

This Preliminary Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations on a private placement basis and no offer is being made through this Preliminary Placement Document to the public or any other categories of investors. This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale or subscription is not permitted. The Preliminary Placement Document is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be issued through the Placement Document. The information in this Preliminary Placement Document is not complete and may be changed.



KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED

Our Company was originally incorporated as ‘Jagjit Singh and Sons Private Limited’ as a private limited under the provision of Companies Act, 1956 and a certificate of incorporation dated July 26, 1973 was issued by, Registrar of Companies, Maharashtra, Mumbai. Our Company changed the location of its registered office from the State of Maharashtra to the erstwhile State of Andhra Pradesh, pursuant to an order dated January 29, 2003 by the Company Law Board, Western Region Bench, Mumbai (“**Order**”) and the registration of the Order vide certificate of registration dated February 21, 2003 by the Registrar of Companies, Telangana at Hyderabad (then the Registrar of Companies, Andhra Pradesh) (“**RoC**”). Subsequently, the name of our Company was changed to ‘Krishna Institute of Medical Sciences Private Limited’, pursuant to a letter of approval from the Central Government dated January 2, 2004 and a fresh certificate of incorporation issued by the RoC on January 2, 2004. Further, upon the conversion of our company into public limited company, the name of our Company was changed to ‘Krishna Institute of Medical Sciences Limited’ and a fresh certificate of incorporation dated January 29, 2004. For further details, see “**General Information**” on page 215.

Registered and Corporate Office: D. No. 1-8-31/1, Minister’s Road, Secunderabad, Telangana 500 003, India
Telephone: +91 40 44186000; **Website:** www.kimshospitals.com; **E-mail:** cs@kimshospitals.com
Contact Person: Nagajayanthi Juttur Raghavendra Das, Company Secretary and Compliance Officer
Corporate Identity Number: L55101TG1973PLC040558

Issue of up to [●] equity shares of face value of ₹ 2 each of our Company (the “**Equity Shares**”) at a price of ₹ [●] per Equity Share (the “**Issue Price**”), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million (“**Issue**”). For further details, see “**Summary of the Issue**” on page 29.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (“SEBI ICDR REGULATIONS”), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (“PAS RULES”), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED (“COMPANIES ACT, 2013”).

Our Equity Shares are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”, and together with BSE, the “**Stock Exchange**”). The closing price of the Equity Shares on BSE and NSE as on June 16, 2026 was ₹ 778.15 and ₹ 778.65 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”) for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE, each dated June 16, 2026. Our Company shall make an application to the Stock Exchanges to obtain the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED BELOW) IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU ARE NOT AUTHORISED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013, AS AMENDED, OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ “RISK FACTORS” ON PAGE 39 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges in due course. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India (“**SEBI**”), the Stock Exchanges, RoC or any other listing or regulatory authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to this Preliminary Placement Document is meant solely for Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

Invitations, offers and sales of the Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see “**Issue Procedure**” on page 167. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (“**U.S. Securities Act**”), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act (“**Regulation S**”) and the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, see “**Selling Restrictions**” on page 185. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 185 and 193, respectively.

Any information on the websites of our Company (as defined hereinafter), or any other website directly or indirectly linked to such websites, or the websites of the Book Running Lead Managers (as defined hereinafter) or of their respective affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in the Issue.

This Preliminary Placement Document is dated June 16, 2026

BOOK RUNNING LEAD MANAGERS	
 IIFL CAPITAL	Jefferies
IIFL CAPITAL SERVICES LIMITED (formerly known as IIFL Securities Limited)	JEFFERIES INDIA PRIVATE LIMITED

TABLE OF CONTENTS

NOTICE TO INVESTORS.....	1
REPRESENTATIONS BY INVESTORS	4
OFFSHORE DERIVATIVE INSTRUMENTS.....	10
DISCLAIMER CLAUSE OF THE STOCK EXCHANGES	12
PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS.....	13
INDUSTRY AND MARKET DATA.....	16
FORWARD-LOOKING STATEMENTS	17
ENFORCEMENT OF CIVIL LIABILITIES	19
EXCHANGE RATES.....	20
DEFINITIONS AND ABBREVIATIONS.....	21
SUMMARY OF THE ISSUE	29
SELECTED FINANCIAL INFORMATION.....	31
RELATED PARTY TRANSACTIONS.....	38
RISK FACTORS	39
MARKET PRICE INFORMATION	79
OBJECTS OF THE ISSUE AND USE OF ISSUE PROCEEDS.....	82
CAPITAL STRUCTURE.....	92
CAPITALIZATION STATEMENT	97
DIVIDENDS.....	98
INDUSTRY OVERVIEW.....	99
SUMMARY OF OUR BUSINESS	141
BOARD OF DIRECTORS AND SENIOR MANAGEMENT	151
ORGANIZATIONAL STRUCTURE	159
SHAREHOLDING PATTERN OF OUR COMPANY	162
ISSUE PROCEDURE	167
PLACEMENT AND LOCK-UP.....	183
SELLING RESTRICTIONS	185
TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS	193
THE SECURITIES MARKET OF INDIA.....	194
TAXATION.....	199
DESCRIPTION OF THE EQUITY SHARES	204
LEGAL PROCEEDINGS AND OTHER INFORMATION.....	208
OUR STATUTORY AUDITORS.....	214
GENERAL INFORMATION.....	215
FINANCIAL INFORMATION.....	217
DETAILS OF PROPOSED ALLOTTEES	452
DECLARATION	453
SAMPLE APPLICATION FORM.....	456

NOTICE TO INVESTORS

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains information with respect to our Company, Subsidiaries, and the Equity Shares that our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, our Subsidiaries and the Equity Shares are, in every material respect, true, accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regards to our Company, our Subsidiaries and the Equity Shares to be issued pursuant to the Issue are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company and our Subsidiaries. There are no other facts in relation to our Company, our Subsidiaries and the Equity Shares to be issued pursuant to the Issue, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Unless otherwise stated, all information in this Preliminary Placement Document is provided as on the date of this Preliminary Placement Document and neither our Company, nor the Book Running Lead Managers have any obligation to update such information to a later date.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Preliminary Placement Document and Placement Document to any person other than the Eligible QIBs specified by the BRLMs or their representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document and the Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

The BRLMs have made reasonable enquiries but have not separately verified all the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the BRLMs nor their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or other affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLMs or by their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or other affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document and the Placement Document or any other information supplied in connection with us and the Equity Shares or the Issue or distribution of this Preliminary Placement Document and the Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on either the BRLMs or on their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and the Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or the BRLMs. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including SEBI. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares offered in the Issue may be restricted by law in certain jurisdictions. As such, this Preliminary Placement Document does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or

solicitation. In particular, no action has been nor will be taken by our Company or the BRLMs that would permit an offering of the Equity Shares being offered in the Issue or the distribution of this Preliminary Placement Document in any jurisdiction, other than in India, where action for that purpose is required. Accordingly, the Equity Shares to be issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any other offering material issued in connection with the Issue may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in offshore transactions as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where those offers and sales occur. For the selling restrictions in certain other jurisdictions, see “***Selling Restrictions***” on page 185. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” on pages 185 and 193, respectively.

Purchasers of the Equity Shares offered in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements set forth in the sections “***Representations by Investors***”, “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” on pages 4, 185 and 193 respectively.

In making an investment decision, prospective investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document or the Placement Document as legal, tax, accounting or investment advice. This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require in order to make an investment decision. Potential investors should consult their own counsels and advisors as to business, legal, investment, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the BRLMs are making any representation to any investor, subscriber, offeree or purchaser of the Equity Shares regarding the legality or suitability of an investment in the Equity Shares by such investor, subscriber, offeree or purchaser under applicable laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each Bidder is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India.

This Preliminary Placement Document has been prepared for information purposes only and upon the express understanding that it will be used for the purposes set forth herein. Neither our Company nor any of the BRLMs undertakes to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company.

Our Company and the BRLMs are not liable for any amendment or modification or change to applicable laws or regulations that may occur after the date of the Placement Document. Eligible QIBs are advised to make independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering a tender offer under the SEBI Takeover Regulations and the Eligible QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

The information available on or through our Company's website (www.kimshospitals.com), or any website directly or indirectly linked to the website of our Company, or the website of each of the BRLMs, or their respective affiliates, does not constitute or form part of this Preliminary Placement Document and prospective investors should not rely on the information contained in or available through any such websites. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

REPRESENTATIONS BY INVESTORS

All references to “you” and “your” in this section are to the Bidders in the Issue. By Bidding and/ or subscribing to any Equity Shares under the Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections “*Notice to Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 1, 185 and 193, respectively, and to have represented, warranted and acknowledged to and agreed with our Company and the BRLMs as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries which is not set forth in this Preliminary Placement Document;
2. You are a “Qualified Institutional Buyer” as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (as defined hereafter) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, and all other applicable laws; and (ii) comply with the SEBI ICDR Regulations, the Companies Act and all other applicable laws, including any reporting obligations, making necessary filings, including with RBI, if any, in connection with the Issue or otherwise accessing capital markets;
3. You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
4. If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, or (ii) a multilateral or bilateral development financial institution and can participate in the Issue only under Schedule II of FEMA Rules and you are eligible to invest in India under applicable laws, including FEMA Rules, and any other notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You are eligible to invest in India under applicable laws, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets;
5. You are aware that in terms of the SEBI FPI Regulations (as defined hereinafter) and the FEMA Rules, the total holding by each FPI (as defined hereinafter) including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50.00% or common control) shall be below 10.00% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to the sector in which our Company operates which in our case is 100% under the automatic route. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10.00% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company as laid down in Schedule I of the FEMA Rule. In case the holding of an FPI together with its investor group increases to 10.00% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI (as defined hereinafter), subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Since FVCIs (as defined hereinafter) are not permitted to participate in the Issue, you confirm that you are not an FVCI;
6. You will provide the information as required under the provisions of the Companies Act, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and any other applicable rules for record

keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

7. If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. For more information, see the sections “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” on pages 185 and 193, respectively;
8. You are aware that this Preliminary Placement Document and the Placement Document have not been and will not be filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;
9. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each of which case, investment can only be through the Government approval route), and that your investment is in accordance with the Consolidated FDI Policy (as defined hereinafter) and Press Note No. 2 (2026 Series), dated March 16, 2026, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules;
10. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations, as may be required and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;
11. You are aware that, our Company, the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLMs. The BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;
12. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the “***Company Presentations***”) with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLMs may not have knowledge of all the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLMs have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) you confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;
13. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

14. You have made, or been deemed to have made, as applicable, the representations, the warranties, acknowledgments and undertakings as set out in the sections “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 185 and 193, respectively;
15. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association (as defined hereinafter) and Articles of Association (as defined hereinafter) and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;
16. You acknowledge that all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our business strategies, plans and objectives of management for future operations (including development plans and objectives relating to our Company’s business), are forward-looking statements. You are aware that such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You acknowledge that such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You have not placed undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. You acknowledge that none of our Company, nor the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
17. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than Eligible QIBs, and the Allotment of such Equity Shares shall be at the discretion of our Company, in consultation with the BRLMs;
18. You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;
19. You are aware that if you are Allotted more than 5.00% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their respective websites and you consent to such disclosures;
20. You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety, including in particular, “**Risk Factors**” on page 39;
21. In making your investment decision, you have (i) relied on your own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and continue to make your own assessment of us and the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;
22. Neither our Company, the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, subscription, ownership or disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLMs or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the BRLMs or any of their respective shareholders,

- directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
23. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares;
 24. You and any managed accounts for which you are subscribing for the Equity Shares (i) are aware that investment in equity shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment, (ii) are each able to bear the economic risk of your investment in the Equity Shares, including a complete loss on the investment in the Equity Shares, (iii) will not look to our Company and/or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iv) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;
 25. You are not a 'promoter' (as defined under the Companies Act, 2013 and the SEBI ICDR Regulations) of our Company and are not a person related to our Promoters, in terms of Regulation 179 (1)(b) of the SEBI ICDR Regulations, either directly or indirectly and your Bid does not directly or indirectly represent our 'Promoters', or 'Promoter Group' (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
 26. You have no rights under a shareholders' agreement or voting agreement entered into with our Promoter or members of the Promoter Group or persons related to the Promoter, no veto rights or right to appoint any nominee director on our Board (as defined hereinafter), other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter);
 27. You agree in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act;
 28. You will have no right to withdraw your Application Form or revise your Bid downwards after the Bid / Issue Closing Date (as defined hereinafter);
 29. You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;
 30. The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;
 31. The aggregate number of Equity Shares Allotted to you under the Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50.00% of the Issue Size. For the purposes of this representation:
 - (a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through our subsidiary or holding company, not less than 15.00% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and
 - (b) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;

32. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares are issued by the Stock Exchanges;
33. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchange, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares to be issued pursuant to the Issue will be obtained in time or at all. Neither our Company nor the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;
34. You understand that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company, and that neither the BRLMs nor any person acting on its behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLMs or our Company or any other person, and the BRLMs or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLMs and its respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
35. You understand that the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non performance by our Company or any of its obligations or any breach of any representations or warranties by our Company, whether to you or otherwise;
36. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the court(s) in Telangana, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;
37. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
38. You agree to indemnify and hold our Company, the BRLMs and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
39. You will make the payment for subscription to the Equity Shares pursuant to the Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
40. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

41. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLMs;
42. You represent that you are not an affiliate of our Company or the BRLMs or a person acting on behalf of such affiliate. However, affiliates of the BRLMs, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see “*Offshore Derivative Instruments*” on page 10;
43. You acknowledge that our Company, the BRLMs, their respective affiliates, directors, counsels, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLMs;
44. If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, and the Operating Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued by SEBI to facilitate implementation of the SEBI FPI Regulations, FPIs, including the affiliates of the Manager, Eligible FPIs (including affiliates of the BRLMs) who are registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as “**Offshore Derivative Instruments**”) and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such Offshore Derivative Instruments provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. An FPI will collect the regulatory fee of such amount, as may be specified by SEBI from time to time, from every subscriber of Offshore Derivative Instrument issued by it and deposit such regulatory fee with SEBI by way of electronic transfer in the designated bank account of SEBI. In terms of Regulation 21 of SEBI FPI Regulations, such Offshore Derivative Instruments may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with ‘know your client’ requirements, as specified by SEBI and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Offshore Derivative Instruments have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document does not contain any information concerning Offshore Derivative Instruments or the issuer(s) of any Offshore Derivative Instruments, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. SEBI has, *vide* a circular dated May 30, 2024, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (“**FPI Operational Guidelines**”), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of Offshore Derivative Instruments and two or more subscribers of Offshore Derivative Instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the Offshore Derivative Instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI and Offshore Derivative Instruments position held in the underlying Indian company.

Further, in accordance with the Consolidated FDI Policy, read along with the Press Note No. 2 (2026 Series), dated March 15, 2026, issued by the DPIIT, and the related amendments to the FEMA Rules, investments made by an entity of a country, which shares land border with India, or investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Additionally, on March 10, 2026, the Union Cabinet approved amendments to the afore-mentioned press note framework introducing the revised policy and incorporating a formal definition and criteria for determining beneficial owner, aligned with the provisions of the Prevention of Money Laundering Rules, 2005, with the beneficial ownership test applied at the level of the non-land-bordering-country investor entity. Further, permitting investment proposals where entities from land-bordering countries hold non-controlling beneficial ownership of up to 10% through the automatic route, subject to applicable sectoral caps and compliance requirements which will be applicable to entities incorporated outside land-bordering countries that have beneficial owners from land-bordering countries holding below a 10% non-controlling stake. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of Offshore Derivative Instruments.

Affiliates of the BRLMs which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Any Offshore Derivative Instruments that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any Offshore Derivative Instruments, or in the establishment of the terms of any Offshore Derivative Instruments, or in the preparation of any disclosure related to any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLMs do not make any recommendation as to any investment in Offshore Derivative Instruments and do not accept any responsibility whatsoever in connection with any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be issued are not securities of the BRLMs and does not constitute any obligations of claims on the BRLMs.

Prospective investors interested in purchasing any Offshore Derivative Instruments have the responsibility to obtain adequate disclosures from the issuer(s) of such Offshore Derivative Instruments and the terms and conditions of any such Offshore Derivative Instruments from the issuer(s) of such Offshore Derivative Instruments. Neither SEBI nor any other regulatory authority has reviewed or approved any Offshore Derivative Instruments or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in Offshore Derivative Instruments, including whether Offshore Derivative Instruments are issued in compliance with applicable laws and regulations. Also see, the “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on the pages 185 and 193, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document; or
2. warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or
3. take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Promoters, our management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to “you”, “your”, “offeree”, “purchaser”, “subscriber”, “recipient”, “investor(s)”, “prospective investor(s)”, “bidder” and “potential investor(s)” are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to “the Company”, “Company”, “our Company”, the “Issuer”, “we”, “our”, “us” are to Krishna Institute of Medical Sciences Limited.

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to:

- “Rupee(s)” or “Rs.” or “₹” or “INR” are to Indian Rupees, the legal currency of the Republic of India;
- “US\$” or “U.S. Dollar” or “USD” or “U.S. Dollars” are to United States Dollars, the legal currency of the United States of America;
- “India” are to the Republic of India and its territories and possessions and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, central or state, as applicable; and
- the “US” or “U.S.” or the “United States” or the “U.S.A” are to the United States of America and its territories and possessions.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in “million” units. One million represents 1,000,000. Our Company reports its financial statements in Indian Rupees.

In this Preliminary Placement Document, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Preliminary Placement Document in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and other information

The Fiscal year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular ‘Financial Year’, or ‘Fiscal’ or ‘FY’ are to the twelve months period ended on March 31 of that year and references to a particular ‘year’ are to the calendar year ending on December 31 of that year.

Unless the context requires otherwise or indicates otherwise, in this Preliminary Placement Document, we have included the following financial statements of our Company:

- (i) the audited consolidated financial statements of our Company as at and for the Fiscal ended March 31, 2026, prepared in accordance with the Indian Accounting Standards (“**Ind AS**”), specified under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the “**Fiscal 2026 Audited Consolidated Financial Statements**”);

- (ii) the audited consolidated financial statements of our Company as at and for the Fiscal ended March 31, 2025, prepared in accordance with the Indian Accounting Standards (“**Ind AS**”), specified under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the “**Fiscal 2025 Audited Consolidated Financial Statements**”);
- (iii) the audited consolidated financial statements of our Company as at and for the Fiscal ended March 31, 2024, prepared in accordance with the Indian Accounting Standards (“**Ind AS**”), specified under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the “**Fiscal 2024 Audited Consolidated Financial Statements**”).

The Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements have been audited by our Statutory Auditors, S.R. Batliboi & Associates LLP, Chartered Accountants, who have been appointed as our Statutory Auditors in accordance with Section 139 of the Companies Act, 2013. For details, see “***Our Statutory Auditors***” on page 214.

Unless stated otherwise or context otherwise requires, the financial information contained in this Preliminary Placement Document as at and for year ended March 31, 2026 is derived from the Fiscal 2026 Audited Consolidated Financial Statements, financial information as at and for the year ended March 31, 2025 is derived from the comparative financial information included in Fiscal 2026 Audited Consolidated Financial Statements, and financial information as at and for the year ended March 31, 2024 is derived from the comparative financial information included in Fiscal 2025 Audited Consolidated Financial Statements. The use of comparative financial information included in the Fiscal 2026 Audited Consolidated Financial Statements and Fiscal 2025 Audited Financial Statements, reflects the changes in the presentation of decimals and reclassification/ regroupings for better presentation. See “***Selected Financial Information***” on page 31.

Our Statutory Auditors have issued audit reports dated May 15, 2026, May 12, 2025 and May 16, 2024 on our audited consolidated financial statements as at and for Fiscals 2026, 2025 and 2024, respectively. The Audited Consolidated Financial Statements have been subjected to audit that has been performed in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including U.S. GAAP or IFRS. Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its Audited Consolidated Financial Statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements, as included in this Preliminary Placement Document, prepared in accordance with Ind AS, will provide meaningful information is entirely dependent on the reader’s familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. Also see, “***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our business, financial condition, results of operations, cash flows and prospects***” on page 74.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information in this Preliminary Placement Document.

All numerical and financial information as set out and presented in this Preliminary Placement Document, except for the information in the section “***Industry Overview***” on page 99, for the sake of consistency and convenience have been rounded off or expressed in two decimal places in ₹ million. The figures in this Placement Document, which relate to these financial statements, are presented using the international numeration system (with millions as the unit). Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them and the sum or percentage change of such numbers may not conform exactly to the total figure given.

Non-GAAP financial measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Net Worth, Return on Net Worth, Net Asset Value Per Equity Share, PAT Margin, PBT Margin, Ind AS 116, and Adjusted EBITDA Pre IND AS have been included in this Preliminary Placement Document. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance considering such information, as it relates to our businesses, to be useful measures of our businesses and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP measures are not standardised terms, hence a direct comparison of these non-GAAP Measures between companies may not be possible. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. However, they may not be computed on the basis of any standard methodology that is applicable across our industries and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies in our respective markets and are not measures of operating performance or liquidity defined by Ind AS, in the case of our Company and may not be comparable to similarly titled measures presented by other companies. Also see, ***“Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our business, financial condition, results of operations, cash flows and prospects.”*** on page 74.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, professional organizations and industry publications and analysts, data from other external sources and knowledge of the markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled “*Assessment of healthcare delivery sector in India*” dated June 16, 2026, (the “**CRISIL Report**”) prepared by CRISIL Limited, which is a report exclusively commissioned and paid for by our Company and prepared and issued by CRISIL Limited pursuant to an engagement letter dated April 15, 2026 in connection with the Issue. CRISIL Limited is not related in any manner to our Company, Subsidiaries, our Promoters, our Directors or Key Managerial Personnel or members of the Senior Management or the BRLMs.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, neither the accuracy nor completeness of information contained in the CRISIL Report is guaranteed. The opinions expressed are not recommendation to buy, sell or hold an instrument. This data is subject to change and cannot be verified with complete certainty due to limitations on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

While we have taken reasonable care in the reproduction of the information from the CRISIL Report, neither we nor the BRLMs have independently verified this market and industry data, nor do we or the BRLMs make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the BRLMs can assure potential Investors as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends solely on the reader’s familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections “**Summary of our Business**” and “**Risk Factors**” on pages 141 and 39, respectively, and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the CRISIL Report. Data from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “**Risk Factors – This Preliminary Placement Document contains industry information that has been extracted or derived from an industry report prepared by CRISIL Limited, which was commissioned by our Company.**” on page 67.

