when there is an actual change of use, that is the asset meets or ceases to meet the definition of investment property and there is evidence of change in use. A change in management's intentions for the use of a property does not provide evidence of a change in use. Since the Company does not have any investment property in its books of account, the Company has concluded that there will be no impact of this amendment on its financial statements.