CRISIL has required us to include the following in connection with the CRISIL Report:

“Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil’s other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence’s informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. For the preparation of the CRISIL Report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in the report are based on certain assumptions, which in its opinion are true as on the date of the report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. The CRISIL report does not consist of any investment advice and nothing contained in the report should be construed as a recommendation to invest/disinvest in any entity. The industry report is intended for use only within India.”

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute “forward-looking statements”. Prospective investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “can”, “estimate”, “expect”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “seek”, “shall”, “should”, “will”, “would”, “will likely result”, “is likely”, “are likely”, “expected to”, “will continue”, “will achieve” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, cash flows, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate.

These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Important factors that could cause our actual results, performance or achievements to differ materially from any of the forward-looking statements include, among others:

- Our revenues are highly dependent on our hospitals in Telangana.
- We are highly dependent on certain specialties for most of our revenue from operations.
- We are highly dependent on our healthcare professionals, including doctors that we engage on a consultancy basis.
- We have a history of negative cash flows from investing activities.
- Certain lands on which our hospital buildings and ancillary facilities are operating are not owned by us and not leased on a perpetual basis .

Additional factors that could cause our actual results, performance or achievements to differ materially include but are not limited to, those discussed under the sections “*Risk Factors*”, “*Industry Overview*” and “*Summary of our Business*” on pages 39, 99 and 141, respectively.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of, as well as the assumptions made by, and information currently available to, our Company and management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash

flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements included herein speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document. Our Company and the BRLMs expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise in our Company's expectations with regard thereto.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company, limited by shares incorporated under the laws of India. All of our Directors, Key Managerial Personnel and members of Senior Management named herein are residents of India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition enforcement and execution of foreign judgments is provided for under Sections 13, 14 and 44A respectively, of the Code of Civil Procedure, 1908, as amended (“**Civil Procedure Code**”). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the foreign judgment had been rendered by a competent court in India.

However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards (even if such an award is enforceable as decree or judgement). The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exceptions under Section 13 of the Civil Procedure Code.

Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, Hong Kong and United Arab Emirates, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment.

A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax in accordance with applicable laws. Our Company and the BRLMs cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the USD based on the reference rates released on the website of www.fbil.org.in or www.rbi.org.in, as applicable. No representation is made that any Rupee amounts could have been, or could be, converted into USD at any particular rate, the rates stated below, or at all.

(₹ per US\$)				
	Period end ⁽¹⁾	Average ⁽²⁾	High ⁽³⁾	Low ⁽⁴⁾
	Financial year ended*			
March 31, 2026	94.65	88.31	94.65	83.86
March 31, 2025	85.58	84.57	87.59	83.07
March 31, 2024	83.37	82.79	83.40	81.65
	Month ended*			
May 31, 2026	95.38	95.60	96.84	94.44
April 30, 2026	95.24	93.55	95.24	92.56
March 31, 2026	94.65	92.76	94.65	91.45
February 28, 2026	90.95	90.73	91.64	90.40
January 31, 2026	91.90	90.80	91.96	89.89
December 31, 2025	89.92	90.09	91.02	89.55

Source: www.fbil.org.in or www.rbi.org.in, as applicable.

Notes:

⁽¹⁾ The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.

⁽²⁾ Represents the average of the official closing rate for each working day of the relevant period.

⁽³⁾ Maximum of the official closing rate for each working day of the relevant period.

⁽⁴⁾ Minimum of the official closing rate for each working day of the relevant period.

* In the event that the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day have been considered. The RBI / FBIL reference rates are rounded off to two decimal places.

DEFINITIONS AND ABBREVIATIONS

Our Company has prepared this Preliminary Placement Document using certain definitions and abbreviations which you should consider while reading the information contained herein. The following list of certain capitalized terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The terms defined in this Preliminary Placement Document shall have the meaning set out herein, unless specified otherwise in the context thereof and references to any statute or regulations or policies shall include amendments, rules, guidelines, circulars, clarifications and notifications issued thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Unless the context otherwise indicates, all references to “KIMS”, “the Issuer”, “the Company”, “Company”, “our Company” are references to Krishna Institute of Medical Sciences Limited, a public limited company incorporated in India under the Companies Act, 1956 having its Registered and Corporate Office at D. No. 1-8-31/1, Minister’s Road, Secunderabad, Telangana 500 003, India, and “we”, “us” and “our” are references to our Company together with our Subsidiaries, on a consolidated basis, and for the purpose of financial information, “we”, “us” and “our” are references to our Company together with our Subsidiaries and an associate of a subsidiary (accounted in accordance with Ind AS 28), on a consolidated basis.

Notwithstanding the foregoing, terms used in the sections “***Selected Financial Information***”, “***Industry Overview***”, “***Taxation***” and “***Legal Proceedings and other Information***” on pages 31, 99, 199 and 208, respectively, shall have the meaning given to such terms in such sections.

Company related terms

Term	Description
Articles/ Association/ AoA	Articles of Association of our Company, as amended
Associate	Kondapur Healthcare Limited, an associate of our Subsidiary, KIMS Hospitals Enterprises Private Limited. For the purpose of financial information, associate would mean associate as at and during the relevant Fiscal/ financial period
Audit Committee	The audit committee of our Company. For details, see “ <i>Board of Directors and Senior Management</i> ” on page 151
Audited Consolidated Financial Statements	Collectively each of the Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements
Auditors/Statutory Auditors	The current statutory auditors of our Company, namely, S. R. Batliboi & Associates LLP, Chartered Accountants
Board/Board of Directors/ Director(s)	The board of directors of our Company or a duly constituted committee thereof, as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 151
Chairman and Managing Director	The Chairman and Managing director of our Company, namely, Dr. Bhaskara Rao Bollineni. For details, see “ <i>Board of Directors and Senior Management</i> ” on page 151
Chief Financial Officer	The chief financial officer of our Company, namely, Sachin Ashok Salvi
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Nagajayanthi Juttur Raghavendra Das
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board. For details, see “ <i>Board of Directors and Senior Management</i> ” on page 151
CRISIL	CRISIL Limited
CRISIL Report	Report titled “ <i>Assessment of healthcare delivery sector in India</i> ” dated June 16, 2026, prepared by CRISIL Limited, commissioned and paid for by our Company, exclusively in connection with the Issue
Equity Shares	The equity shares of our Company of face value of ₹ 2 each
Fiscal 2026 Audited Consolidated Financial Statements	Audited consolidated financial statements as of and for the year ended March 31, 2026 comprising the consolidated balance sheet as at March 31, 2026, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2026 and notes to the consolidated financial statements, including material accounting policies and other explanatory information of our Company, Subsidiaries and Associate, prepared in accordance with Indian Accounting Standards (‘Ind AS’) as per the Companies

Term			Description
			(Indian Accounting Standards) rules, 2015 notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and other relevant provisions of the Act
Fiscal Consolidated Statements	2025	Audited Financial	Audited consolidated financial statements of and for the year ended March 31, 2025 comprising the consolidated balance sheet as at March 31, 2025, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2025 and notes to the consolidated financial statements, including material accounting policies and other explanatory information of our Company, Subsidiaries and Associate, prepared in accordance with Indian Accounting Standards (‘Ind AS’) as per the Companies (Indian Accounting Standards) rules, 2015 notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and other relevant provisions of the Act
Fiscal Consolidated Statements	2024	Audited Financial	Audited consolidated financial statements as of and for the year ended March 31, 2024 comprising the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2024 and notes to the consolidated financial statements, including material accounting policies and other explanatory information of our Company, Subsidiaries and Associate, prepared in accordance with Indian Accounting Standards (‘Ind AS’) as per the Companies (Indian Accounting Standards) rules, 2015 notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and other relevant provisions of the Act
Finance and Investment Committee			The finance and investment committee of our Board for the purpose of raising fund
Independent Director(s)			The independent director(s) on our Board. For details, see “ Board of Directors and Senior Management ” on page 151
Key Managerial Personnel / KMP			The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, see “ Board of Directors and Senior Management - Key Managerial Personnel and members of our Senior Management ” on page 157
Material Subsidiaries			Material Subsidiaries of our Company, being KIMS Hospital Enterprises Private Limited and Sarvejana Healthcare Private Limited, identified in accordance with SEBI Listing Regulations.
Memorandum/Memorandum of Association/MoA			The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee			The nomination and remuneration committee of our Board. For details, see “ Board of Directors and Senior Management - Committees of our Board of Directors ” on page 155
Non-Executive director(s)			The non-executive directors of our Company. For details, see “ Board of Directors and Senior Management ” on page 151
Promoters			The promoters of our Company in terms of SEBI ICDR Regulations and the Companies Act, 2013, namely, Dr. Bhaskara Rao Bollineni, Rajyasri Bollineni, Dr. Abhinay Bollineni, Adwik Bollineni, and Bluebridge Capital Private Limited
Promoter Group			The individuals and entities constituting the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered and Corporate Office			The registered and corporate office of our Company is situated at D. No. 1-8-31/1, Minister’s Road, Secunderabad, Telangana 500 003, India
Registrar of Companies/ RoC			The Registrar of Companies, Telangana at Hyderabad
Risk Management Committee			The risk management committee of our Board. For details, see “ Board of Directors and Senior Management – Committees of our Board of Directors ” on page 155
Senior Management			Members of the senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ Board of Directors and Senior Management – Members of the Senior Management – Key Managerial Personnel and members of our Senior Management ” on page 157
Shareholders			The holders of the Equity Shares, from time to time
Stakeholders’ Relationship Committee			The stakeholders’ relationship committee of our Board. For details, see “ Board of Directors and Senior Management - Committees of our Board of Directors ” on page 155
Subsidiaries			Arunodaya Hospitals Private Limited, KIMS Hospital Enterprises Private Limited, Iconkrishi Institute of Medical Sciences Private Limited, Saveera Institute of Medical Sciences Private Limited, KIMS Hospital Kurnool Private Limited, KIMS Swastha Private Limited, Sarvejana Healthcare Private Limited, KIMS Manavata Hospital Private Limited, SPANV Medisearch Lifesciences Private Limited, KIMS Hospitals (Bengaluru) Private Limited, Meda Institute of Podiatry Private Limited, Chalasani Hospitals Private Limited and KIMS Hospitals Private Limited. For the purpose of financial information, the term ‘Subsidiary’ shall mean our Subsidiary as at and during the relevant Fiscal/ financial period
Whole-Time Director			The whole-time director on our Board namely, Anitha Dandamudi. For details, see “ Board of Directors and Senior Management ” on page 151

Issue Related Terms

Term	Description
Allocated/ Allocation	Allocation of Equity Shares in connection with the Issue, in consultation with the BRLMs, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms and Application Amount submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued and allotted pursuant to the Issue
Application Amount	The aggregate amount paid by a Bidder at the time of submitting a Bid in the Issue, including any revisions thereof determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Application Form	Serially numbered, specifically addressed bid cum application form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bid(s)	Indication of a Bidder's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid/ Issue Closing Date	[●], 2026, the date after which our Company (or the BRLMs on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Bid/ Issue Opening Date	June 16, 2026, the date on which our Company (or the BRLMs on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Bid/ Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Bidders can submit their Bids along with the Application Amount
Bidder(s)	An Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form. The terms "Bidding" shall be constructed accordingly
CAN/ Confirmation of Allocation Note	Note, advice or intimation to Successful Bidders confirming the Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2026
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchange pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later
Eligible FPIs	FPIs under FEMA, the SEBI Regulations and any other applicable law, that are eligible to participate in the Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs which are eligible to participate in the Issue and which are (i) not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under the applicable laws. FVCIs are not permitted to participate in the Issue. In addition, Eligible QIBs, outside the United States acquiring the Equity Shares in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act are eligible to participate in the Issue
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED - QIP - ESCROW A/C" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited by the Eligible Bidders and from which refunds, if any, shall be remitted, as set out in the Application Form
Escrow Agreement	Agreement dated June 16, 2026 entered into by and amongst our Company, the Escrow Bank and the BRLMs for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	Kotak Mahindra Bank Limited
Floor Price	Floor price of ₹ 771.73 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board at their meeting held on March 11, 2026 and the Shareholders approval received by way of postal ballot on April 15, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations

Term	Description
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company pursuant to this Issue
Issue	The offer, issue and Allotment of up to [●] Equity Shares each at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Price	A price per Equity Share of ₹ [●], including a premium of ₹ [●] per Equity Share
Issue Size	The aggregate size of the Issue, up to [●] Equity Shares aggregating up to ₹ [●] million
Book Running Lead Manager/BRLMs	IIFL Capital Services Limited (<i>formerly known as IIFL Securities Limited</i>), and Jefferies India Private Limited
Listing Agreement(s)	The agreement entered into by our Company with each of the Stock Exchange in relation to Equity Shares listed on the Stock Exchange
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	The agreement dated June 16, 2026 entered into between our Company and the Monitoring Agency
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	The placement agreement dated June 16, 2026 entered into between our Company and the BRLMs
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder.
Preliminary Placement Document	This preliminary placement document cum application form, dated June 16, 2026 issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder
QIB/ Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts on the date of issuance of CAN
Relevant Date	June 16, 2026 which is the date of the meeting in which the Board or any duly authorised committee of our Board decided to open the Issue
Stock Exchange	BSE Limited and National Stock Exchange of India Limited
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/ Abbreviations

Term	Description
AGM/ Annual General Meeting	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
Category I FPI	FPIs who are registered with SEBI as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II FPI	FPIs who are registered with SEBI as “Category II foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate identification number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act, 2013/ Companies Act	The Companies Act, 2013 read with the rules, regulations, circulars, clarifications and modifications thereunder

Term	Description
Consolidated FDI Policy	The consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depository Participant or DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (<i>formerly Department of Industrial Policy and Promotion</i>), GoI
EGM	Extraordinary general meeting
FBIL	Financial Benchmark India Private Limited
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, read together with rules and regulations issued thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder
Financial Year/Fiscal Year/FY/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	A foreign portfolio investor who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined and registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with SEBI
GAAP	Generally accepted accounting principles
GoI or Government	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
Ind AS	The Indian Accounting Standards, notified by the MCA under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015, as amended along with other relevant provisions of the Companies Act 2013
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016
₹ or Rs. or Indian Rupees	Indian Rupee, the official currency of the Republic of India
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NEAT	National Exchange for Automated Trading
NR/ Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI/ Non-Resident Indian	An individual resident outside India who is a citizen of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P-Notes/ PNs	Participatory Notes
P.A./ p.a.	Per annum
PAN	Permanent account number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
Offshore Derivative Instruments	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act

Term	Description
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	The Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UPSI	Unpublished price sensitive information
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US/ United States	United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations

Business, Technical and Industry Related Terms

Term	Description
AACI	American Accreditation Commission International
AHPI	Association of Healthcare Providers (India)
AI	Artificial Intelligence
ALOS	Average of length of stay, which means total length of stay divided by inpatients volume
ARPOB	Average Revenue Per Operating Bed, which means hospital revenue divided by the total length of stay days
ARPP	Hospital revenue divided by the inpatient volume
ART	Assisted Reproductive Technology
Basic Earnings Per Equity Share	Basic earnings per equity share means profit for the year attributable to equity shareholders / weighted average number of shares outstanding as at the end of the year, in accordance with Ind AS 33 'Earnings per Share'. Basic earnings per equity share is calculated post taking impact of split of face value of ₹10 each to face value of ₹2 each (i.e. split of 1 equity share of ₹10 each into 5 equity shares of ₹2 each)
Bed capacity	Number of beds for which the civil structure has been planned for, as at the end of the relevant fiscal year
Bed occupancy rate	Number of beds occupied divided by number of Operational Beds
C13 Urea Breath Test	A highly accurate, non-invasive diagnostic procedure used to detect the presence of Helicobacter pylori bacteria in the stomach
CAHO	Consortium of Accredited Healthcare Organizations
CAHO Ace CSSD	A structured quality improvement initiative designed to elevate hospitals' Central Sterile Services Department (CSSD) processes, training staff and evaluating protocols to ensure the highest standards of sterilization, infection prevention, and patient safety
Clinical Trials Rules	New Drugs and Clinical Trials Rules, 2019
CME	Continuing Medical Education
CONGOR	Cardiac sciences, Oncology, Neurosciences, Gastroenterology, Orthopaedics and Renal sciences
CORI Surgical System	A handheld, robotics-assisted platform for degenerative joint disease
CT	Computed tomography
Cuvis Ortho Robo	A 3D pre-planning and precise bone cutting
Diluted Earnings Per Equity Share	Diluted earnings per equity share means profit for the year attributable to equity shareholders / weighted average shares outstanding as at the end of the year on fully diluted basis, in

Term		Description
		accordance with Ind AS 33 'Earnings per Share'. Diluted earnings per equity share is calculated post taking impact of split of face value of ₹10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each)
DNB		Diplomate of National Board
“ENT” or “Ear-Nose-Throat”		A medical specialty concerned with the diagnosis and treatment of disorders of the ear, nose, throat, and related structures of the head and neck.
EBITDA		EBITDA is calculated as profit for the year, plus total tax expenses, finance costs and depreciation and amortization expenses.
Adjusted EBITDA		Adjusted EBITDA is calculated as profit for the year, plus total tax expenses, finance costs and depreciation and amortization expenses less exceptional items ((loss)/gain on fair valuation of call option (net) and statutory impact of new labour codes) & share of profit/(loss) from associate, (net of taxes)
Adjusted EBITDA Margin		Adjusted EBITDA Margin is the percentage of Adjusted EBITDA divided by total income
Adjusted EBITDA Pre IND AS		Adjusted EBITDA Pre IND AS is equal to Adjusted EBITDA minus IND AS 116 entries
EBUS		Endobronchial ultrasound for lung cancer and lymph node diagnosis
Endoscopic Ultrasound System		A medical imaging technology that combines traditional endoscopy with high-frequency ultrasound
EVIS X1 Endoscopy System		A medical imaging platform designed to help physicians detect, characterize, and treat gastrointestinal and pulmonary disorders using AI-driven visualization and enhanced optical technologies
FibroScan		A non-invasive liver fibrosis and steatosis diagnosis
ESWL Dornier Delta III		An advanced extracorporeal shock wave lithotripsy (ESWL) system used for non-invasive stone management
Gamma Knife		A non-invasive, highly precise medical device used to deliver targeted beams of gamma radiation for brain tumors and vascular malformations
Green OT		Green Operation Theatre
High-Resolution 24-Channel Manometry		A diagnostic test that utilizes a catheter with 24 closely spaced pressure sensors to continuously measure and map the pressure and coordinated contractions of the muscles within the gastrointestinal tract
Hydrogen Breath Test		A non-invasive diagnostic procedure that measures the amount of hydrogen gas in exhaled breath used to detect common gastrointestinal disorders.
ICSI		Intracytoplasmic sperm injection
IGRT		Image-guided radiation therapy
IMPELLA		The world's smallest heart pump for hemodynamic support
IMRT		Intensity-modulated radiation therapy
Ind AS 116		IND AS 116 is the Indian accounting standard that prescribes the principles for recognizing, measuring, presenting, and disclosing leases. It includes rent expenses (after right-of-use asset and a corresponding lease liability).
Inpatient		A patient who is admitted to the hospital and stays at least one night for treatment
Inpatient volume		Inpatient volume refers to the total number of patients who have been admitted to a hospital for treatment and subsequently discharged in the relevant period / year
IUI		Intrauterine insemination
IVF		In vitro fertilization
KFRC		KIMS Foundation and Research Centre
Mako Robotic System		An advanced, surgeon-controlled surgical platform used for joint or knee replacements that uses 3D imaging and haptic technology to ensure precise bone removal and exact implant placement
Mazor X Robotic Guidance System		A collaborative surgical platform that combines 3D preoperative planning software and real-time intraoperative navigation with a robotic arm to assist spine surgeons in executing highly precise, minimally invasive procedure
MISSO Robotic Knee Replacement System		A fully automated, sub-millimetre precision based on CT scan planning
MOHFW		Ministry of Health and Family Welfare, GoI
MrGFUS		A revolutionary knifeless brain procedure that combines ultrasound waves to heat and destroy targeted tissue with MRI scanning for treating Parkinson's and essential tremors
“MRI” or “Magnetic resonance imaging”		An imaging technique that uses magnetic fields and radio waves to produce detailed images of organs and structures inside the body for diagnostic, staging, treatment-planning and surveillance purposes
NABH		National Accreditation Board for Hospitals and Healthcare Providers, India
NABL		National Accreditation Board for Testing and Calibration Laboratories
Net Asset Value Per Equity Share		Net asset value per equity share is computed as net worth divided by the number of equity shares outstanding as at the end of the year. Net asset value is calculated post taking impact

Term	Description
	of split of face value of ₹ 10 each to face value of ₹2 each (i.e. split of 1 equity share of ₹10 each into 5 equity shares of ₹2 each)
Net Worth	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. Accordingly, Net Worth has been calculated as aggregate value of the paid-up share capital, securities premium account and retained earnings
NOTTO	National Organ and Tissue Transplant Organization
Novalis Tx Accelerator	Linear Radiosurgery and radiotherapy for cancer
O-Arm Scanner	A multi-dimensional imaging system that provides real-time 2D and 3D X-ray images during surgical procedures, used in spine, orthopaedic, neurosurgery and trauma surgeries
O&M	Operations and maintenance
Operational Beds	Operational beds includes census beds (bed available for mid-night occupancy such as intensive care units (“ICUs”)) and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds)
Outpatient	A patient who receives medical treatment without being admitted to a hospital
Outpatient volume	Outpatient volume refers to the total number of outpatients visited the hospital within a specific period
PDQ certification	Pharmacie De Qualite
PGD	Preimplantation genetic diagnosis
PAT	Profit after tax or profit for the year
PAT Margin	PAT Margin is the percentage of profit for the year divided by total income
PBT	Profit before tax
PBT Margin	PBT Margin is the percentage of profit before tax divided by total income.
Power Spiral Endoscopy	An advanced, minimally invasive technique that uses a motorized, rotating overtube with spiral fins to gently grip and pleat the small intestine
Return on Net Worth	Return on net worth is computed as profit for the year attributable to equity shareholders divided by the net worth at the end of the year
Radial & Linear Scopes	An echoendoscope featuring an ultrasound transducer that produces a circumferential cross-sectional image, perpendicular to the axis of the scope
SpyGlass	A direct visualization of biliary and pancreatic ducts
Stealth Station S8	Intraoperative neuro-navigation system that acts as a real-time GPS for the brain and spine.
True Beam STX	An advanced, non-invasive radiosurgery and radiotherapy system that delivers highly precise and rapid radiation beams to target tumors while sparing surrounding healthy tissue
TULSA-PRO	MRI-guided thermal ablation for BPH and prostate cancer

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including “*Risk Factors*”, “*Objects of the Issue and Use of Issue Proceeds*”, “*Issue Procedure*”, “*Placement and Lock-up*” and “*Description of the Equity Shares*” on pages 39, 82, 167, 183 and 204, respectively.

Issuer	Krishna Institute of Medical Sciences Limited
Face Value	₹ 2 per Equity Share
Issue Size	Aggregating up to ₹ [●] million, comprising of issue of up to [●] Equity Shares of face value of ₹2 each at a premium of ₹ [●] each. A minimum of 10% of the Issue Size, i.e. at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs.
Floor Price	₹ 771.73 per Equity Share which has been calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of special resolution through postal ballot on April 15, 2026, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Eligible Investors	Eligible QIBs as defined in Regulation 2(1)(ss) who are eligible to participate in the Issue and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the applicable laws including the SEBI ICDR Regulations. For further details, see “<i>Issue Procedure – Eligible QIBs</i>”, “<i>Selling Restrictions</i>” and “<i>Transfer Restrictions and Purchaser Representations</i>” on pages 173, 185 and 193, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with our BRLMs, at its discretion.
Date of Board Resolution approving the Issue	March 11, 2026
Date of Shareholders’ Resolution (through postal ballot) approving the Issue	April 15, 2026
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance of Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, and other provisions of the Companies Act, 2013 and Chapter VI of the SEBI ICDR Regulations. For further details, see “ <i>Issue Procedure</i> ” on page 167.
Taxation	For statement on tax benefits available to our Company and Shareholders under the direct tax laws in India, see “ <i>Taxation</i> ” on page 199.
Equity Shares issued and outstanding immediately prior to the Issue	400,138,935 Equity Shares of face value of ₹ 2 each, being fully paid-up. The Board has passed a resolution on June 13, 2026, approving the raising of funds for an amount aggregating to ₹ 6,000 million, by issuance of 7,702,182 fully convertible warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each of the Company at a price of ₹ 779.00, to certain Promoters and promoter group entity, by way of a preferential issue. In relation thereto, the Board has also approved the convening of an extraordinary general meeting of the Shareholders to be held on July 9, 2026. The same has also been disclosed to the Stock Exchanges.
Subscribed and paid-up share capital immediately prior to the Issue	₹ 800,277,870.
Equity Shares issued and outstanding	[●] Equity Shares

immediately after the Issue	
Listing	Our Company has obtained in-principle approval from the Stock Exchanges, each dated June 16, 2026 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant, respectively. The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of the Stock Exchanges. Our Company will make applications to the Stock Exchanges after Allotment to obtain final listing and trading approvals for the Equity Shares, to be issued pursuant to the Issue, after the Allotment and the credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.
Lock-up	For details of the lock-up, see “ Placement and Lock-up ” on page 183.
Proposed Allottees	See “ Details of Proposed Allottees ” on page 452 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company
Transferability restrictions	Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. For further details, see, “ Issue Procedure ”, “ Selling Restrictions ” and “ Transfer Restrictions and Purchaser Representations ” on pages 167, 185 and 193, respectively.
Objects of the Issue and Use of Issue proceeds	The gross proceeds of the Issue will aggregate up to ₹ [●] million. The Net Proceeds of the Issue, after deducting fees, commissions and expenses of the Issue, is expected to be approximately ₹ [●] million which is proposed to be utilized for re-payment and/or prepayment of certain outstanding borrowings availed by our Company and investment in certain of our Subsidiaries to be utilized for re-payment and/or prepayment of certain outstanding borrowings availed by such Subsidiaries and general corporate purposes. For further details regarding the use of Net Proceeds, see “Objects of the Issue and Use of Issue Proceeds” on page 82.
Risk Factors	Please see “ Risk Factors ” on page 39 for a discussion of risks you should consider before deciding whether to subscribe to Equity Shares pursuant to the Issue.
Closing Date	The Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about [●], 2026.
Status, ranking and Dividend	Equity Shares being issued pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares, including rights in respect of voting rights, dividends and other distributions declared. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in Shareholders’ meetings on the basis of one vote for every Equity Share held in accordance with the Companies Act, 2013. For further details, see “Dividends” and “Description of the Equity Shares” on pages 98 and 204, respectively
Security codes for the Equity Shares	ISIN: INE967H01025 BSE Code: 543308 NSE Symbol: KIMS

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information extracted from and should be read in conjunction with the Audited Consolidated Financial Statements, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in “**Financial Information**” on page 217. Unless stated otherwise or context otherwise requires, the financial information contained in this Preliminary Placement Document as at and for year ended March 31, 2026 is derived from the Fiscal 2026 Audited Consolidated Financial Statements, financial information as at and for the year ended March 31, 2025 is derived from the comparative financial information included in Fiscal 2026 Audited Consolidated Financial Statements, and financial information as at and for the year ended March 31, 2024 is derived from the comparative financial information included in Fiscal 2025 Audited Consolidated Financial Statements. The use of comparative financial information included in the Fiscal 2026 Audited Consolidated Financial Statements and Fiscal 2025 Audited Financial Statements, reflects the changes in the presentation of decimals and reclassification/ regroupings for better presentation.

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SUMMARY OF CONSOLIDATED STATEMENT OF BALANCE SHEET

(₹ in million)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	41,862	21,988	17,301
(b) Capital work-in-progress	6,062	12,138	6,001
(c) Goodwill	3,386	3,386	3,080
(d) Other intangible assets	570	677	646
(e) Right-of-use assets	11,283	7,434	3,312
(f) Investments accounted for using equity method	875	765	738
(g) Financial assets			
(i) Investments	6	6	6
(ii) Loans	134	55	260
(iii) Other financial assets	778	601	349
(h) Deferred tax assets (net)	1,274	599	319
(i) Non-current tax assets (net)	550	438	455
(j) Other non-current assets	1,433	2,300	577
Total non-current assets	68,213	50,387	33,044
Current assets			
(a) Inventories	969	640	494
(b) Financial assets			
(i) Investments	151	220	829
(ii) Trade receivables	5,542	3,954	2,944
(iii) Cash and cash equivalents	554	560	469
(iv) Bank balances other than (iii) above	193	245	21
(v) Loans	722	492	-
(vi) Other financial assets	675	485	358
(c) Other current assets	568	377	358
Total current assets	9,374	6,973	5,473
Total assets	77,587	57,360	38,517
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	800	800	800
(b) Other equity	21,674	20,578	17,482
Total equity attributable to owners of the Company	22,474	21,378	18,282
(c) Non-controlling interests	3,111	2,810	2,649
Total equity	25,585	24,188	20,931
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	26,726	16,542	9,277
(ii) Lease liabilities	9,648	6,331	2,988
(iii) Other financial liabilities	1,494	777	65
(b) Provisions	457	335	274
(c) Deferred tax liabilities (net)	680	468	463
(d) Other non-current liabilities	608	357	-
Total non-current liabilities	39,613	24,810	13,067
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5,714	2,567	1,186
(ii) Lease liabilities	441	176	104
(iii) Trade payables			
• total outstanding dues of micro enterprises and small enterprises; and	534	150	125
• total outstanding dues of creditors other than micro enterprises and small enterprises	2,694	2,541	1,842

SUMMARY OF CONSOLIDATED STATEMENT OF BALANCE SHEET

<i>(₹ in million)</i>			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(iv) Other financial liabilities	1,900	2,110	612
(b) Other current liabilities	780	538	464
(c) Provisions	326	264	186
(d) Current tax liabilities (net)	-	16	-
Total current liabilities	12,389	8,362	4,519
Total equity and liabilities	77,587	57,360	38,517

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in million, unless otherwise stated)

Particulars	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024
Income			
Revenue from operations	39,046	30,351	24,982
Other income	262	319	161
Total income	39,308	30,670	25,143
Expenses			
Purchase of medical consumables, drugs and surgical instruments	8,418	6,404	5,369
Increase in inventories of medical consumables, drugs and surgical instruments	(329)	(135)	(65)
Employee benefits expense	6,817	4,995	4,224
Finance costs	2,025	903	470
Depreciation and amortisation expense	2,832	1,772	1,465
Other expenses	16,120	11,258	9,082
Total expenses	35,883	25,197	20,545
Profit before share of profit from associate and exceptional items	3,425	5,473	4,598
Share of profit/(loss) from associate, net of tax	26	-	(3)
Profit before tax and exceptional items	3,451	5,473	4,595
Exceptional Items			
(Loss)/gain on fair valuation of Call option (net)	(38)	108	-
Statutory impact of new Labour Codes	(74)	-	-
Profit before tax	3,339	5,581	4,595
Tax expense			
- Current tax	1,362	1,495	1,162
- Deferred tax (credit)/charge	(463)	(47)	40
- Adjustment of tax relating to earlier years	20	(15)	34
Total tax expense	919	1,433	1,236
Profit for the year (A)	2,420	4,148	3,359
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to statement of profit and loss			
- Re-measurement (loss)/gain of defined benefit plans	2	(31)	4
- Income tax effect	-	8	(1)
Other comprehensive income/(loss) for the year, net of tax (B)	2	(23)	3
Total comprehensive income for the year (A+B)	2,422	4,125	3,362
Profit for the year attributable to:			
Owners of the Company	2,414	3,845	3,100
Non-controlling interests	6	303	259
Profit for the year	2,420	4,148	3,359
Other comprehensive income/(loss) for the year attributable to:			
Owners of the Company	1	(20)	2
Non-controlling interests	1	(3)	1
Other comprehensive income/(loss) for the year	2	(23)	3

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in million, unless otherwise stated)

Particulars	For the financial year ended March 31, 2026	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024
Total comprehensive income for the year attributable to:			
Owners of the Company	2,415	3,825	3,102
Non-controlling interests	7	300	260
Total comprehensive income for the year	2,422	4,125	3,362
Earnings per equity share attributable to owners of the Company (face value of share ₹ 2 each)			
- Basic (₹)	6.03	9.61	7.75
- Diluted (₹)	6.03	9.61	7.75

SUMMARY OF CONSOLIDATED STATEMENT OF CASHFLOWS

(₹ in million)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
A. Cash flows from operating activities			
Profit before tax for the year	3,339	5,581	4,595
Adjustments for:			
Depreciation and amortisation expense	2,832	1,772	1,465
Finance costs	2,025	903	470
Provision/(reversal) of expected credit loss for trade receivables (including bad debts)	97	130	(14)
Interest income	(121)	(102)	(23)
Deferred Government grants income	(35)	-	-
Loss/(profit) on sale of property, plant and equipment (net)	5	(109)	(4)
Liabilities no longer required written back	(10)	(6)	(12)
Gain on mutual funds	(5)	(48)	(18)
Rental income	(16)	(7)	(5)
Loss/(gain) on fair valuation of Call option (net)	38	(108)	-
Income on termination of lease	-	(5)	-
Share of profit/(loss) from an associate	(26)	-	3
Operating cash flows before working capital changes	8,123	8,001	6,457
Adjustments for:			
Increase in trade receivables	(1,685)	(934)	(403)
Increase in inventories	(329)	(133)	(66)
(Increase)/ decrease in other financial assets and other assets	(465)	(322)	124
Increase in trade payables, other financial liabilities, provisions and other liabilities	974	620	502
Cash generated from operations	6,618	7,232	6,614
Income taxes paid, net of refunds	(1,510)	(1,414)	(1,402)
Net cash flows generated from operating activities (1)	5,108	5,818	5,212
B. Cash flows from investing activities			
Purchase/Acquisition of property, plant and equipment and Intangible asset other intangible assets, including capital work-in progress and capital advances	(14,279)	(10,089)	(6,473)
Proceeds from sale of property, plant and equipment	150	472	14
Investment in associate	(84)	(27)	(741)
Investment in equity shares	-	-	(6)
Acquisition of subsidiaries	-	(1,123)	-
Acquisition of business	-	(634)	-
Investment in mutual funds	(1,990)	(3,500)	(2,902)
Proceeds from sale of mutual funds	2,064	4,157	2,778
Loans given	(864)	(272)	(260)
Loans repayment received	555	-	-
Redemption of bank deposits (having original maturity of more than three months)	105	117	62
Investment in bank deposits (having original maturity of more than three months)	(287)	(349)	(14)
Rental income received	16	7	5
Interest received	97	79	11
Net cash flows used in investing activities (2)	(14,517)	(11,162)	(7,526)
C. Cash flows from financing activities			
Proceeds from long-term borrowings	13,423	8,487	4,593
Repayment of long-term borrowings	(2,095)	(837)	(177)
Proceeds from short-term borrowings (net)	1,962	288	714
Issue of preference shares to non-controlling interest	192	64	-
Issue of shares to non-controlling interest	288	-	-
Acquisition of non-controlling interest	(1,505)	(942)	(1,811)
Share application money received from non-controlling interest	8	-	-
Advance paid for acquisition of non-controlling interest	(54)	-	-
Payment of principal of lease liability	(685)	(131)	(323)

SUMMARY OF CONSOLIDATED STATEMENT OF CASHFLOWS

(₹ in million)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Payment of interest on lease liability	(59)	(269)	(236)
Interest paid	(2,072)	(1,229)	(593)
Net cash flows generated from financing activities (3)	9,403	5,431	2,167
Net (decrease)/increase in cash and cash equivalents (1+2+3)	(6)	87	(147)
Cash and cash equivalents acquired through business combination	-	4	-
Cash and cash equivalents at the beginning of the year	560	469	616
Cash and cash equivalents at the end of the year	554	560	469

RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company during (i) Fiscal 2026; (ii) Fiscal 2025; and (iii) Fiscal 2024, as per the requirements under IND AS 24 “*Related Party Disclosures*”, as applicable and specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, see “*Financial Information - Fiscal 2026 Audited Consolidated Financial Statements – Note 2.27*” on page 281, “*Financial Information - Fiscal 2025 Audited Consolidated Financial Statements – Note 2.27*” on page 360, and “*Financial Information - Fiscal 2024 Audited Consolidated Financial Statements – Note 2.27*” on page 436.

RISK FACTORS

An investment in Equity Shares involves significant risk. Prospective investors should carefully consider all the information in this Preliminary Placement Document and the Placement Document, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. If any of the following risks or any of the other risks and uncertainties actually occur, our business, financial condition, results of operations, cash flows and prospects could be impacted, the trading price of our Equity Shares could decline, and you may lose a significant part of your investment. These risks and uncertainties are not the only ones that we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial, may in the future have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

*In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with the sections titled “**Industry Overview**”, “**Selected Financial Information**” and “**Summary of our Business**” on pages 99, 31 and 141, respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of details shared by us and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of investing in this Issue. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year.

*This Preliminary Placement Document also contains forward-looking statements that involve risks, assumptions, and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements, as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. See “**Forward-Looking Statements**” on page 17.*

*In this section, unless the context requires otherwise, any reference to the terms “we”, “us” and “our” refers to our Company, Krishna Institute of Medical Sciences Limited and our Subsidiaries on a consolidated basis while “our Company” or “the Company” are to Krishna Institute of Medical Sciences Limited on a standalone basis. Furthermore, unless otherwise indicated or the context otherwise requires, the financial information of our Company used in this section for Fiscals 2026, 2025 and 2024 included herein is derived from the Audited Consolidated Financial Statements as included in this Preliminary Placement Document. For further information, see “**Financial Information**” on page 217.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Assessment of healthcare delivery sector in India” dated June 16, 2026 (“**CRISIL Report**”) prepared and issued by CRISIL Limited (“**CRISIL**”), which has been commissioned and paid for by our Company for the purposes of confirming our understanding of the industry exclusively in connection with this Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular calendar year/Fiscal refers to such information for the relevant calendar year/Fiscal. The views expressed in the CRISIL Report are that of CRISIL. Prospective investors are advised not to unduly rely on the CRISIL Report. For further details, see “**Industry and Market Data**” and “— This Preliminary Placement Document contains industry information that has been extracted or derived from an industry report prepared by CRISIL Limited, which was commissioned by our Company.” on pages 16 and 67.*

INTERNAL RISK FACTORS

- 1. Our revenues are highly dependent on our hospitals in Telangana. Any impact on the revenues from these hospitals could materially affect our business, financial condition, results of operations and cash flows.**

A significant percentage of our patients are served by our hospitals in Telangana, primarily, KIMS Secunderabad, KIMS Kondapur, KIMS Begumpet and KIMS Gachibowli. The following table sets forth selected operating and financial data for these four hospitals for the Fiscals indicated:

Particulars	As of and for the year ended March 31,		
	2026	2025	2024
Revenue from KIMS Secunderabad, KIMS Kondapur, KIMS Begumpet and KIMS Gachibowli (in ₹ million)	23,110	20,301	16,742
% of group revenue	58.79%	66.19%	66.59%
Inpatient volume of KIMS Secunderabad, KIMS Kondapur, KIMS Begumpet and KIMS Gachibowli (Number)	92,396	90,992	82,831
% of group inpatient volume	37.51%	42.65%	43.33%
Outpatient volume of KIMS Secunderabad, KIMS Kondapur, KIMS Begumpet and KIMS Gachibowli (Number)	937,841	899,884	805,920
% of group outpatient volume	40.77%	49.06%	50.13%

Our hospital in Secunderabad, Telangana has also contributed significantly to our revenue from operations, owing to the high-end specialized procedures and services it provides, which are well-suited to its location and the profile of patients it serves. In Fiscals 2026, 2025 and 2024, our main specialty departments in these four hospitals (cardiac sciences, orthopaedics, neurology, mother & child, gastric sciences, renal sciences, oncology and organ transplant) accounted for 30.16%, 33.56% and 34.24% of our inpatient volumes, respectively. The decrease in inpatient volumes is attributed to the increase in the group revenue due to the new hospital acquisitions, resulting in lower overall contribution to the total revenue, in split of increase in individual revenue. Any material impact on our revenues from our hospitals at Secunderabad, Begumpet, Gachibowli and Kondapur in Telangana, including by reason of reduction in patient footfall, reputational harm, liabilities on account of medical negligence or natural calamities and increased competition, could have a material adverse effect on our business, financial condition, results of operations and cash flows. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future. In addition, our concentration in Telangana exposes us to adverse economic or political circumstances that may affect demand for healthcare services in the region. Any change in applicable law governing hospitals and pharmacies by the state government of Telangana, or any other developments including political or civil unrest, disruption or sustained economic downturn that reduce the demand for our services or that hampers the supply of medicines and medical supplies in the region could have a material adverse impact on our business, financial condition, results of operations and cash flows. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

2. *We are highly dependent on certain specialties that contribute to 79.84% of our revenue from operations in Fiscal 2026. Any impact on the earnings from our top contributing specialties could materially affect our business, financial condition, results of operations and cash flow*

A significant percentage of our revenue from operations is attributed to certain select specialties. The following table sets forth the specific specialties that majorly contribute to our revenue from operations for the Fiscals indicated:

Particulars	As of and for the year ended March 31,					
	2026	% of revenue from operations	2025	% of revenue from operations	2024	% of revenue from operations
	Revenue from operations (in ₹ million)		Revenue from operations (in ₹ million)		Revenue from operations (in ₹ million)	
Cardiac Sciences	6,674	17.09%	5,315	17.51%	4,611	18.46%
Orthopedics	5,372	13.76%	4,243	13.98%	3,419	13.69%
Neuro Sciences	4,342	11.12%	3,289	10.84%	2,864	11.46%
Mother & Child	3,926	10.05%	3,103	10.22%	2,356	9.43%
Gastric Sciences	3,897	9.98%	2,792	9.20%	2,138	8.56%
Renal Sciences	3,425	8.77%	2,641	8.70%	2,279	9.12%
Oncology	2,523	6.46%	1,935	6.38%	1,393	5.58%
Organ Transplant	1,021	2.61%	774	2.55%	665	2.66%

In Fiscals 2026, 2025 and 2024, our main specialty departments (cardiac sciences, orthopaedics, neurology, mother & child, gastric sciences, renal sciences, oncology and organ transplant) accounted for 79.84%, 79.38% and 78.96% of our inpatient volumes, respectively. Any material impact on our revenues from such specialties, including by reason of reduction in patient footfall, reputational harm, liabilities on account of medical negligence and increased competition, could have a material adverse effect on our business, financial

condition, results of operations and cash flows. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

3. *We are highly dependent on our healthcare professionals, including doctors that we engage on a consultancy basis, and any inability to retain or attract our healthcare professionals will adversely affect our business, financial condition, results of operations and prospects.*

Our operations depend on the efforts, ability and experience of our healthcare professionals, including our doctors, nurses, consultants and other medical staff at our hospitals. A majority of our doctors are not our employees and work on consultation model. As of March 31, 2026, we had 3,184 doctors, of whom 2,062 were engaged on a consultancy basis and 1,122 were doctors under the DNB and post-doctoral program. Some of our doctors do not work exclusively with us and are permitted to engage in private practice outside of our business and may choose to join our competitors. The attrition rate for our healthcare professionals, which includes resident doctors (including DNB students), consultant doctors, nursing staff (including interns) and paramedical personnel, for Fiscals 2026, 2025 and 2024 was as mentioned below:

<i>Category</i>	<i>Fiscal 2026 Attrition %</i>	<i>Fiscal 2025 Attrition %</i>	<i>Fiscal 2024 Attrition %</i>
Consultants doctors	1.36%	1.02%	0.53%
Nursing staff	19.00%	34.88%	49.12%
Resident Doctors & DNB	22.64%	60.07%	49.92%
Paramedical personnel	22.96%	22.76%	28.13%

Further, our employee benefits expenses for Fiscals 2026, 2025 and 2024 were ₹ 6,817 million, ₹ 4,995 million and ₹ 4,224 million, respectively, which constituted 19.00%, 19.82% and 20.56% of the total expenses of the Company, for the respective Fiscals. There is no assurance that the attrition amongst our doctors, nurses and other healthcare professionals will not increase in the future. Even though we are not exclusively dependent on any particular doctor for providing services to our patients, certain patients may choose our hospitals because of the reputation of some of our individual doctors. There is no assurance that we will be able to retain our doctors or that our doctors will not prematurely terminate employment agreements. We may, as a result, be unable to effectively utilize their time and expertise in providing services to our patients or be able to attract patients to our hospitals due to their preference of doctors, which may have an adverse impact on the patient volume and our profitability at such hospitals.

Our performance and the execution of our business strategies depend substantially on our ability to attract, recruit and retain leading healthcare professionals, including nurses and paramedical staff in a particular specialty or in a region relevant to our growth plans. We compete with other healthcare services providers in recruiting and retaining trained healthcare professionals, which are limited in the market. Further the limited availability of experienced healthcare leadership may make replacement difficult, potentially impacting our business operations and our growth plans, see ***“Summary of our Business – Our Strengths - Ability to attract and retain high quality doctors, including through equity participation”*** on page 147. The decision of healthcare professionals regarding where to practice is influenced by several factors, including compensation and incentives, the reputation and quality of the healthcare facility, academic and research opportunities, and the volume of patients and procedures available to them. There can be no assurance that such professionals will view our offerings as favorable in comparison to those of our competitors. We endeavor to engage professionals who are well-recognized in their respective fields and regions and who possess established patient bases and robust referral networks. However, negotiating favorable terms and arrangements with such professionals may present considerable challenges. We typically agree to pay our specialist physicians a professional fee based on the services they provide. Given prevailing market conditions and the limited availability of trained and experienced professionals, we may be required to increase the fees and salaries (as applicable) paid to our healthcare professionals and consultants, and there can be no assurance that we will be able to manage such expenses completely as planned. In the event that we are unable to make timely payments to these professionals or consultants, or if our working relationships with them deteriorate, or if they receive more favorable opportunities from competing service providers, we may be unable to retain them. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

If we fail to attract and retain qualified healthcare professionals for our hospitals, it may adversely impact quality of care, patient satisfaction and operational efficiency, which in turn may adversely affect our business, financial condition, results of operations and prospects.

Further, our doctors have been involved in the growth of our hospitals by actively participating in the equity ownership in our Subsidiaries. Doctors invest directly from their personal accounts into the respective subsidiaries and may dilute their equity at a subsequent stage. However, equity participation may not be an effective retention mechanism in all cases, because, *inter alia* (i) the doctors' financial and professional incentives may change over time (including due to competing opportunities), and (ii) the doctors may seek to monetise or exit their equity holdings (including upon disputes or changes in their professional arrangements), any of which could result in reduced engagement, disruption to service delivery or the departure of key doctors. Our doctor equity participation model may also increase the complexity of our governance and management, including, because doctor-shareholders may have interests that diverge from the interests of other shareholders (including with respect to dividend expectations, capital allocation, expansion strategy, hiring and compensation decisions, and resource allocation among hospitals and specialties). This could lead to management distraction and discussions in respect of continued association, performance standards, exclusivity, non-compete or non-solicit expectations, and exit terms, and adverse outcomes for our business. To the extent any doctor-shareholders have access to confidential information or are involved in management decision-making, we may also face risks relating to the misuse of confidential information and compliance with restrictions on insider trading under applicable law. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

4. *We have a history of negative cash flows from investing activities. If we are unable to generate adequate revenue and manage our cash flows and expenses, we may continue to incur losses.*

We commenced our operations in the year 2000 and have since grown significantly. As a result, our revenue from operations has increased over the years, as reflected in the table below. We have also reported negative cash flows from investing activities in Fiscals 2026, 2025 and 2024 primarily due to acquisitions of property, equipment and other intangible assets as shown in the table below.

Particulars	For the year ended March 31,		
	2026	2025	2024
Revenue from operations (in ₹ million)	39,046	30,351	24,982
Net cash flow used in investing activities (in ₹ million)	(14,517)	(11,162)	(7,526)

Our investing expenses may continue to increase as we expand our capabilities, develop our hospitals and brand, hire additional personnel, expand our operations across India, broaden and increase investment in technology and infrastructure. Further, these activities may be costlier than we expect and may not result in increased revenue or may result in an increase in net cash flows. Any failure to increase our revenue sufficiently to keep pace with our initiatives, investments, and other expenses could prevent us from achieving or maintaining profitability or positive cash flows on a consistent basis in future periods. Negative cash flows over extended periods, or significant negative cash flows in the short term, could adversely impact our ability to operate our business and implement our growth plans. Failure to become profitable could materially and adversely affect the value of your investment in our Company in future.

5. *Certain lands on which our hospital buildings and ancillary facilities are operating are not owned by us and not leased on a perpetual basis. Any adverse impact on the title or ownership rights of the owner or breach of the terms or non-renewal of the license agreement may lead to disruptions and affect our business operations.*

Our hospitals at Vizag (Andhra Pradesh), Kondapur (Telangana), Rajahmundry (Andhra Pradesh), Bengaluru (Karnataka), Nellore (Andhra Pradesh) (partially leased), Kerala and Meda Institute of Podiatry Private Limited are situated on land that is leased on a non-perpetual basis with terms ranging from 2 years to 99 years, renewable upon expiration on mutually agreed terms. Our Company and certain of our Subsidiaries, *inter alia*, KIMS Kondapur, KIMS Vizag, KIMS Kurnool, KIMS Saveera and AHPL Srikakulam, have entered into lease deeds with various vendors for, amongst others, staff accommodation, and nursing hostels. Any use of the leased land pursuant to the lease deeds will have to be in compliance with the terms and conditions contained in such lease deeds. The lessors may terminate the leases in the event of a breach of the terms of the lease deeds, including delay in payment or non-payment of rent, usage of the property other than for the purposes for which it has been leased, or on the transfer, assignment or mortgage of the land or the clinical establishments situated thereon in breach of the terms of the lease deeds. There is no assurance that we will be able to renew these leases on commercially acceptable terms, or at all. We may not be able to effectively re-locate our operations and, even if we are able to re-locate, there is no assurance that we can resume the

same level of operation or revenue contribution after such relocation. Also see, “- *We may not be able to grow our business due to a failure in successfully implementing all our growth strategies, including due to a failure in managing our Subsidiaries which run certain of our hospitals, which could adversely affect our business, financial condition, results of operations and cash flows*”.

Furthermore, certain of our leases such as leases that may relate to staff accommodation, nursing hostel, canteen and staff parking, may not be adequately stamped or registered. Failure to stamp a document does not affect the validity of the underlying transaction but renders the document inadmissible as evidence in court in India (unless stamped prior to enforcement with payment of requisite penalties, which may be up to 10 times the stamp duty payable, and other such fees that may be levied by the authorities). While we believe that the likelihood of such penalties is remote, we cannot assure you that we will not be required to pay such stamp duty and penalties in the future. Further, documents which are insufficiently stamped are capable of being impounded by a public officer. Consequently, should any dispute arise in relation to our use of the relevant properties, we may be unable to, or may incur additional expenses to, enforce our rights in relation to such properties. Any non-renewal of such arrangements or the renewal of any such arrangements on unfavorable terms could lead to disruptions to our business and have a material adverse impact on our results of operations.

6. *Our indebtedness and the conditions and restrictions imposed by our financing arrangements may limit our ability to grow our business and adversely impact our business.*

As of April 30, 2026, our total outstanding borrowings (which consists sum of non-current borrowings and current borrowings) amounted to ₹ 33,502.58 million, on a consolidated basis. As of April 30, 2026, 100% of our short term and long term borrowings (including current maturity of long term debt) entailed interest payments at variable rates.

There are restrictive covenants in agreements entered into by our Company and Subsidiaries with certain banks and financial institutions for short-term loans and long-term borrowings. These restrictive covenants require us to intimate and seek prior consent of these banks and financial institutions for various activities, including effecting any changes to our capital structure including any consequent dilution of promoter shareholding or change in shareholding pattern, raising fresh capital or any term loans or debentures; utilizing loans for purposes other than those set out in the financing agreement, taking actions that result in a change of control over us, making investments in other concerns and effecting any amendments in our constitutional and incorporation documents .

While there have been no defaults/ delays in repayments, restructuring or covenant breaches in any loans or debt payments in the past three Fiscals and we have obtained necessary consents from respective lenders to proceed with the Issue, however, there can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise cured could lead to a termination of our credit facilities, acceleration of all amounts due under such facilities or trigger cross-default provisions under certain of our other financing agreements, any of which could adversely affect our financial condition and our ability to conduct and implement our business plans.

Furthermore, any fluctuations in the interest rates may directly impact the interest costs of our existing loans and could adversely affect our financial condition. Our ability to make payments on and refinance our indebtedness will depend on our ability to generate cash from our future operations. We may not be able to generate enough cash flow from our operations or obtain enough capital to service our debt. Our current or future level of leverage could have significant consequences on our Shareholders and our future financial results and business prospects, including increasing our vulnerability to a downturn in business in India and other factors which may adversely affect our operations; limiting our ability to pursue growth plans; requiring us to dedicate a substantial portion of our cash flow from operations to service debt, thereby reducing the availability of cash flows to fund capital expenditures and growth initiatives, to meet working capital requirements and for use in relation to other general corporate purposes or to make dividend payouts; limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; increasing our interest expenditure; and limiting our ability to raise additional funds or refinance existing indebtedness.

Any additional financing that we require to fund our expenditure, if met by way of additional debt financing, may place restrictions on us which may, among other things, limit our ability to pursue our growth plans, require us to dedicate a substantial portion of our cash flow from operations to make payments on our debt, thereby reducing the availability of our cash flow to fund capital expenditures, meet working capital requirements and use for other general corporate purposes, limit our flexibility in planning for, or reacting to changes in our business and our industry, either through the imposition of restrictive financial or operational covenants or otherwise. Currently, we have a credit rating of AA: Stable for long-term facilities and A1+ for short-term facilities. We have not experienced any downgrade in our credit rating in the past 3 years. However, there is no guarantee that we will be able to maintain such ratings in the future.

7. *We operate in a highly regulated industry, and compliance with applicable safety, health, environmental and other governmental regulations and any violations of existing regulations may adversely affect our business, results of operations and cash flows.*

The healthcare industry is subject to laws, rules and regulations in the regions where we conduct our business or in which we intend to expand our operations. Given our hospitals are situated at multiple locations, we are subject to various and extensive local laws, rules and regulations relating to, among other things, the establishment and operation of private medical care establishments. Further, the qualification, registration and practicing activities of our healthcare professionals are strictly regulated by applicable laws, regulations, policies and guidelines, including those administered by the National Medical Commission (“NMC”), which replaced the Medical Council of India, as well as by applicable codes of professional conduct, ethics and professional standards.

Health and safety laws and regulations in India have become increasingly stringent over time, and it is possible that they will become more stringent in the future. For instance, the Bio-Medical Waste Rules, 2016, as amended, require mandatory authorization and annual reporting requirements for all establishments handling bio-medical waste. In the fertility business, the Assisted Reproductive Technology (Regulation) Act, 2021 prescribes registration requirements for clinics providing assisted reproductive technology services, imposes obligations on fertility clinics to provide counseling to couples and woman opting for such procedures, specifies duties for using human gametes and embryos, and mandates record keeping obligations and stricter compliance norms with respect to procedures being carried out. The Assisted Reproductive Technology (Regulation) (Regulation) Act, 2021 also prescribes penalties, both in the form of fine and imprisonment which may be levied on our doctors and our Company. On March 25, 2026, by way of an order, the National Pharmaceutical Pricing Authority revised the price based on Wholesale price index in respect of scheduled formulations, dosage form and strength of certain drugs and such provisions were made effective on April 1, 2026. The effect of the provisions of these on us cannot be predicted with certainty at this stage.

Further, our actual or perceived failure to meet evolving environmental, social and governance (“ESG”) expectations, or any allegations of “greenwashing”, could adversely affect our business, reputation, financial condition, results of operations and prospects. We operate multiple hospitals, medical colleges and clinical infrastructure, which entails the consumption of energy and water, the generation of bio-medical and other wastes, and reliance on third-party service providers and contractors, and we may be subject to stakeholder expectations and scrutiny in relation to our environmental performance (including waste segregation, treatment and disposal, effluent and emissions controls, and resource efficiency), social practices (including patient safety and quality of care, ethics, community impact and accessibility, diversity and inclusion, labour and working conditions, and student welfare), and governance (including compliance culture, transparency and oversight). Our operations are subject to a wide range of applicable laws and regulations, including environmental laws such as the Environment (Protection) Act, 1986 and the rules issued thereunder (including the Bio-medical Waste Management Rules, 2016 and Hazardous Waste Management Rules, 2016), and laws relating to the prevention and control of water and air pollution, such as the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981. In addition, our stakeholders (including students, patients, employees, doctors, accreditation bodies, vendors, local communities and investors) may apply increasing pressure on us to set and meet ESG-related goals, and may benchmark us against peers through internal scorecards, public rankings or third-party ESG ratings. If we fail to substantiate our ESG-related claims, or if there are differences between stakeholder expectations and our ESG priorities or execution, we could be subject to allegations of “greenwashing”, adverse media coverage, complaints to regulators or other authorities, litigation or other proceedings, and reputational harm, which could adversely affect our ability to attract patients and retain healthcare professionals, obtain or renew licences, permits, consents or accreditations, maintain relationships with business partners, access capital on acceptable terms, and compete effectively. Further, ESG standards, methodologies and reporting frameworks

continue to evolve, and ESG rating providers may revise their scoring models and weightages, which may lead to volatility in our ESG scores or ratings irrespective of actual improvements in our performance. Inaccurate or unfavourable ESG ratings, or the perception that our ESG practices are deficient, could result in increased compliance costs, restrictions or conditionalities from lenders or business partners, diversion of management time and attention, and an adverse impact on our reputation, business and financial performance.

The laws, regulations, policies, guidelines and licensing and accreditation requirements that we are subject to cover many aspects of our business. We may incur substantial costs in order to comply with current or future laws, rules and regulations, and we may not be able to maintain, at all times, full compliance with such laws, regulations, policies and guidelines. These current or future laws, rules and regulations may also impede our operations. Any non-compliance with the applicable laws, rules and regulations may subject us to regulatory action, including penalties and other civil or criminal proceedings, which may materially and adversely affect our business, prospects and reputation. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

The qualification and practicing activities of our healthcare professionals are strictly regulated by applicable laws, regulations, policies and guidelines, as well as by applicable codes of professional conduct or ethics. If our health professionals fail to comply with applicable laws, regulations, policies or guidelines, including professional licensing requirements, we may be subject to penalties including fines, loss of licenses or restrictions on our healthcare facilities and operations, which could materially and adversely affect our business and reputation. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

We are also subject to laws and regulations governing relationships with our employees, in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future. If labour laws undergo a change and become more stringent, it may become difficult for us to maintain flexible human resource policies, discharge employees, or downsize, any of which could have an adverse effect on our business, financial condition, results of operations and cash flows. For instance, the Government notified on December 30, 2025, effective from November 21, 2025 (a) the Code on Wages, 2019 (“**Wages Code**”); (b) the Code on Social Security, 2020 (“**Social Security Code**”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labour legislations. The respective rules pertaining to each of these codes were notified between May 8, 2026 to May 9, 2026. The effect of these provisions on us cannot be predicted with certainty at this stage.

8. *Our ability to provide affordable healthcare to our patients is dependent on our ability to effectively estimate price and manage our healthcare costs.*

Our ability to provide affordable healthcare depends on our ability to effectively manage and predict our costs. We have entered into several agreements under which we are required to provide medical services at rates fixed by, among others: (i) Central Government Health Scheme, (ii) Bharat PMJAY – Rajiv Aarogyasri Scheme, and (iii) AP Employee Health Scheme. In addition, KIMS Vizag is required to allot 25% beds, not less than 100 beds for and to provide medical services at subsidized rates to certain classes of patients covered under the Sukhibava Health Scheme pursuant to the service agreement entered into among us, Iconkrishi Institute of Medical Sciences Private Limited and Milk Producers and Employees Educational Health and Medical Welfare Trust. We face the pressures of rising business costs, including increased, employee compensation and outsourced staff cost relating to housekeeping and security, increased cost of medical technology and prescription drugs, government-mandated benefits and other regulatory changes to provide such services. While we seek to manage our pricing model in light of these costs, we may not always be able to do so, including due to our fee arrangements and existing contracts, as well as regulatory restrictions. We are also subject to risks relating to fluctuations in market interest rates. For details, see “**Our indebtedness and the conditions and restrictions imposed by our financing arrangements may limit our ability to grow our business and adversely impact our business**” on page 43.

9. *Our business depends on the strength of our brand and reputation. Failure to maintain and enhance our brand and reputation, and any negative publicity and allegations in the media against us, may materially and adversely affect the level of market recognition of, and trust in, our services, which could result in a material adverse impact on our business, financial condition, results of operations and prospects.*

We believe that our brand and reputation are critical to our success. Many factors, some of which are beyond our control, are important to maintaining and enhancing our brand and may negatively impact our brand and reputation if not properly managed, such as:

- a. our ability to maintain a convenient, standardized and reliable customer experience as customer preferences evolve and as we expand our service categories and develop new business lines;
- b. our ability to increase brand awareness among existing and potential clients through various means of marketing and promotional activities;
- c. our ability to adopt new technologies or adapt our technology and systems, including our websites and user portals, to user requirements or emerging industry standards in order to maintain our customer experience;
- d. our ability to effectively control the quality of service in our hospitals, and to monitor their performance as we continue to expand our network; and
- e. our ability to maintain and renew existing accreditations or to apply for additional accreditations as we expand our network.

Despite our effort to manage and supervise healthcare professionals in our network, they may fail to meet our requirements and their contractual obligations with us. They may not possess the permits or qualifications required by the relevant laws and regulations at all times, or they may fail to meet other regulatory requirements for their operations. Our brand and reputation may be adversely impacted if our healthcare professionals provide inferior service, engage in medical malpractice, violate laws or regulations, commit fraud or misappropriate funds, harm a patient or mishandle personal healthcare information, in addition to any impact that such development would have on our business, financial condition, results of operations and prospects. We face heightened risks of non-compliance with respect to healthcare professionals who do not operate fully under our management and over whom we have limited control. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

‘KIMS’ is used by various institutions including two other hospitals in the states of Kerala and Karnataka. Certain of these institutions have also initiated opposition applications against our trademark applications. For details, see “- 14. *We may fail to protect our intellectual property rights and may be exposed to misappropriation and infringement claims by third parties, either of which may have a material adverse effect on our business and reputation*” on page 49. Therefore, negative publicity due to any negative impact on these hospitals or any other hospitals and institutes using the name KIMS can significantly impact our brand, public image and reputation, regardless of their veracity. Further, our brand promotion efforts may be expensive and may fail to effectively promote our brand or generate additional sales.

Our failure to maintain and enhance our brand and reputation may materially and adversely affect the level of market recognition of, and trust in, our services. This could materially and adversely affect our business, financial condition, results of operations and prospects.

10. *We face intense competition from other healthcare service providers. If we are unable to compete effectively, our business, results of operations and cash flows may be materially and adversely affected.*

We operate in a competitive environment. In most markets, we compete with hospitals, clinics, diagnostic chains and dispensaries of varying sizes with different specialties. We compete on the basis of factors such as our specialty and other service offerings, quality and selection of healthcare professionals, affordability, quality of care, technology, quality of facilities, patient satisfaction, brand and reputation. As per the CRISIL Report, major hospital players in the country are as follows:

1. Apollo Hospitals Enterprise Limited;
2. Aster DM Healthcare Limited;

3. Fortis Hospitals Limited;
4. Global Health Limited (Medanta);
5. Manipal Health Enterprises Limited;
6. Max Healthcare Institute Ltd; and
7. Narayana Hrudayalaya Limited.

Our pharmacies in our hospitals compete on factors such as price and product offerings. Some of our multi-specialty competitors offer services that we do not offer. Some of our competitors are owned or operated by governmental bodies or by private not-for-profit entities supported by endowments and charitable contributions, which can finance capital expenditures without incurring significant tax obligations. We may also face competition from new market entrants, such as established foreign healthcare companies which may enter the Indian market in the future. We are required to evaluate and increase our competitive position in each of our markets for example by offering competitive compensation to healthcare professionals and quality services with competitive rates to our patients. As a result, we may experience lower profitability as we strive to compete with our competitors on all fronts.

It is also possible that there will be significant consolidation in the medical industry. Our competitors may develop alliances, and these alliances may acquire significant market share. Concentration within the sector, or other potential moves by our competitors, could improve their competitive position and market share and may exert further pricing and recruiting pressure on us.

Existing or new competitors may try to compete for patients by exerting pricing pressures on some or all of our services by pricing their services at a significant discount to ours or offering services with greater convenience or better quality. Further, our competitors may expand their healthcare networks, which may exert further pricing and recruiting pressure on us. If we are unable to compete effectively with our competitors, our market share, business, financial condition, results of operations and cash flows could be materially and adversely affected.

11. If we are unable to maintain bed occupancy rates at sufficient levels, we may not be able to generate adequate returns on our capital expenditure, which could materially and adversely affect our operating efficiencies and our profitability

We generated a substantial portion of revenue from our services to inpatients. We have invested, and expect to continue to invest, significant amounts to establish or acquire new hospitals and to add bed capacity, modernize infrastructure at our existing hospitals, introduce new technologies and expand our range of services. Our ability to sustain current levels of profitability and operating efficiencies depends on our ability to maintain and increase bed occupancy rates, which in turn depends on factors such as brand recognition in the communities in which we operate, our ability to attract and retain quality healthcare professionals, our ability to develop super-specialty practices and our ability to compete effectively with other hospitals and clinics. Our average bed occupancy rate was 50.49%, 50.04% and 61.32% in Fiscals 2026, 2025 and 2024, respectively. Further, our average revenue per occupied bed and revenue from services to inpatients in Fiscals 2026, 2025 and 2024 was ₹ 44,644, ₹ 39,158, ₹ 31,916 and, ₹ 31,598 million, ₹ 24,560 million, ₹ 20,193 million, respectively, for the respective Fiscals. If we fail to maintain or improve our occupancy rates while we continue to incur significant capital expenditure, our business, financial condition, results of operations and prospects may be materially and adversely affected.

12. If we are unable to keep pace with technological changes, new equipment and service introductions, changes in patients' needs and evolving industry standards, our business and financial condition may be adversely affected.

The healthcare services industry is characterized by periodic technological changes, new equipment and service introductions, changes in patients' needs and evolving industry standards, including, for example, changes associated with diagnosis process, treatments and patient-doctor interactions in telemedicine offerings. Our continued success depends on our ability to anticipate industry trends and identify, develop and market new value-added services that meet client demands, to continually enhance our equipment and technologies in a timely and cost-effective manner. Also see, "**Summary of our Business – Out Strategies – Continued investment in technology adoption**" on page 150.

Developing new services and tools in a timely and cost-effective manner may be difficult, particularly as market preferences can change rapidly. Our assessment of the market and evolving customer preferences may not lead to new services that are commercially successful. We may also experience delays or failures in any stage of our service development, introduction or implementation. Our competitors may be more efficient at developing new services and may introduce those services to the market before us. The introduction of new or similar services by our competitors may result in reductions in our prices, profit margins, and market share. Further, as industry standards evolve, we may be required to enhance and develop our internal processes and procedures, as well as equipment and technologies, to comply with such standards and maintain the accreditations that we have received. The research, design and development of new services may also require significant resources, including financial and management time and attention. If we are unable to develop new services in a timely manner to meet market demand, or if there is insufficient demand for our services, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Rapid changes in the medical and healthcare industry require sourcing for and investing in new medical equipment and technology. We may not be able to continually invest in, procure and integrate the latest equipment and technologies at commercially suitable terms and in a timely manner. We may not be able to recover the financial outlay for the medical equipment and systems that we invest in. We may incur significant costs in replacing or modifying equipment in which we have already made a substantial investment. New equipment and services based on new or improved technologies or new industry standards can lead to earlier than planned redundancy of our medical equipment and result in asset impairment charges in the future. Although we sometimes sell obsolete equipment back to the suppliers of such equipment, there can be no assurance that we will be able to continue to do so on financially viable terms. We may experience short-term disruptions to our operations if our equipment is damaged or breaks down. Extended downtime of our medical equipment, and repair or replacement costs of such equipment, could result in loss of revenue, client dissatisfaction, and damage to our reputation. Injuries caused by medical equipment in our healthcare facilities due to equipment defects, improper maintenance or improper operation could also subject us to liability claims, which may not be insured completely or at all. Regardless of their merit or eventual outcome, such liability claims could result in significant legal defense costs for us, damage to our reputation, and a material adverse effect on our business, financial condition and results of operation. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

Our operations are also subject to risks inherent in the use of complex medical equipment. Some equipment we use in our hospital involves radioactive substances. Failures, accidents, defects, improper use or lack of maintenance of our equipment may lead to injury of our patients and healthcare professionals. We may incur significant repair and maintenance costs and may experience disruptions in our operations in the event of any material malfunction or breakdown of our equipment in the future. In Fiscal Years 2026, 2025 and 2024, our expenses relating to repairs and maintenance of medical equipment were ₹ 534 million, ₹ 449 million and ₹ 336 million, respectively. In addition, we may not be able to respond to such failures or malfunctions in a timely manner or with acceptable cost, which could adversely impact our ability to provide patients with necessary treatments and quality services, result in injury of our healthcare professionals, and damage our reputation.

Further, we may also experience ambulance-related risks, such as mechanical breakdowns of our ambulances, or motor vehicle accidents involving our ambulances, which can severely impede our ability to provide prompt services to patients in urgent need of our ambulance services and damage our reputation. Failures, accidents, defects, improper use or lack of maintenance of our equipment may also lead to injury to our patients and healthcare professionals. In addition, we may not be able to respond to such failures or malfunctions in a timely manner or with acceptable cost, which could adversely impact our ability to provide patients with necessary treatments and quality services, resulting in injury to our healthcare professionals and patients.

13. If we do not receive payments on time from our payers, our financial condition, cash flows and results of operations may be materially and adversely affected.

Our patients pay for our inpatient and outpatient services through a mix of cash on-site and credit arrangements, including through third-party payers such as private and public insurers and public sector undertakings. As of March 31, 2026, we had trade receivables amounting to ₹5,542 million, net of allowance for expected credit loss amounting to ₹ 631 million. For patients who partially pay their bills during their stay at our hospitals, we may not be able to collect their remaining payments in a timely manner, or at all. Our agreements with third party payers are an important source of payments that impacts our revenue. While we

enter into long-term arrangements with these third party payers to set out terms and conditions of cashless payments and fees charged to these insurance companies, certain of these agreements can be terminated by the insurance companies without cause as well which may impact our revenue. Our third-party payer arrangements continue and there is no assurance that such arrangement will continue in the future. If we do not receive payments on a timely basis from our third party payers, our financial condition, cash flows and results of operations could be materially and adversely affected. Furthermore, any revision in the prices set under the Aarogyasri Scheme, the Central or State Government Health Schemes, Ex-Servicemen Contributory Health Scheme or by the third-party administrators may affect the ability of our patients to pay the outstanding dues. While no such instance has occurred in the Fiscals 2026, 2025 and 2024, there can be no assurance such an instance will not occur in the future.

14. *We may fail to protect our intellectual property rights and may be exposed to misappropriation and infringement claims by third parties, either of which may have a material adverse effect on our business and reputation.*

We have applied for registration of trademarks for our corporate logo and our word mark with the Registrar of Trademarks and such trademarks and workmarks are yet to be granted in the name of our Company. Maintaining and enhancing our brand and reputation associated with our intellectual property is integral to our success. We have made applications for ‘KIMS HOSPITALS’  ‘KIMS – THE FUTURE OF HEALTH’ , ‘KIMS HOSPITALS’ and ‘Krishna Institute of Medical Science’ in various classes for the registration of these trademarks, including our corporate logo and word marks. Opposition applications have been filed against (i) four of our trademark applications for “KIMS HOSPITALS”, (ii) four of our applications for ‘KIMS Krishna Institute of Medical Science’, (iii) one of our trademark applications for ‘KIMS The Future of Health’ (logo), two of our trademark applications for “KIMS Cuddles”, and (iv) two of our applications for our logo  by certain other institutions that currently hold the trademark registration “KIMS” in certain categories. These opposition applications have been filed on various grounds including, *inter alia*, deceptive similarity with certain trademarks used by the opposing parties, claiming that grant of registration of trademarks that we applied for could lead to loss of distinctive character and reputation of their trademarks. Two of our applications for ‘KIMS Krishna Institute of Medical Science’ have been objected by Trademarks Registry, Chennai and one of our wordmarks for ‘KIMS KAGE’ has been objected. Our failure to register or protect our intellectual property rights may also undermine our brand and result in harm to the growth of our business. If any of our confidential or proprietary information, were to be disclosed or misappropriated, or if a competitor independently developed any such information, our competitive position could be harmed.

Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations and assert intellectual property claims against us, particularly as we expand our business and the number of healthcare services we offer. There are other entities that have similar trade names to ours. The use of “KIMS” or similar trade names by third parties may lead to confusion among patients. Any adverse medical experience of patients with those parties using similar trade names, as well as any consequent negative publicity or perceptions perceived to be associated with us, may adversely affect our reputation and brand and business prospects. Our defense of any claim, regardless of its merit, could be expensive and time consuming and could divert management resources. Successful infringement claims against us could result in significant monetary liability. In addition, resolution of claims may require us to cease using those rights altogether. In addition, there is no assurance that steps taken by us to protect our intellectual property rights will be adequate to stop infringement by others, including imitation and misappropriation of our brand. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

Furthermore, we cannot be certain that the equipment suppliers, from whom we purchase equipment (including related software to operate such equipment), have all requisite third party consents and licenses for the intellectual property used in the equipment they manufacture. As a result, we may be exposed to risks associated with intellectual property infringement and misappropriation claims by third parties. Such risks may further increase as we expand our services and the geographic scope of our marketing. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

15. Our Company's revenue from operations is derived from multiple regions, with a significant concentration in Telangana and Andhra Pradesh.

While we have expanded our presence into new geographies such as Maharashtra, Karnataka, and Kerala, our revenue contribution from Telangana and Andhra Pradesh has shown a declining trend as a percentage of total revenue over recent financial years. Any continued decline in revenue from key regions, or an inability to ramp up revenue from newly entered markets, could adversely impact our overall financial performance, growth prospects, and ability to achieve economies of scale.

The following table sets forth our revenue from operations from each region for the Fiscals 2026, 2025 and 2024, respectively, as a percentage of total revenue from operations for the respective period:

Cluster	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations (₹ million)	As a % of total revenue from operations	Revenue from operations (₹ million)	As a % of total revenue from operations	Revenue from operations (₹ million)	As a % of total revenue from operations
Telangana	22,289	57.08%	19,440	64.05%	16,432	65.78%
Andhra Pradesh	9,423	24.13%	8,082	26.63%	6,756	27.04%
Karnataka	1,012	2.59%	-	-	-	-
Maharashtra	4,629	11.86%	2,349	7.74%	1,794	7.18%
Kerala	1,693	4.34%	480	1.58%	-	-

As seen above, the contribution of Telangana and Andhra Pradesh to our total revenue has increased over the last three financial years but the percentage contribution of each region towards the total revenue from operations over the last three financial years has declined due to increase in the total revenue from operations due to the new hospital acquisitions. If we are unable to successfully increase revenue from new regions or if revenue from our established regions continues to decline, our business, financial condition, cash flow, results of operations and prospects may be adversely affected.

16. We may not be successful in expanding our operations to other parts of India which could have an adverse effect on our business, financial condition, results of operations and cash flows.

We operate 26 multi-specialty hospitals under the “KIMS Hospitals” brand across Telangana, Andhra Pradesh, Maharashtra, Karnataka, and Kerala. We have been growing and expanding since we established our oldest hospital in Nellore in 2000. We have significantly expanded our hospital network in the last three Fiscals, across South India and Maharashtra, through new hospital launches, acquisitions of hospitals and operation and management arrangements in Vizag, Nashik, Sangli, Kompally and Kannur in Fiscal 2025 and started operations in Thane, Kollam, Mahadevapura and Electronic City in Fiscal 2026. It is our growth strategy to further expand our presence across key markets in South India and adjacent states, like Maharashtra, and we may face risks with respect to our operations in these new geographic areas where we have not operated in the past and may not possess the same level of familiarity with local economic conditions, culture and patient expectations, see “**Summary of our Business – Our Strategies - Deepening regional presence through strategic cluster-based expansion**” on page 148. We also intend to expand in these regions via different models, which include asset-light models or models involving no ownership of assets. Our expansion models include: (a) greenfield projects, (b) brownfield projects and (c) asset-light operating and management model. The asset light operating and management model, is further divided into two sub-models: (a) *Long-term lease model* - whereby we acquire existing hospital facilities and operate them under the “KIMS Hospitals” brand pursuant to a long-term contract, which can be renewed at our discretion or by mutual agreement; and (b) *Operations and Management model* - whereby we partner with running hospitals and manage their operations, while the licenses are under the enterprises’ name and the Company is entitled to receive a percentage of the profits generated by such hospital, coupled with call option, on the equity of such enterprise. We may not be able to successfully manage the risks of such an expansion, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

17. *We may experience delays in construction or commencement of operations at new hospitals that we build, or we may be unsuccessful in developing other facilities in the future, in a timely manner or at all, which may have an adverse effect on our business, financial condition, results of operations and prospects.*

We may experience delays in construction or commencement of operations at new hospitals that we build, and we may be unsuccessful in developing other facilities in the future, in a timely manner or at all, which may have an adverse effect on our growth, business, financial condition, results of operations, cash flows and prospects. We are planning new hospitals in South India and Maharashtra, which may be delayed due to requirements such as regulatory approvals and permits. The timelines for our expansion plans are based on management estimates, and actual completion is subject to various factors, including regulatory approvals, construction progress, and other circumstances, which may or may not be within our control, and there can be no assurance that our expansion plans will be completed within the anticipated timelines, or at all. It is our growth strategy to further expand our presence across key markets in South India and adjacent states, like Maharashtra, and we may face risks with respect to our operations in these new geographic areas where we have not operated in the past and may not possess the same level of familiarity with local economic conditions, culture and patient expectations, see “*Summary of our Business – Our Strategies - Deepening regional presence through strategic cluster-based expansion*” and “*- We may not be successful in expanding our operations to other parts of India which could have an adverse effect on our business, financial condition, results of operations and cash flows.*” on pages 148 and 50, respectively.

Developing new hospitals and facilities exposes us to risks such as construction and regulatory delays, financing challenges, and operational risks, including staffing and competition. Projects may be delayed, exceed their budget, or fail to be completed. Delays can prevent us from operating at planned capacity or with the full suite of hospital services, which could adversely affect patient trust and expectations and our reputation and brand. The required governmental approvals can be lengthy, and we cannot guarantee they will be obtained in a timely manner, if at all. We may also require external financing, which may not be available on acceptable terms. There is no assurance that we will identify suitable sites, secure favorable terms, or complete projects on schedule. Upon completion, new hospitals may experience low initial occupancy and a slow ramp-up, potentially failing to achieve expected operating levels or returns on investment. Any failure to successfully develop and operate new facilities could have a material adverse impact on our business, financial condition, and prospects.

We rely on third parties, including real estate developers, contractors, architects, engineers and suppliers of labor, equipment and materials for our expansion. We may not always be able to identify or engage appropriately experienced counterparties on reasonable terms in the locations where we expand. Their timing and quality of performance can be affected by factors beyond our control, such as shortages of labor, equipment or raw materials, supply-chain disruptions, industrial actions including strikes and lockouts, safety incidents, adverse site conditions and adverse weather. While we require our contractors and other third parties to prepare detailed project plans for our construction projects and regularly meet with them to monitor progress, we have limited control over the timing or quality of services and machinery or supplies provided by such third parties.

18. *We are exposed to legal claims and regulatory actions arising from the provision of healthcare services and may be subject to liabilities arising from claims of malpractice and medical negligence which could materially and adversely affect our reputation and prospects.*

We are exposed to the risk of legal claims and regulatory actions arising out of the medical services provided by us. Owning and operating medical facilities entails a number of operational, financial and reputational risks. Healthcare quality is measured by certain factors, including the quality of medical care and facilities, expertise of healthcare professionals, friendliness of staff, waiting times and ease of access to our hospitals and doctors. In the ordinary course, we may face legal claims, regulatory actions and other liabilities. For instance, a complaint petition dated February 23, 2023 alleging medical negligence, lack of informed consent, and unethical promotional practices has been filed against the Company and one of our doctors before the Telangana State Medical Council in relation to the treatment and subsequent death of a patient; while we have denied all allegations and the matter remains pending. From time to time, we may receive complaints, notices or be involved in disputes with patients regarding misdiagnosis or other alleged acts of negligence before various authorities. For instance, two whistleblower complaints were received on August 4, 2024 and July 18, 2025, alleging corrupt practices in ambulance payments, misappropriation of patient collections, excessive personal travel expenses, and questionable related-party transactions, our Company responded by discontinuing cash payments from February 2025 and vendor payments from June 2025, strengthening

controls, and limiting authority for implicated individuals. While internal findings confirmed no material financial loss or evidence of related-party transactions, with corrective actions and process improvements underway, there can be no assurance, such an instance will not occur in the future. We may also be subject to public interest litigations and petitions filed by activists and other *suo-moto* directions and orders passed by judicial/ quasi-judicial authorities which may impact the healthcare sector. If we are unable to maintain a high level of healthcare quality, patient satisfaction or experience a high rate of complaints, mortality or medical malpractice suits, our brand or reputation could be damaged. These risks and challenges include, but are not limited to:

- Medical errors, malpractice, negligence, or misconduct by our healthcare professionals, including doctors, nurses and paramedics, or by third parties that provide products or services to our hospitals, such as diagnostic tests, drugs, devices or equipment;
- Adverse events, complications, infections, injuries, or deaths of patients resulting from our treatment or service, or from the use of defective or contaminated products or services supplied by third parties;
- Failure to monitor, supervise, train, evaluate, or retain qualified, competent, and motivated medical staff, or to address any performance, conduct, or ethical issues that may arise among them; and
- Failure to manage or mitigate any reputational damage, loss of trust, or loss of market share that may result from any of the above risks or challenges, or from any negative publicity, media coverage, social media activity, or public opinion that may arise in relation to our performance, practices or incidents.

We rely on our healthcare professionals to make proper diagnoses, administer proper treatment and make other clinical decisions. However, we do not have direct control over the clinical activities of our healthcare professionals, as their diagnoses and treatments of patients are subject to their professional judgment, and in most cases, must be performed on a real time basis. In addition, some doctors who work for KIMS on a consultancy basis are subject to pending proceedings before medical councils for medical negligence, which may lead to their removal from the register of medical practitioners for a period of time or permanently. Even though we are not a party to such proceedings, our reputation and business may be adversely impacted by their negative outcomes and publicity. Furthermore, our healthcare professionals are susceptible to contracting diseases that we treat in our facilities, and if our healthcare professionals become infected, it may significantly reduce the treatment and care capacity at our medical facilities.

In addition, medical consumables used in various treatments and other products which we sell may be subject to contamination, mislabelling, malicious tampering and other damage such as errors in the dispensing and packaging of pharmaceuticals, which may lead to injury or death to our patients. Current or former patients or their families may commence or threaten litigation for medical negligence or malpractice against us. If such claims succeed, we may become liable for damages and other financial consequences and may even be exposed to criminal liability, which may materially and adversely affect our reputation, financial condition, results of operations and cash flows. Additionally, clinical trials conducted at our facilities may cause unintended adverse consequences including personal injury, sickness or death of patients participating in such trials. We could be held liable and may be required to pay damages for such consequences. In addition, our operations involve the use of hazardous and flammable materials, including chemicals, radioactive and nuclear materials. Most of the radiation therapy and diagnostic imaging equipment we use contain radioactive and nuclear materials or emit radiation during operation. Radiation, radioactive materials and nuclear materials are extremely hazardous unless properly managed and contained. We source nuclear and radioactive material from AERB and other authorized suppliers, and we store and dispose of such materials in accordance with the applicable rules and guidelines. Personnel who are engaged in providing radiation therapy wear protective gear and use Thermoluminescent Dosimete (“TLD”) badges for monitoring of radiation levels. The TLD badges are sent to AERB for periodic monitoring of radiation levels, in accordance with applicable law. However, we cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties. While no such instance has occurred in the Fiscals 2026, 2025 and 2024, there can be no assurance such instances would not occur in the future.

As litigations and regulatory proceedings are inherently unpredictable, we cannot assure you that any potential claims or disputes will not have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. Although we defend ourselves vigorously against claims and

lawsuits, these matters could require us to pay substantial damages or amounts in judgments or settlements, which individually or in the aggregate could exceed amounts that may be recovered under our insurance policies where coverage applies and is available; harm our reputation and the goodwill associated with our brand; cause us to incur substantial expenses and/or substantial increases in our insurance premiums; require significant time and attention from our management; and require us to incur debt to finance any damages or amounts in judgment or settlement.

If any of our ongoing or future cases are not resolved in our favour, and if our insurance coverage or any applicable indemnity is insufficient to cover the damages awarded, we may be required to make substantial payments, which could have a material adverse impact on our business, financial condition, results of operations, cash flows and prospects. Also see “- ***Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse effect on our business and revenues***” below.

There are outstanding legal and regulatory proceedings involving our Company which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management’s time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, continuity of our management, business, cash flows, financial condition and results of operations. We cannot assure you that any of these matters will be settled in favour of our Company or that no additional liability will arise out of these proceedings. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Subsidiaries, Promoters or Directors, in the future. An adverse outcome in any of these proceedings may have an adverse effect on our business, financial position, prospects, cash flows, results of operations and our reputation. For further information, see “***Legal Proceedings and other Information***” on page 208.

19. There have been instances in the past where we have not made certain regulatory filings with the RoC and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company. Further, we have sought for a condonation of delay and compounding from the National Company Law Tribunal, Hyderabad for failure to appoint a company secretary for certain past periods.

In respect of the preferential allotments made during the year 2004 to 2007, copies of respective shareholders’ resolutions authorizing the allotment of Equity Shares, were not filed with the RoC as required under section 192(4) of the Companies Act, 1956. In respect of the delay, we have filed applications for condonation of delay dated April 11, 2017 with the Secretary, Ministry of Corporate Affairs. By orders dated June 28, 2017, the Assistant Director, Ministry of Corporate Affairs condoned the delay without imposing any penalty and permitted our Company to file the requisite forms. We have subsequently filed copies of the aforementioned orders and shareholders’ resolutions with the RoC on July 27, 2017. Further, there have been certain discrepancies in relation to statutory filings and records required to be made with the RoC with respect to preferential allotments dated September 14, 2005 and March 29, 2004. We have made filings with the RoC rectifying the aforesaid discrepancies. Further, as per the provisions of the Companies Act, every company having a net worth above the prescribed threshold is required to appoint a company secretary. Our Company had not appointed a company secretary as per the Companies Act, for certain past periods and had filed a petition before the National Company Law Tribunal, Hyderabad seeking condonation of delay and compounding of this matter. National Company Law Tribunal, Hyderabad has compounded the violation and we have paid the applicable compounding fee. Although no regulatory action/ litigation is initiated or pending against us in relation to such untraceable secretarial and other corporate records and documents, we cannot assure you that we will not be subject to such penalties imposed by regulatory authorities in future.

20. Our Company had made an allotment of equity shares that was not in compliance with Section 67(3) of the Companies Act, 1956.

Our Company had, by way of preferential allotment, allotted 733,535 Equity Shares to 64 persons on September 14, 2005, which was not in compliance with the then applicable laws relating to a private placement of securities (the “***Stated Allotment***”). Under the first proviso to Section 67(3) of the Companies Act, 1956, any offer or invitation for subscription of shares made to more than 49 persons was deemed to be a public offer, which triggered compliances under the Companies Act and the framework prescribed in this regard by SEBI. For further details of the Stated Allotment, see “***Capital Structure***” on page 92. Pursuant to a press release dated November 30, 2015 and circulars dated December 31, 2015 and May 3, 2016

(collectively, the “**SEBI Circulars**”), SEBI has provided that companies involved in issuance of securities to more than 49 persons but up to 200 persons in a fiscal year may avoid penal action subject to fulfilment of certain conditions. These conditions include providing an option to the current holders of the equity shares so allotted to surrender such equity shares at an exit price not less than the amount of subscription money paid along with 15% interest per annum or such higher return as promised to investors. Based on the SEBI Circular, in good faith and in the interest of the shareholders of our Company, our Board by a resolution dated March 8, 2017, authorised Dr. Bhaskara Rao Bollineni, our Promoter, to provide an exit offer to all existing shareholders of our Company as of May 5, 2017 (“**Eligible Shareholders**” and such offer, the “**Exit Offer**”). Subsequently, an invitation was issued through letters dated May 22, 2017 to all the Eligible Shareholders to offer all Equity Shares held by them on the record date for sale to our Promoters at a purchase price calculated in accordance with the SEBI Circulars. Further, in accordance with the SEBI Circulars, our Company has also submitted a certificate obtained from a peer reviewed practicing independent company secretary certifying compliance of the Exit Offer with the SEBI Circulars to SEBI. Our Company along with Dr. Bhaskara Rao Bollineni, Krishnaiah Bollineni and Sambasiva Rao Mayeni (“**Applicants**”) had also filed an application dated June 10, 2017 with the Regional Director, South East Region, Hyderabad / National Company Law Tribunal, Hyderabad (“**NCLT**”) under Section 621A of the Companies Act, 1956 and section 441 of the Companies Act, 2013, seeking to compound any breach of the Companies Act, 1956, on the ground that the non-compliance of the Companies Act, 1956 was unintentional and inadvertent. The Regional Director, Ministry of Corporate Affairs, Hyderabad has compounded the violation and the Applicants have paid the applicable compounding fee of ₹ 5,000 each. While we believe that no such legal proceedings are expected, there can be no assurance that the SEBI or any other regulatory authority or court will not take any action or initiate proceedings against our Company, Promoters, Directors and other officers in respect of the Stated Allotments in the future. Any such proceeding or action which may be initiated in the future may divert management time and attention and may subject us to further regulatory consequences, including adjudicatory penalties, criminal sanctions or additional remedial measures, and could have a material adverse effect on our business, finances, results of operations and cash flows, as well as on our reputation.

21. *We have limited knowledge and records of documents relating to corporate actions undertaken by our Company prior to February 2003.*

Until the year 2003, our Company was owned, managed and controlled by Jagjit Singh and his family members. Subsequently, in February 2003, certain of our Promoters, namely Dr. Bhaskara Rao Bollineni, Krishnaiah Bollineni and BRMH, along with certain other persons and entities acquired 245,000 Equity Shares, being the entire equity share capital of the Company (then ‘Jagjit Singh and Sons Private Limited’) from the then existing shareholders pursuant to a memorandum of understanding and agreement of takeover dated August 22, 2002. We have been unable to trace the complete set of documents pertaining to corporate, accounting, financial, legal and other statutory records, including any supporting documents and/or RoC filings for the period prior to the acquisition, other than minutes of the meeting of board of directors of the Company from incorporation till January 1987 and from July 26, 2002 to November 15, 2002. Therefore, we are unable to conclusively ascertain *inter alia* all amendments to the Memorandum of Association of our Company till February 2003. Further, we do not have any supporting documents to ascertain whether our Company had at any point of time prior to February 2003 entered into any arrangement or scheme of amalgamation, acquired any business or undertaking, undertaken revaluation of its assets, carried out a public offering of debt securities, experienced strikes, lock-outs or time/cost overruns, defaulted on or rescheduled its borrowings from financial institutions or banks or changed its registered office. The relevant documents are also not available at the office of the Registrar of Companies, AP and Telangana, Hyderabad (which included inspection of filings of the Company available with the Registrar of Companies, Maharashtra, at Mumbai). Consequently, disclosures in relation to changes in our issued, subscribed and paid up share capital from incorporation until January 1987 and from July 26, 2002 to November 15, 2002 have been made in reliance of the minutes of the meetings of board of directors dated July 26, 1973, July 15, 1974, March 25, 1975, January 30, 1976, July 31, 1976, December 27, 1976, March 30, 1977, July 6, 1978, March 3, 1979, January 5, 1994 and February 15, 2003. We cannot assure you that these form filings and corporate records will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect. While we believe that the likelihood of such penalties is remote, we cannot assure you that we will not incur additional expenses arising from our inability to furnish correct particulars in respect of the RoC filings or other corporate records, or for misrepresentation of facts which may occur due to non-availability of documents.

22. *We rely on third party suppliers and manufacturers for our supplies and equipment. Failure of such third parties to meet their obligations could adversely affect our business, results of operations and cash flows.*

We source our equipment and supplies from third party suppliers under various arrangements. Any failure to procure equipment, reagents or drugs on a timely basis, or at all, from such third parties and on commercially suitable terms could affect our ability to provide our services. Certain of our medical and laboratory equipment are also procured under lease agreements. Under some of these agreements, the supplier generally has the discretion to terminate the agreement with a specified period of notice in the event of a breach of any term or condition of the agreement, including but not limited to default in payment of the applicable fee. Any such termination and consequent removal of the installed equipment may adversely affect our operations. In addition, manufacturers may discontinue or recall equipment, reagents or drugs used by us, which could adversely affect our ability to provide our services, and therefore, could adversely affect our business, results of operations and cash flows. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

We also rely on a limited number of equipment suppliers to carry out repairs and maintenance of our equipment. Any failure or negligence by these third parties in performing maintenance on our equipment could result in harm to our healthcare professionals or patients and could adversely affect our business, results of operations, reputation and brand. Our dependence on a limited number of service providers exposes us to risks of delays or inability in carrying out repairs and maintenance of equipment. We may also be unable to find alternative service providers in time, or at all, and at a suitable cost. In some cases, we depend on the original equipment manufacturer or an even more limited pool of “authorized” service providers for equipment repair and maintenance, which exposes us to further risk of delay or higher repair and maintenance costs. Any delay or inability to repair and maintain our equipment could cause disruptions in our operations and adversely affect our business, financial condition and cash flows.

There can be no assurance that we will be able to maintain our relationships with our major suppliers. If the business relationship between our Company and our major suppliers were to deteriorate or if any of those suppliers were to terminate their business relationship with our Company or renegotiate our contracts on less favorable terms, our business, results of operations and prospects may be adversely affected. We could also experience higher costs, network healthcare provider disruptions, less attractive services for our clients and/or difficulty in meeting regulatory or accreditation requirements, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

23. *We may not be able to grow our business due to a failure in successfully implementing all our growth strategies, including due to a failure in managing our Subsidiaries which run certain of our hospitals, which could adversely affect our business, financial condition, results of operations and cash flows.*

We propose to grow our business by adopting a series of strategies. For details, see “**Summary of our Business – Our Strategies**” on page 148. Our growth depends on our ability to develop, acquire and manage additional hospitals and to expand and improve our existing hospital facilities. Any failure to effectively manage our Subsidiaries or any future subsidiary or associate under which any new hospital is operated could adversely affect our business, financial condition, results of operations and cash flows. In addition, our growth strategies could place significant demand on our management and our administrative, operational and financial resources. Successful implementation of our growth strategies also depends on our access to funds and capital, which in part depends on the ability of our hospitals to generate revenues and profits. See also, “**Our revenues are highly dependent on our hospitals in Telangana. Any impact on the revenues from these hospitals could materially affect our business, financial condition, results of operations and cash flows**” on page 39.

We are continuously evaluating other projects, including acquisition opportunities. We may not be able to identify suitable greenfield sites for new hospitals, acquisition or hospital management opportunities or opportunities to expand capacity at our existing hospital facilities. The number of attractive expansion opportunities may be limited and may command high valuations. We may be unable to secure the necessary financing or negotiate attractive terms for expansion projects. See also “**We may not be able to successfully integrate our acquisitions or investments, which may negatively affect their performance and respective contributions to our results of operations**” on page 56.

Our ability to acquire or build and operate new hospital projects is subject to various risks and uncertainties, many of which may be beyond our control. We may face delays in project execution and significant time and cost overruns, delays or failure to receive government approvals, unavailability of human and capital resources, inability to comply with laws or obtain approvals from relevant authorities or any other risks that we may or may not have been foreseen.

Expansion into new geographic regions, including new regions in India will subject us to various challenges, including those relating to our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and the lack of brand recognition and reputation in such regions. We may not achieve the operating levels that we expect from future projects and we may not be able to achieve our targeted return on investment on, or intended benefits or operating synergies from, these projects.

As we operate in a highly competitive industry, we may have to revise our management estimates and even our expansion strategies, from time to time, which may result in significant changes in our funding requirements and may put significant strain on our resources. If we are unable to successfully execute our growth strategies, our business, financial condition, results of operations and prospects could be materially and adversely affected.

24. We may not be able to successfully integrate our acquisitions or investments, which may negatively affect their performance and respective contributions to our results of operations.

We have completed a number of acquisitions of hospitals in India to expand our business and increase our patients. We have acquired certain hospitals in the past and we expect to continue to acquire, build and operate new hospitals as a part of our growth strategy. There is no assurance that we will be able to successfully integrate our acquisitions or anticipate and overcome the challenges arising from our acquisitions and investments. We may be unable to realize the anticipated benefits of past or future acquisitions successfully.

We seek to actively explore expansion opportunities through strategic acquisitions of hospitals across South India and Maharashtra to, among others, (i) consolidate our position in markets in which we currently operate, (ii) enter and grow in synergistic adjacencies and (iii) enter new geographies. We are constantly in the process of evaluating such opportunities, some of which we may realize in the imminent future and which may be material to our business, financial condition or results of operations. However, our strategy of inorganic growth may not be successful, and efforts to continue and effectively manage our expansion may not be as successful as anticipated. There can be no assurance that such investments and acquisitions will achieve their anticipated benefits. To the extent that we fail to identify, complete and successfully integrate acquisitions with our existing business or should the acquisitions not deliver the intended results, our financial performance could be adversely affected. Potential difficulties that we may encounter as part of the integration process could include the following:

- potential pre-acquisition compliance lapses of the acquired hospitals;
- underestimated costs associated with the acquisition;
- costs relating to integration;
- the possibility that the full benefits anticipated to result from the acquisition will not be realized;
- over-valuation by us of acquired hospitals;
- delays in the integration of strategies, operations and services;
- diversion of the attention of our management as a result of the acquisition;
- attrition, differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- potential ongoing financial obligations, unknown liabilities and unforeseen delays associated with

the acquisition;

- possible cash flow interruptions or loss of revenue as a result of transitional matters;
- changes in regulatory environment;
- difficulties in entering markets in which we have no or limited direct prior experience; and
- potential loss of, or harm to, relationships with employees or patients.

There is no assurance that we can effectively integrate new facilities with our current operations. We may not be able to transfer skills and experience from one market to another, to recruit, train and retain skilled and qualified management personnel, administrative, sales and marketing personnel, and healthcare professionals or be able to deliver consistent quality of service across the markets we expand into. We have in the past, and will continue to, cooperate and work closely with local doctors in the regions where we set up our hospitals. We cannot assure you that we will be able to identify such doctors or establish mutually beneficial relationship with them on favorable terms, or that such cooperative relationship will benefit us in the anticipated manner, or at all.

Any business that we acquire may have unknown or contingent liabilities, and we may become liable for the past activities of such businesses. We may be subject to undisclosed risks and liabilities from any historic non-compliances which may exist in relation to such businesses. Although we would typically seek to obtain indemnities and other forms of buyer protections from the sellers of our acquired businesses, assets and companies, these protections may not be adequate or we may not be able to successfully make claims to cover all losses that we may suffer in connection with these liabilities.

If we are unable to successfully integrate our acquisitions or realize anticipated synergies or economic, operational and other benefits from our acquisitions or investments in a timely manner, we could incur substantial costs and delays or other operational, technical or financial problems, and dilutions to our profit margins. We may not be able to identify suitable acquisition candidates or opportunities, negotiate attractive terms for such acquisitions, or expand, improve and augment our existing businesses. The number of attractive expansion opportunities may be limited, and attractive opportunities may command high valuations for which we may be unable to secure the necessary financing. We may also have to dispose of, or wind up, the operating entities that we acquired. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

25. *The valuation reports obtained for acquisitions of business/undertakings, mergers and amalgamations, etc. in the last few years are based on various assumptions.*

We have entered into several acquisitions of business/undertakings, mergers and amalgamations in the last few years, and have obtained valuation reports in connection with certain of these transactions. For more details, see “ – ***We may not be able to successfully integrate our acquisitions or investments, which may negatively affect their performance and respective contributions to our results of operations***” on page 56. The valuations are subject to certain assumptions made and conclusions derived which may turn out to be inaccurate or incomplete, which may affect the valuation of the subject matter of such reports. The valuations are an estimate and not a guarantee, and they are fully dependent upon the accuracy of the assumptions contained in each report. Further, each valuer has evaluated the suitability of certain methodologies and has followed a particular methodology to arrive at the valuation. There is no assurance that other methodologies would not have resulted in a different valuation. The valuation reports do not confer rights or remedies upon investors or any other person, and do not constitute and should not be construed as any form of assurance as to our financial condition or future performance or as to any other forward-looking statements included therein, including those relating to macroeconomic factors. Additionally, the price at which we may be able to sell any of the subject matter of such valuation reports in the future may.

26. *We enter into certain operation and management agreements which may expose us to additional liabilities on account of counterparties’ failure or under-performance and any premature termination of which may adversely affect our business, reputation, financial condition and results of operations*

We operate certain hospitals pursuant to operation and management agreements with third-party owners under which our group is appointed, on an exclusive basis, to manage and operate the relevant facilities and provide specified clinical and non-clinical services for defined terms (typically seven to 25 years, with

potential extensions). Such agreements include our agreement with certain hospitals in Maharashtra and Telangana. These agreements allocate responsibilities between the parties for, among other things, obtaining and maintaining licences and other consents, maintaining insurance, staffing, procurement, pricing, branding, and major and structural repairs. Fees are generally linked to hospital revenues and are invoiced periodically.

Our performance under these arrangements is exposed to counterparty risk. In particular, the hospital owner is typically responsible for (i) keeping all statutory licenses current and ensuring ongoing legal compliance for the hospital facility; (ii) procuring and maintaining property insurance, commercial general liability, professional indemnity and asset insurance; and (iii) undertaking major and structural repairs within prescribed timeframes, whereas we are responsible for keeping all the operational licenses and maintaining insurance for operation and management of the hospital. If a counterparty fails to perform these obligations, operations may be disrupted, and we may be required to step in to protect patient safety and continuity of care, incur unbudgeted costs (including undertaking repairs ourselves and seeking reimbursement), and face claims from patients, employees or regulators. Certain agreements provide that such failures constitute events of default permitting us to terminate; however, termination or suspension could itself adversely impact revenues, local brand equity and our relationships with clinicians and patients. In some cases, owners' assets are subject to existing encumbrances in favour of lenders; enforcement action by such lenders could also disrupt operations at the relevant facility.

The agreements include indemnity regimes that may expose us to third-party claims and compliance costs. In some agreements, indemnities are mutual and event-based; in others, the hospital owner provides broader indemnities in respect of regulatory non-compliance, tax and patient-related claims linked to their sphere of responsibility. While we seek to structure these provisions to align liability with operational control, the scope of potential claims and the time and cost required to enforce indemnity and reimbursement rights may be significant, and recovery is subject to the counterparty's creditworthiness.

Each agreement also contains termination rights and consequences that could adversely affect us. Undisputed fee payment delays beyond agreed cure periods, material breaches, force majeure events, prolonged facility closures, or legal non-compliance by the owner may entitle us to terminate. Conversely, certain agreements permit termination upon specified events without our fault. Any premature termination, non-renewal, or extended suspension at one or more facilities may result in loss of revenue and operating leverage, redeployment costs, impairment of related assets, rebranding and de-branding expenses, and diversion of senior management time. Further, some agreements require prior owner approval for capital or operating expenditures above defined thresholds; delays or denials of such approvals may constrain necessary investments, affecting quality of care, capacity expansion and financial performance.

Although we implement governance, monitoring and escalation mechanisms - including periodic reporting, arbitration clauses, and step-in and cure rights - there can be no assurance that our counterparties will fulfil their obligations or that we will be able to mitigate all operational, financial, legal or reputational consequences arising from counterparty under-performance, disputes, or premature termination under these agreements.

27. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties, which include loans, advances and guarantees given by our Company on behalf of certain of our loss-making Subsidiaries, namely, KIMS Manavata Hospitals Private Limited, Nashik, Chalasani Hospitals Private Limited, Vishakhapatnam, Arunodaya Hospitals Private Limited, Srikakulam, KIMS Hospitals Bengaluru Private Limited, Bengaluru, KIMS Swastha Private Limited, Kerala and KIMS Hospitals Private Limited, Rajahmundry. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Further, we cannot assure you that such future transactions, individually or in aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise. Although all related-party transactions that we may enter into are on an arm's length basis and are subject to approval by our Audit Committee, Board of Directors or shareholders, as required under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), we cannot assure you that such transactions in the future, individually or in aggregate, will not have an adverse effect on our financial

condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such related-party transactions in the future may be detrimental to the interest of our Company and we cannot assure you that such future transactions, individually or in aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, cash flows and results of operations. There can also be no assurance that any dispute that may arise between us and related parties will be resolved in our favour. For details on our related-party transactions, see “*Related Party Transactions*” on page 38.

28. *Our actual or perceived failure to appropriately handle personal information of our patients and third parties, including medical data, could have an adverse effect on our business, reputation, financial condition, results of operations and cash flows.*

In the course of providing our services, we collect patient data, including personal information, medical history, and treatment details. We may also collect personal data for marketing purposes. Therefore, we are subject to laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. Indian rules and regulations generally require body corporates/ medical institutions to protect the privacy of their patients, clients, employees/ staff or third party (“**Provider of Information**”) and prohibit unauthorized disclosure of personal information, including medical data. We are governed by the provisions of the Personal Data Protection Act, 2023 and the Digital Personal Data Protection Rules, 2025, which regulates the lawful processing, storage, and protection of personal and sensitive personal data, including medical records and history, and imposes penalties for non-compliance, which can go up to ₹2,500 million. The DPDP Rules facilitate the implementation of the Digital Protection Act. It aims to strengthen the legal framework for the protection of digital personal data by providing necessary details and an actionable framework. The DPDP Rules lays down various implementation aspects such as the notice by the data fiduciary to the individuals, registration and obligations of consent manager, processing of personal data for issuance of subsidy, benefit, services by State, applicability of reasonable security safeguards, intimation of personal data breach, providing details about availing of the rights by the individuals, processing of personal data of child or of person with disability, setting up the Data Protection Board of India (the “**DPB**”), appointment and service conditions of the chairperson and other members of the DPB, functioning of DPB as digital office, procedure to appeal to appellate tribunal among others. Further, we are also subject to the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 which regulates the collection, storage, and dissemination of a patient’s medical records and history, which are deemed to be sensitive data or information. In the event where a patient’s medical records and/or history are negligently handled by us, we may be subject to penal action and may also be required to pay an aggrieved patient damages in accordance with Section 43A and other provisions of the Information Technology Act, 2000. Further, healthcare service providers are increasingly subject to digital health governance and patient data compliance obligations under the Ayushman Bharat Digital Mission and related governmental digital health initiatives. Any inability to comply with evolving digital healthcare interoperability, consent architecture, health record management, cybersecurity, or data-sharing standards may adversely affect our business, operations, reputation, financial condition and results of operations. These laws and regulations may continually change as a result of new legislation, amendments to existing legislation, changes in the enforcement policies and changes in the interpretation of such laws and regulations by the courts or the regulators. Compliance with new and evolving privacy and security laws, regulations and requirements may result in increased compliance costs and may constrain or require us to alter our existing data protection processes and infrastructure.

Cyber attacks could disrupt critical hospital administrative and medical systems (hospital information system, electronic medical records, diagnostic and clinical support), impacting patient care, causing procedure delays, and affecting service delivery. Such attacks may include (i) phishing, social engineering and attacks targeting employees, consultants and vendors; (ii) credential theft, credential stuffing and brute-force attacks against patient portals, virtual private networks and remote-access tools; (iii) ransomware and other malware (including “double extortion” attacks involving encryption and exfiltration of personal data); (iv) unauthorised access, lateral movement and data exfiltration through compromised endpoints, weak identity and access controls, cloud misconfigurations and insecure APIs; (v) denial-of-service attacks that disrupt websites, call centres, appointment systems and patient-facing applications; (vi) compromise of network-connected medical devices and other IoT systems; and (vii) supply-chain attacks through third-party software, managed service providers, diagnostic partners, payment gateways and other service providers that support our IT infrastructure. Ransomware could cause temporary shutdowns and require significant time and cost for recovery. Such incidents could also result in unauthorised disclosure, loss, alteration or unavailability of patient and other personal data, and may expose us to claims (including from patients and

business partners), regulatory investigations, penalties, remediation costs (including notification, forensic and containment measures) and reputational harm.

We have taken measures to maintain the confidentiality of our clients' medical and personal information, however these measures may not always be effective in protecting our clients' or patients' medical information. While we have not faced any such breach or theft of confidential and other sensitive information of our patients or procedures or any kind of data leakage in Fiscals 2026, 2025 and 2024, any breach of our confidentiality obligations to our patients, including due to data leakages or improper use of such medical information notwithstanding the safeguards that we have implemented, could expose us to fines, potential liabilities and legal proceedings, such as litigation or regulatory proceedings, which would adversely impact our reputation. As cyber-attacks and similar events become increasingly sophisticated, we may need to incur additional costs to implement data security and privacy measures, modify or enhance our protective measures or investigate and remediate any vulnerability to cyber incidents.

29. We are dependent on a number of key personnel, including Key Management Personnel and Senior Management, and the loss of or our inability to attract or retain such persons could adversely affect our business, financial condition, results of operations and cash flows.

Our performance depends largely on the efforts and abilities of our individual Promoters, Key Management Personnel and Senior Management, see “**Board of Directors and Senior Management**” on page 151. We believe that the inputs and experience of our individual Promoters, Key Management Personnel and Senior Management are valuable for the growth and development of business and operations and the strategic directions taken by our Company. The loss of, or inability to attract or retain, such persons could materially and adversely affect our business and financial results. In particular, the active involvement of our Promoters in our operations and the services of our senior management and our key management personnel have been integral to our development and business. We require a succession plan for our Promoters, Key Management Personnel and Senior Management in order to retain them, if we fail to implement a succession plan in line with our business strategies, it could lead to loss of such critical individuals, furthering gaps in leadership, disruption in execution of business strategies and loss of institutional knowledge. If one or more of these individuals or any other member of our Senior Management team are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly, which could have a material adverse effect on our business, financial results, results of operations and cash flows. Further limited availability of experienced healthcare leadership may make replacements more difficult, impacting our operations and prospects. We may take a significant period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we are unable to hire and train replacement personnel in a timely manner or increase our levels of employee compensation to remain competitive, our business, financial results, results of operations and cash flows may be materially and adversely affected.

30. Our insurance coverage may not adequately protect us and this may have an adverse effect on our business and revenues.

Our existing insurance may not be sufficient to cover all damages, whether foreseeable or not. Further, while we maintain insurance against professional errors and negligence for medical services provided at our hospitals as well as public liability insurance, there is no certainty that such insurance will be adequate to cover all claims arising from medical negligence or malpractice. In Fiscals 2026, 2025 and 2024, no negligence or malpractice claim against us has resulted in any liability that is in excess of our insured value. However, any successful claims against us in excess of the insurance coverage may adversely affect our business, reputation, financial condition, results of operations, cash flows and prospects. Insurance against losses of this type can be expensive and insurance premiums may increase in the near future. Insurance rates may also vary by specialty and other factors. The rising costs of insurance premiums could have a material adverse effect on our financial position, results of operations and cash flows. Further, we cannot assure you that we will be able to renew our insurance covering all risks at commercially viable terms or at all.

The following table indicates the insured assets as a percentage of total assets:

Particulars	Remarks	Amount (in ₹)	% of total Assets (in %)	Percentage of insurance coverage (in %)
Insured Assets*	Fixed Assets and Vehicle insurances are made individually	46,250	90%	100%

**This excludes land, software, branding and trademarks*

The following table sets forth details of coverage of our insurance policies against the total insurable assets for Fiscals 2026, 2025 and 2024, respectively:

Particulars	Book value of assets (in ₹ million)	Insurance Coverage (in ₹ million)	Percentage of insurance coverage to book value of assets (in %)
Fiscal 2026	46,250	46,250	100%
Fiscal 2025	25,383	25,383	100%
Fiscal 2024	20,055	20,055	100%

There can be no assurance that any claim under the business interruption insurance policy maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance (either in amount or in terms of risks covered) to cover all material losses. We may not be insured for certain types of risks and losses that we may also be subject to, as such risks are either uninsurable or that relevant insurances are not available on commercially acceptable terms. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and, as a result, our business, financial condition, results of operations and cash flows could be adversely affected.

31. *Our Company may undertake a fund-raise by way of preferential issue, after completion of the Issue which is subject to the corporate approvals and other considerations.*

Subject to approval of our Shareholders in the extra-ordinary general meeting to be held on July 9, 2026 and other requisite approvals, the Board has passed a resolution on June 13, 2026, approving the raising of funds for an amount aggregating to ₹ 6,000 million, by issuance of 7,702,182 fully convertible warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each of the Company at a price of ₹ 779.00, to certain Promoters and promoter group entity, by way of a preferential issue. The same has also been disclosed to the Stock Exchanges. However, we may not be able to complete the preferential issuance in a timely manner or at all if we do not receive the approval of our Shareholders or any other regulatory and statutory approvals required for the preferential issuance or if the proposed allottees to the preferential issue do not subscribe to the preferential issuance. Further, the terms of the preferential issuance as currently approved by the Board maybe amended or modified. A successful completion of the preferential issuance, to the extent subscribed by certain of our Promoters and promoter group entity, may result in an increase in the shareholding of our Promoters and promoter group in the Company and may result in dilution of shareholding of the successful allottees in this Issue as well as other shareholders of our Company.

32. *If we fail to achieve favorable pricing on medical consumables, pharmacy items, drugs, and surgical instruments from our suppliers or are unable to pass on any cost increases to our payers, our profitability could be materially and adversely affected.*

Our profitability is susceptible to the cost of medical consumables, pharmacy items, drugs and surgical instruments medical. The complex nature of the treatments and procedures we perform at our hospitals requires us to invest in new technology and equipment from time to time, which is generally expensive. For Fiscals 2026, 2025 and 2024, aggregate of purchase of medical consumables, drugs and surgical instruments; and increase in inventories of medical consumables, drugs and surgical instruments represented 20.58%, 20.44% and 21.10% of our total income, respectively.

Our profitability is affected by our ability to achieve favorable pricing on our medical consumables, pharmacy items and medical equipment from our suppliers, including through negotiations for supplier rebates. Because these supplier negotiations are continuous and reflect the ongoing competitive environment, the variability in timing and amount of incremental supplier discounts and rebates can affect our profitability. These supplier programmes may change periodically, potentially resulting in higher cost of surgical instruments, drugs and consumables and adverse profitability trends, if we cannot adjust our prices to

accommodate such increase in costs. Further, such increased costs may negatively impact our ability to deliver quality care to our patients at competitive prices. If we are unable to adopt alternative means to deliver value to our patients, our revenue and profitability may be materially and adversely affected.

We may be unable to anticipate and react to the increase in cost of surgical instruments, medical consumables and pharmacy items in the future, or may be unable to pass on these cost increases to our payers, which could materially and adversely affect our profitability. For instance, on March 25, 2025, by way of an order, the National Pharmaceutical Pricing Authority revised the price based on Wholesale price index of 2025 in respect of scheduled formulations, dosage form and strength of certain drugs. The effect of the provisions of these on us cannot be predicted with certainty at this stage.

33. *We are vulnerable to failures of our information technology system, which could adversely affect our business.*

Our information technology system is critical to our business. We rely on our technology system to, among other things, manage accounting and financial reporting, facilitate consultations among healthcare professionals, prepare and manage medical records, financial records, training programs and inventory. If we experience an interruption or a reduction in the performance, reliability or availability of our technology architecture from natural or man-made causes, or from disruptions from our local service providers, our operations and ability to manage our administrative systems could be adversely impacted. Any technical failures associated with our information technology system, including those caused by power failures, computer viruses and other unauthorized tampering, may impair our ability to provide services to our patients. Corruption of certain information could also lead to delayed or inaccurate judgments or diagnoses in our treatment of patients, and could result in damage to the welfare of our patients. Any failure of our IT systems could materially and adversely affect the operation of all of our hospitals.

In addition, since we rely on our technology systems to manage our accounting and financial functions, including processing payments to network healthcare providers and invoicing our clients, any technical failures or errors, including errors in manual data entry or programming, could materially and adversely impact our financial reporting, results of operations and cash flows, as well as our reputation and relationships with our network healthcare providers and clients.

We may be subject to cyberattacks and other cybersecurity risks and threats, including computer break-ins, phishing, and social engineering. Cybersecurity vulnerabilities may put us at risk for possible losses due to fraud, operational disruptions, or the unintended dissemination of sensitive personal information, proprietary information or confidential information. We may also be subject to liability as a result of any theft, loss, unauthorized disclosure or misuse of confidential, sensitive and/ or personal information stored on our systems. The development of our information technology system is generally outsourced to third party suppliers, over which we have limited control. Failure by such third party suppliers to adequately secure or manage our information and systems, as well as their discontinuation of existing products and services that we rely on, may adversely affect our operations.

In addition, we have implemented the SAP system in Krishna Institute of Medical Sciences Limited, KIMS Hospital Enterprises Private Limited, Arunodaya Hospitals Private Limited, Iconkrishi Institute of Medical Sciences Private Limited, Saveera Institute of Medical Sciences Private Limited, KIMS Hospital Kurnool Private Limited, Sarvejana Healthcare Private Limited, Spanv Medisearch Lifesciences Private Limited, KIMS Manavata Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited and are in the process of implementing it in our newer hospitals which are just being set up, this involves migration of extensive data from our existing systems. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that we will not encounter data migration or other errors, which could result in the loss of important data, interruptions, delays or cessations in the availability of our systems, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

34. *Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows.*

We operate in a heavily regulated industry and are required to obtain a number of approvals and licenses from governmental and regulatory authorities, for example in relation to the operation of our hospitals and other medical facilities, procurement and operation of medical equipment, storage and sale of drugs and in relation to educational courses. Certain of our services, including blood banks at certain hospitals, are operated through

third parties, and such parties are responsible for obtaining the requisite licenses and approvals.

While we have obtained the required approvals for our operations, certain approvals such as licenses under the Food Safety and Standards Act, 2006, Narcotic Drugs and Psychotropic Substances Act, 1986, fire non-objection certificate, license under transplantation of Human Organs and Tissues Act, 1994, bio- medical waste management certificate and combined consent and bio-medical authorization from respective pollution control boards with respect to some of our hospitals, we have submitted applications that are currently pending or are in the process of renewing, and we may in the future apply for certain additional approvals, including the renewal of approvals which may expire from time to time and approvals required for the expansion or setting up of new medical facilities or the introduction of a medical service or procedure, in the ordinary course of business.

There is no assurance that the approvals and licenses that we require will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would render our operations non-compliant with applicable laws, and may subject us to penalties by relevant authorities. While we believe that likelihood of such penalties is remote, we may also be prevented from operating the relevant hospitals or performing certain procedures or treatments with equipment that requires special approvals or licenses, which could adversely impact our business, financial condition, results of operations and cash flows.

We also maintain certain accreditations, including accreditations from the National Accreditation Board for Hospitals and Healthcare Providers (“NABH”) for certain of our hospitals, accreditations from National Accreditation Board for Testing and Calibration Laboratories (“NABTCL”) for certain of our laboratories, and Green OT certification for certain of our operation theatres. If we lose current accreditations or fail to renew such re-accreditations of our hospitals by NABH, NABTCL and other agencies, or if we fail to obtain additional accreditations for our hospitals, our reputation, business operations could be adversely affected. Furthermore, in the event certain accreditations are made compulsory, either by law or as a condition for empanelment, our business, financial condition, results of operations and cash flows as we may not be able to obtain such accreditation in a timely manner, or at all.

Our licenses, approvals and accreditations are subject to periodic renewals, various maintenance and compliance requirements and governmental investigations and reviews, which could be time-consuming and may incur substantial expenditure. If our compliance systems and process are deemed inadequate or fail and such investigations or reviews find any non-compliance or violations, we may suffer brand and reputational harm and become subject to regulatory actions or litigation, which could adversely affect our business, cash flows, operating results or financial position. We may be required to change our business practices, and we may have to pay fines or be subject to other penalties, including the revocation of permits and licenses, and the modification, suspension or discontinuation of our operations. This would impose additional operating costs and capital expenditures on us, and adversely affect our reputation. We, our directors, executive officers, doctors and employees may also face criminal charges. Furthermore, any investigation or legal and regulatory proceedings in connection with alleged violations could result in the imposition of further financial or other obligations or restrictions on us and generate negative publicity for our business. Changes to existing public policies, laws, regulations, guidelines and licensing requirements could also impose additional compliance costs that may materially and adversely affect our profitability and business. We cannot assure you that the approvals, licenses, registrations or permits issued to us may not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition, any suspension, revocation or termination of one or more of our operational licenses may also lead to consequences under the terms of our other licenses.

As we expand our business under the evolving regulatory landscape, there may be additional approvals or licenses that are or become required for our operations. If we fail to obtain or renew any applicable approvals, accreditations, licenses, registrations or consents in a timely manner, or at all, we may not be able to perform certain treatments or services or treat patients from certain corporate contracts/empanelment, which may affect our ability to maintain such empanelment and consequently may affect our business, cash flows or results of operations.

35. *We may require additional funding to finance our operations, which may not be available on terms acceptable to us, or at all, and if we are unable to raise funds, the value of your investment in us may be negatively impacted.*

We operate in a capital intensive industry and may need additional funding to finance our operations and growth strategies. Sources of additional financing may include commercial bank borrowings, supplier financing, or the sale of equity or debt securities. There can be no assurance that we will be able to obtain any additional financing on terms acceptable to us, or at all. The cost of raising capital may be high. Any additional funding we obtain may strain our cash flows and financial condition. Our ability to raise additional financing in the future is subject to a variety of uncertainties, including but not limited to:

- a. our future financial condition, results of operations and cash flows;
- b. general market conditions for debt financing and capital raising activities; and
- c. economic, political and other conditions in India.

If we raise additional funds through equity or equity-linked financing, your equity interest in our Company may be diluted. Alternatively, if we raise additional funds by incurring debt obligations, we may be subject to various covenants under the relevant debt instruments that may, among other things, restrict our ability to pay dividends or obtain additional financing. Servicing such debt obligations could also be burdensome to our operations. If we fail to service such debt obligations or are unable to comply with any of the covenants thereunder, we could be in default under such debt obligations and our liquidity and financial condition could be materially and adversely affected.

36. *Our Promoters, Dr. Bhaskara Rao Bollineni and Dr. Abhinay Bollineni, have provided personal guarantees in relation to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities and may adversely impact our cash flow, business and result of operations.*

As of April 30, 2026, our Promoters Dr. Bhaskara Rao Bollineni and Dr. Abhinay Bollineni have provided personal guarantees as security to secure some of our existing borrowings and may continue to provide similar guarantees in the future. In addition, our Promoters may be required to liquidate their respective shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

37. *Lack of health insurance in India may adversely affect our business, cash flows, results of operations and cash flows.*

Health insurance penetration in India as a percentage of population for India was estimated as 41% in 2024, according to the CRISIL Report commissioned by us. Under most indemnity plans under health insurance policies in India, insurance companies negotiate special package rates with a number of hospitals for various common procedures, for which the insured can receive without incurring any out-of-pocket payment. The insured is responsible for paying out-of-pocket expenses to the healthcare providers first and then filing a claim to get reimbursed for any treatments received outside the network. Most health insurance policies in India cover only inpatient care costs. Consequently, higher out-of-pocket expenses related to healthcare in India may make healthcare unaffordable for lower income households. Due to the lack of viable health insurance policies in India, demand for our medical services may not increase as expected. Additionally, lack of penetration of health insurance in India, may adversely affect our trade receivables if more patients pay out-of-pocket or require us to extend them credit terms. As a result, our business, cash flows and results of operations could be materially and adversely affected.

38. We have certain commitments and contingent liabilities that may adversely affect our financial condition.

The following table sets forth certain information relating to our contingent liabilities as per Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets as of March 31, 2026:

<i>(in ₹ million)</i>	
Particulars	As of March 31, 2026
(i) Medical and other claims (gross, excluding interest/costs)	457
(ii) Income Tax matter in dispute	354

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition, results of operations and cash flows. Furthermore, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future.

39. Conflicts of interest may arise out of common business objects shared by our Company, and our Promoters, which may affect our business, results of operations and financial conditions.

Our Promoters, Rajyasri Bollineni and Adwik Bollineni are on the governing board of Aditya Educational Society, which runs a medical college and an attached hospital. There is no assurance that Rajyasri Bollineni and Adwik Bollineni will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. This may give rise to a conflict of interest and we cannot assure you that such conflicts of interest will be resolved in an impartial manner, which may adversely affect our business, financial condition, cash flows and results of operations.

40. We outsource some of our service functions to third-party contractors. Any lapse by such third party service providers may have adverse consequences on our business and reputation.

We currently rely on certain third party contractors to provide services. We do not have direct control over these third-party contractor providers, and there is no guarantee that our third-party service providers will provide satisfactory services to us and our patients. Our service providers may experience disruptions in their operations or service, include due to factors beyond our control. If any of our service providers' operations or services are disrupted or terminated, we may not be able to find alternative service providers with quality and on commercial terms to our satisfaction in a timely and reliable manner, or at all. Poor quality service or lapses in service from our third party service providers may expose us to liabilities that we may not be able to recover from the service providers and may adversely affect our brand and reputation. We do not enter into any employment agreements with such service personnel dispatched by our third-party service providers. However, in the event that any of our third-party service providers default on their employer obligations, we may be held responsible for providing statutory benefits, including the salaries/wages of these employees, which may increase our operating expense and adversely impact our results of operations and financial condition could be adversely affected. In addition, we may be subject to additional requirements or restrictions under the evolving labor law regime in India. For example, under our house-keeping agreement, the service provider is entitled to increase the fees payable in case of an increase in the cost relating to statutory compliances. Further, our house-keeping agreements also enable the service provider to sub-delegate its responsibilities and terminate the agreement for whatsoever reason with prior notice. If we fail to comply with the new regime, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

41. We may be subject to worker unrests and increased wage expenses which could materially and adversely affect our business, financial condition, results of operations and cash flows.

India has stringent labour legislations that protect the interests of workers, which includes legislation that sets forth detailed procedures for the establishment of labor unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment of employees. Even though our employees are not unionized, in the event that employees at our hospitals seek to unionize, our costs may increase and our business could be adversely affected. For instance, in the past, doctors and nurses of certain government hospitals in Andhra Pradesh and Telangana had gone on strike to demand an increase in salary. While we have not experienced any strikes or labour unrest at any of our hospitals in Fiscals 2026, 2025 and 2024, occurrence of strikes and work-stoppage in the future could adversely affect our reputation, business, financial condition, results of operations and cash flows.

We are also subject to laws and regulations governing relationships with our employees, in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees. If we fail to comply with such regulations, it could lead to enforced shutdowns and/or other sanctions imposed by the relevant authorities. If labor laws become more stringent, it may become difficult for us to maintain and continue to optimize our flexible human resource policies, which could have an adverse effect on our business, financial condition, results of operations and cash flows. Our financial condition may also be adversely affected by other changes in labour laws.

42. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*

We have never declared or paid any cash dividends. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and in accordance with the dividend distribution policy adopted by our Board on May 25, 2021 and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future.

43. *Certain of our individual Promoters, Directors and Key Managerial Personnel hold Equity Shares in our Company and are therefore interested in our performance in addition to their remuneration and reimbursement of expenses.*

Certain of our Directors (including our individual Promoters) hold equity interests in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For details on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see “**Board of Directors and Senior Management – Interest of our Directors**”, on page 153.

44. *One of our Promoters have pledged certain Equity Shares.*

As at March 31, 2026, our Promoters and members of our promoter group held 34.11% of our paid-up Equity Share capital on a fully diluted basis, and Equity Shares held by our Promoters and members of our promoter group aggregating to 10.26% of our paid-up Equity Share capital, have been pledged by one of our Promoters (the “**Pledged Shares**”). Our Promoters may continue to pledge their shareholding in our Company. In the event such Promoters fail to comply with requirements under the relevant documentation executed in relation to the Pledged Shares, pledge over the Pledged Shares may be invoked. There can be no assurance our Promoters will not dispose of, pledge or encumber their Equity Shares in the future or that the pledges on the Pledged Shares will not be invoked.

45. *Our audited financial statements for the Financial Year 2026 have not yet been placed before our Shareholders in a general meeting*

Our audited financial statements for the Financial Year 2026 have been prepared and audited in accordance with applicable law; however, these financial statements are to be placed before our Shareholders in a forthcoming general meeting for adoption. There can be no assurance that our Shareholders will not raise queries or concerns in relation to these financial statements or that the adoption of these financial statements will not be delayed. Any such delay or non-adoption may impact our compliance with applicable laws and regulations and could adversely affect our reputation, business operations and the progress of this Issue.

46. *Our audit reports have qualifications under Companies (Audit and Auditors) Rules, 2014 with respect to the modifications in the accounting software forming part of the books of account.*

Our audit report for Fiscal 2024 has qualifications under other legal and regulatory requirements - Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, where the audit trail feature was not enabled for changes made if any, using privileged/ administrative rights for one accounting software forming part of the books of account. Further, our audit report on other legal and regulatory requirements for Fiscal 2025 also has qualifications stating the audit trail feature is not enabled for direct changes to data when using certain access rights from April 1, 2024 to March 25, 2025 of one of the accounting software which is forming part of the books of account. For further details, please see ***“Legal Proceedings and other information - Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of this Issue (i.e. 2022, 2023, 2024, 2025 and 2026) and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.”*** on page 212. We cannot assure you that our auditors’ reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations or remarks which could subject us to additional liabilities, due to which our reputation and financial condition may be adversely affected.

47. *This Preliminary Placement Document contains industry information that has been extracted or derived from an industry report prepared by CRISIL Limited, which was commissioned by our Company.*

This Preliminary Placement Document includes information that is derived from the industry report titled ***“Assessment of healthcare delivery sector in India”*** prepared by CRISIL Limited (the ***“CRISIL Report”***), pursuant to an engagement with our Company. CRISIL Limited is not related to our Company, its Directors or Promoters, in any manner. We commissioned the CRISIL Report from research firms independent from us, and the CRISIL Report was prepared for the purpose of confirming our understanding of the healthcare industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Offer has verified the information in the CRISIL Report. The CRISIL Report highlights certain industry and market data. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industries in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such assumptions may change based on various factors. We cannot assure you that CRISIL Limited’s assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Preliminary Placement Document. The CRISIL Report is prepared based on information as of specific dates, which may no longer be current or reflect current trends as of the date of this Preliminary Placement Document. The estimates, projections, forecasts and assumptions that are used in the CRISIL Report may also be challenged or proved to be incorrect. Further, CRISIL Limited, a division of CRISIL Limited (***“CRISIL”***), has advised that, while it has taken due care and caution in preparing the CRISIL Report based on the information that it considers reliable, CRISIL does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. The CRISIL Report or any other industry data or sources are not recommendations to invest in our Company. CRISIL especially states that it has no liability to the subscribers / users / transmitters / distributors of the CRISIL Report. Prospective investors are advised not to place undue reliance on the CRISIL Report or extracts thereof as included in this Preliminary Placement Document, when making their investment decisions. See ***“Industry Overview”*** on page 99.

48. *This Preliminary Placement Document contains certain Non-GAAP measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry and therefore may not be comparable with financial or industry-related statistical information of similar nomenclature computed and presented by other companies.*

This Preliminary Placement Document includes certain non-GAAP measures, including, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Net Worth, Net Asset Value Per Equity Share, Return on Net Worth, PAT Margin, PBT Margin, Adjusted EBITDA Pre Ind AS, and IND AS 116 which are in a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP and therefore may not be comparable with financial or industry-related statistical information of similar nomenclature computed and presented by other companies. We consider these non-GAAP measures useful in evaluating our business and financial performances. However, these non-GAAP measures are not alternatives to any measure of performance or liquidity or as an indicator of our operating performance or liquidity. They should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of

our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. There are no standard methodologies in the industries for computing such measures, and those non-GAAP measures we included in this Preliminary Placement Document may not be comparable to similarly titled measures presented by other companies. In addition, these non GAAP measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure. For details, see "*Selected Financial Information*" and "*Summary of our Business*" on pages 31 and 141, respectively.

49. *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution and are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Preliminary Placement Document would be subject to certain compliance requirements, including prior shareholders' approval.*

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions, and have not been appraised by any bank or financial institution or other independent agency. It is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. Furthermore, the deployment of the Net Proceeds is at our discretion. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or canceling planned expenditure and funding requirements at our discretion. We intend to utilize ₹9,100.00 million from the Net Proceeds for re-payment and /or prepayment of certain outstanding borrowings, in full or part, availed by our Company; ₹2,150.00 million from the Net Proceeds for investment into certain of our Subsidiaries, for repayment or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries; and ₹[●] million from the Net Proceeds for general corporate purposes. The Net Proceeds of this Issue earmarked for general corporate purposes based on the Issue constitutes 25% of the Issue Proceeds. For details, see "*Objects of the Issue and Use of Issue Proceeds*" on page 82. In the event that the estimated utilisation of the Net Proceeds in a scheduled Fiscal is not completely met, the same shall be utilised in the next Fiscal, as may be determined by our Company, in accordance with applicable laws. Further, pending utilisation of Net Proceeds towards the Objects of the Issue, our Company will temporarily invest the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board or a duly constituted committee thereof.

The repayment of borrowings may be subject to various factors including, commercial considerations, market conditions and conditions attached to such borrowings, applicable at the time of repayment or settlement of borrowings. Our Company may accordingly be subject to any additional cost linked to repayment of borrowings on account of such external factors beyond the control of the Company, which may be fulfilled through general corporate purposes, internal accruals or through additional financing arrangements, which may not be available at commercially viable terms.

50. *Our hospitals are susceptible to risks arising on account of fire and other incidents.*

We store, handle and use certain chemicals, such as alcohol, sanitizers, gases, fuel and other inflammable materials at some of our hospitals. Healthcare facilities are subject to risks associated with fires, power failures, telecommunications failure and other events. Such events could materially impact our business in the future. Furthermore, any short circuit of power supply for our equipment and machines including air conditioning plants, power supplies, could result in accidents and fires that could result in injury or death to our employees, our patients, and other persons present at our hospitals. While we have not encountered any significant accidents in the Fiscals 2026, 2025 and 2024, there is no assurance such accident will not happen in the future. In the event of such an incident, we cannot assure you that our insurance coverage will be sufficient to cover all damages and losses we become liable for.

51. *If we are unable to establish and maintain an effective internal control, our business and reputation could be adversely affected.*

We operate 26 multi-specialty and super specialty hospitals under the “KIMS Hospitals” brand across Telangana, Andhra Pradesh, Maharashtra, Karnataka, and Kerala, with an aggregate bed capacity of 8,624 as of March 31, 2026. We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations across these 26 multi-specialty hospitals. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances due to the expanse of our business. The differences in governance/control environments across entities in different states may weaken consolidated risk monitoring and management. Any failure or inability to maintain internal control across these 26 multi-specialty hospitals may have an adverse impact on our business, financial conditions and results from operations. While no such instance has occurred in Fiscals 2026, 2025 and 2024, there can be no assurance that such an instance will not occur in the future.

Further, our operations are exposed to the risk of our inability to anticipate, prepare for, withstand, respond to, and recover from high-impact disruptions, including pandemics, natural disasters, large-scale cyberattacks, prolonged utility failures, regulatory shutdowns and supply chain disruptions. Given that our operations are spread across multiple states and are dependent on a network of hospitals, Subsidiaries, third-party service providers and supply chain partners, any severe or sustained disruption could have cascading effects across our wider business, resulting in significant interruptions to patient care, loss of critical data, regulatory action, reputational harm and financial losses. The evolving cybersecurity threats may further heighten our exposure to such risks over time, and there can be no assurance that our business continuity arrangements or insurance coverage will prove adequate in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India, including within the healthcare sector. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

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EXTERNAL RISK FACTORS

52. *Our business is significantly affected by macroeconomic conditions in India, and any adverse economic developments, including geopolitical tensions, trade disputes, foreign investment outflows, and external shocks, could reduce spending on healthcare services and adversely affect our patient volumes, revenue and profitability.*

The Indian healthcare industry and our business are significantly influenced by macroeconomic conditions in India, including GDP growth, inflation, interest rates, employment levels, household savings rates, and overall economic sentiment. Favourable economic conditions generally support growth in household incomes, increased health insurance coverage, and higher spending on healthcare services, including elective procedures and advanced tertiary and quaternary care. Conversely, adverse economic conditions such as economic slowdown, high inflation, rising interest rates, or deteriorating employment conditions could result in reduced discretionary healthcare spending, delayed elective procedures, preference for lower-cost treatment alternatives, and increased reliance on government healthcare schemes with lower reimbursement rates.

India's economy has experienced periods of volatility and uncertainty and faces various structural economic challenges including fiscal deficits, current account deficits, inflation management, banking sector asset quality, and the need for continued economic reforms. Additionally, India is increasingly exposed to external economic and geopolitical risks that could materially affect domestic economic conditions, consumer spending patterns, and the healthcare sector. Foreign portfolio investors have significantly reduced their exposure to Indian equities, with record outflows driven by stretched valuations, subdued earnings, geopolitical worries, concerns over steep US tariffs on Indian exports, and macroeconomic uncertainty. Additionally, our Company invests in debt instruments from time to time, including mutual funds, commercial papers, and hybrid funds such as arbitrage funds, which further exposes us to risks arising from adverse macroeconomic developments, changes in interest rates, liquidity constraints, and credit market conditions.

While domestic institutional inflows cushioned the impact of foreign selling, any sustained foreign investor exodus could result in downward pressure on equity valuations, reduced market liquidity, currency depreciation, and negative sentiment affecting domestic investor confidence and mutual fund inflows. India also faces risks from broader geopolitical instability and conflicts. The United States direct military operation in Venezuela in January 2026 has raised concerns about potential U.S. interventions in other countries. The U.S. tariffs on countries dealing with Russia and Iran place India in a difficult position given its historical relationships, strategic interests, and energy security needs. Indian capital markets have experienced significant stress following the tariff announcements in July 2025. Escalation of geopolitical tensions, whether in the Middle East especially the current hostilities between U.S., Israel and Iran and impact on the Middle East countries, Latin America, or elsewhere, could result in oil price volatility, disruption to global trade and investment flows, capital flight from emerging markets including India, and broader risk-off sentiment affecting equity and debt markets. Additionally, India faces risks from its complex geopolitical position, including tensions with neighbouring countries, internal security challenges, and the need to balance relationships with major powers including the United States, Russia, and China. The oil and gas sector declined, reflecting concerns about the impact of sanctions on Russian oil imports. Any material escalation of trade disputes, imposition of additional punitive tariffs, sustained foreign investment outflows, geopolitical conflicts affecting energy supplies, trade routes, or supply chains for medical equipment and pharmaceuticals, or broader deterioration in global economic conditions could have a material adverse effect on India's macroeconomic stability, capital market performance, investor sentiment, and consequently on our business, results of operations, financial condition and prospects.

53. *Challenges that affect the healthcare industry will have an effect on our operations.*

Our business is subject to challenges as faced with by the entire Indian healthcare industry, including, among others, providing quality patient care in a competitive environment while managing costs. We face competition from government-owned hospitals, other private hospitals, clinics, hospitals operated by non-profit organizations. Furthermore, healthcare costs in India have increased significantly over the past decade. There have been and may continue to be proposals by legislators and regulators to lower healthcare costs in India and limit the rate of increase, cap the margins and fix the price of healthcare procedures and diagnostics. Certain proposals by the Government of India, if passed, could impose, among other things, limitations on prices for our services.

In addition, our business, financial condition, results of operations and prospects may be adversely affected by other factors that may impact the broader Indian healthcare industry, including but not limited to:

- a. general economic conditions which adversely impact the quantum of disposable income that can be allocated by consumers for healthcare services;
- b. temporary requisitioning of healthcare facilities due to health pandemics such as COVID-19;
- c. demographic changes, such as an increase in the percentage of elderly patients, which could result in increased government expenditures for healthcare services and lead to various price control measures in relation to healthcare costs in India;
- d. efforts by employers to reduce the costs of health insurance by having employees bear a greater portion of their healthcare costs, causing employees to be more selective and cost-conscious in choosing healthcare services;
- e. seasonal cycles of illness as a function of varying climate, weather conditions and disease outbreaks;
- f. shortage of qualified healthcare professionals;
- g. any downgrading of India's debt rating by a domestic or international rating agency;
- h. fluctuations in the exchange rate between the Indian Rupee and foreign currencies, which may increase the cost of equipment and services procured from other countries;
- i. efforts by employers, insurers and governmental agencies to limit the cost of hospital and physician services, to reduce the utilization of hospital facilities by such means as preventive medicine, improved occupational health and safety and outpatient care, or attempts by third-party payors to control or restrict the operations of certain healthcare facilities;
- j. reduced need for hospitalization or other healthcare services arising from medical and scientific advances or from alternative medicine and therapies available through providers other than our hospitals and clinics; and
- k. recruitment and retention of qualified healthcare professionals including pay scale of such healthcare professionals such as nurses.

While there has been no material adverse impact on our operations, results of operations and financial conditions in the last three Fiscals due to any instance of the challenges faced by the healthcare industry in India, including, the provision of quality patient care in a competitive environment and managing costs, there is no assurance such instances will not occur in the future. Any failure by us to effectively address these and other factors could have a material adverse impact on our business, financial condition, results of operations, cash flows and prospects.

54. Changing laws, rules and regulations and regulatory reforms in the healthcare industry in India and legal uncertainties including any adverse application of corporate and tax laws, may adversely affect our business, cash flows, prospects and results of operations.

The healthcare industry is heavily regulated by the Government and state governments. Governmental revenue sources are subject to legislative and policy changes by the governmental and state agencies. These agencies have broad discretion to alter or eliminate programs that contribute to our revenues. There is no assurance that legislative and regulatory changes in the methods and standards used by the government agencies to reimburse and regulate the operation of hospitals will not result in limitations and reductions in levels of payments to us for certain services and have a material adverse impact on our business, financial condition, results of operations and prospects.

We are subject to various and extensive local laws, rules and regulations relating to, among other things, the establishment and operation of private medical care establishments. The Clinical Establishments (Registration and Regulation) Act, 2010, notified by the Government of India, is under various stages of implementation in the territories where we operate our Facilities. Any changes in implementation of the Clinical Establishments (Registration and Regulation) Act, 2010 and allied statutes and rules thereunder, including with respect to applicability to our facilities, could result in us being deemed to be in contravention

of such laws and may require us to apply for additional approvals. In addition to the above, our hospitals are also required to comply with certain state specific statutes, such as, Andhra Pradesh Allopathic Private Medical Care Establishments (Registration and Regulation) Act, 2002, Karnataka Private Medical Establishment Act, 2018, Maharashtra Nursing Home Registration Act, 1949, Kerala Clinical Establishments (Registration and Regulation) Act, 2018, etc.

Health and safety laws and regulations in India have become increasingly stringent over time, and may continue to become more stringent in the future. We are required to maintain various records and file several returns under various laws. For instance, the Bio-Medical Waste Rules, 2016 and the E-Waste Management Rules, 2016, each as amended, require mandatory authorization and annual reporting requirements for all establishments handling bio-medical waste and e-waste, respectively. Additionally, in India, pharmaceutical and other medical devices and consumable prices are subject to regulation and the Government has been actively reviewing prices for pharmaceuticals and their trade margins. India formulated the National Pharmaceuticals Pricing Policy in 2012, which lays down the principles for pricing essential drugs. On May 15, 2013, the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers released the DPCO (superseding the earlier Drugs (Prices Control) Order, 1995). The DPCO governs the price control mechanism for formulations listed in the National List of Essential Medicines. Our ability to achieve favorable pricing may be affected by such government policies which regulate the pricing of medical items. For example, the National Pharmaceutical Pricing Authority (“NPPA”) has in the past set ceilings on prices of cancer drugs, cardiac stents, drug eluting stents, condoms and intra-uterine devices. The DPCO is amended from time to time, to fix or revise the ceiling prices of certain drug formulations sold in India. The NPPA also from time to time notifies ceiling prices for additional formulations either under the DPCO or in the National List of Essential Medicines. Any action for violation of pricing regulations may divert management attention and could adversely affect our business, financial condition, results of operations and prospects. While we cannot predict the nature of the measures that may be adopted by governmental organizations in the future or their effect on our business and revenues, the announcement or adoption of such proposals may affect our profit margins, results of operations and cash flows.

Moreover, the GoI has notified Labour Codes as being in effect from November 21, 2025, which consolidate, subsume and replace numerous existing central labor legislations. The stated objective of the Labour Codes is to consolidate 29 key Central legislations into four comprehensive codes, each pertaining to a specific category of employment laws, namely, laws relating to employee wages; health, safety and working conditions; social security; and industrial relations. The Labour Codes look to bring about a unified and progressive labor law regime that focusses on ease of doing business by ensuring consistency in definitions, simplification of compliances, and mindful enforcement. Any changes that are required to be made to our internal employment policies, practices and operations are not presently clear and will need to be evaluated.

The laws, regulations, policies, guidelines and licensing and accreditation requirements that we are subject to cover many aspects of our business. We may incur substantial costs in order to comply with current or future laws, rules and regulations and we may not be able to maintain, at all times, full compliance with such laws, regulations, policies and guidelines. These current or future laws, rules and regulations may also impede our operations. Any non-compliance with applicable laws, rules and regulations may subject us to regulatory action, including penalties and other civil or criminal proceedings, which may materially and adversely affect our business, prospects and reputation. The qualifications and practicing activities of our healthcare professionals are strictly regulated by applicable laws, regulations, policies and guidelines, as well as by applicable codes of professional conduct or ethics. If our health professionals fail to comply with applicable laws, regulations, policies or guidelines, including professional licensing requirements, we may be subject to penalties including fines, loss of licenses or restrictions on our healthcare facilities. While there have not been any past instances of regulatory actions against our Company or any of our Subsidiaries, there can be no assurance that such instances will not occur in future which may have an adverse impact on our business and operation works, our results of operations and financial condition.

55. We may be affected by competition law in India and any adverse application or interpretation of the Competition Amendment Act could adversely affect our business and activities.

The Competition Act prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical

development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India (“CCI”). Any breach of the provisions of the Competition Act may attract substantial monetary penalties.

In addition to these thresholds, the Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”) was notified on April 11, 2023, which amends the Competition Act and introduced a deal value threshold, wherein transactions with a deal value of ₹2,000 crore or more and having substantial business operations in India requires to be notified to the CCI even if asset or turnover based thresholds are not met. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine appreciable adverse effect on competition (“**AAEC**”), reduces the overall time limit for the assessment of combinations by the CCI. If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, financial condition, results of operations, cash flows and prospects.

56. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to various factors. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Any worldwide financial instability may have a global influence and thereby cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could affect our ability to expand our business or access imported medical equipment, devices, or technology, or attract international patients if demand from foreign patients decline due to financial instability in such countries, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects and reduce the price of the Equity Shares.

57. *If inflation rises in India, increased costs may result in a decline in profits.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our patients, whether entirely or in part. In particular, increased costs of medical equipment and devices, medicines, utilities, or increase in salaries of doctors, nurses, paramedics, and administrative staff or increase in the rent of our leased properties could adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

58. Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our business, financial condition, results of operations, cash flows and prospects.

Our Audited Consolidated Financial Statements included in this Preliminary Placement Document are prepared under Ind AS, which differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Ind AS financial statements will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting standards and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should be limited accordingly.

59. Non-resident investors are subject to investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents is freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to in the FEMA Non-debt Instruments Rules, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries and/or departments are responsible for granting approval for foreign investment. Furthermore, this is subject to the shares having been held on a repatriation basis and either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. In accordance with the Consolidated FDI Policy, and the related amendments to the FEMA Rules, investments made by an entity of a country, which shares land border with India, or investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Subsequently, vide Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy has been further amended to, inter alia, define the expression "beneficial owner" and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. The amendments under Press Note No. 2 (2026 Series) have been brought into effect from the date of publication of FEMA (Non debt Instruments) Rules, 2026 in the official gazette, being, May 2, 2026. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "**Selling Restrictions**" and "**Transfer Restrictions and Purchaser Representations**" on page 185, and 193, respectively.

60. After this Issue, the price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop.

The prices of our Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and global securities market or in the Rupee's value relative to the U.S. dollar, the Euro or the Yen;
- our results of operations and performance;

- perceptions about our future performance or the performance of Indian healthcare sector generally;
- performance of our competitors in the Indian healthcare sector and the perception in the market about investments in the healthcare sector;
- significant developments in the regulation of healthcare in our key markets;
- adverse media reports on the Company or the Indian and global healthcare industries;
- changes in the estimates of our performance or recommendations by financial analysts;
- significant developments in India's economic liberalisation and deregulation policies; and
- significant developments in India's fiscal and environmental regulations.

There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue, or that the prices at which our Equity Shares are currently traded will correspond to the prices at which our Equity Shares will trade in the market subsequent to this Issue. Our share price could be volatile and may decline.

61. *An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.*

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors. For further information, see “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” on page 185, and 193, respectively. You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

62. *Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.*

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹125,000, realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax (“STT”). Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident read with the multilateral instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and, accordingly, such dividends would not be exempt in the hands of the Shareholders both for residents as well as non-residents and are subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while, in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015%, and on a non-delivery basis is specified at 0.003% of the consideration amount. Additionally, the Government of India announced the Union Budget for the Fiscal 2027 on February 1, 2026 followed by the Finance Bill 2026 (“**Finance Bill**”). The Finance Bill has received the assent from the President of India on March 30, 2026, and has been enacted as the Finance Act, 2026 (“**Finance Act**”) with effect from April 1, 2026. We have not fully determined the effects of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, results of operations, financial condition and cash flows. Further, the Union Cabinet, Government of India has recently approved the Income Tax Act, 2025 which among others, amends the income tax regime and replace the Income Tax Act, 1961 with effect from April 1, 2026. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. There is no certainty on the impact of the Income Tax Act, 2025, on tax laws or other regulations, which may adversely affect our business, financial condition, cash flows, results of operations or on the industry in which we operate.

The investors are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Unfavorable changes or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

63. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by any promoters of the Company may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through grant and consequent exercise of employee stock options, may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by any of our Promoters or members of such Promoters’ group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

64. *Any downgrading of India's debt rating by an international rating agency could have an adverse impact on our business.*

Any adverse revision to the rating of India's domestic or international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

65. *Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

66. *Bidders are not allowed to withdraw or revise their Bids downwards after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the Bidder's demat account with depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the Bidder's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of the Equity Shares. The Bidders shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline

67. *Civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy.*

Certain events that are beyond the control of our Company, such as violence or civil unrest, including those involving India, the United Kingdom, the United States, Iran, Qatar or other countries including in India's neighbourhood, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession through various channels including disruption to trade and investment flows, increased defence spending, or changes in foreign investor sentiment which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy.

Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighboring countries. Political tensions could create a perception that there is a risk of disruption of services provided by India-based companies, which could have an adverse effect on our business, future financial performance and the price of the Equity Shares. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Indian economy and consequently Company's operations might be significantly affected. India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have an adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected.

68. *Investors may not be able to enforce a judgment of a foreign court against us or our management.*

Our Company is incorporated under the laws of India. All of our directors and executive officers are citizens of India. Our Company's assets and the assets of our Directors and executive officers' resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("CPC"). India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, UAE, and Hong Kong. In order to be enforceable, a judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not

being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the CPC as a decree of an Indian court.

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the CPC, and not by proceedings in execution. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The CPC only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action were brought in India. Moreover, it is unlikely that an Indian court will award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

69. *Any catastrophe, including natural calamities, man-made disasters, health epidemics and other outbreaks, could have a negative effect on the Indian economy and cause our business to suffer.*

Natural disasters, such as typhoons, droughts, flooding and earthquakes, as well as fires, epidemics, pandemics such as COVID-19, highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and man-made disasters such as acts of war, terrorist attacks, civil unrest, geopolitical uncertainty, including hostilities in the Middle East and the Russia-Ukraine conflict, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, results of operations, cash flows and prospects. In addition, an outbreak of infectious diseases could diminish public trust in healthcare facilities, especially hospitals that are treating (or have treated) patients affected by infectious diseases. Such events could impair our ability to use such facilities, among other negative effects and, accordingly, have a material adverse impact on our revenues and increase our costs and expenses. We have disaster plan in place but the potential emergence of a pandemic, epidemic or outbreak is difficult to predict and could have a material adverse impact on our business, financial condition, results of operations and prospects in future.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 400,138,935 Equity Shares have been issued, subscribed and are fully paid up. The face value of our Equity Shares is ₹ 2 per equity share. The Equity Shares are listed and are available for trading on BSE Limited and National Stock Exchange of India Limited under the scrip symbol KIMS. The Board has passed a resolution on June 13, 2026, approving the raising of funds for an amount aggregating to ₹ 6,000 million, by issuance of 7,702,182 fully convertible warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each of the Company at a price of ₹ 779.00, to certain Promoters and promoter group entity, by way of a preferential issue. In relation thereto, the Board has also approved the convening of an extra-ordinary general meeting of the Shareholders to be held on July 9, 2026. The same has also been disclosed to the Stock Exchanges.

On June 16, 2026 the closing price of the Equity Shares on BSE and NSE was ₹ 778.15 and 778.65 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of NSE and BSE has been given separately. The following tables set out the reported high, low and average of the closing prices and the trading volumes of our Equity Shares on the Stock Exchanges and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

NSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
April 1, 2025 to March 31, 2026	789.35	July 24, 2025	1,291,381	1,015.22	568.90	April 7, 2025	622,991	351.28	578.52	115,957,543	78,999.17
September 13, 2024 to March 31, 2025*	660.90	January 8, 2025	1,262,185	833.32	508.45	March 5, 2025	434,019	220.34	578.52	75,192,573	43,766.17
April 1, 2024 to September 12, 2024*	2,735.90	September 12, 2024	736,232	2,037.36	1,820.40	May 29, 2024	37,388	68.33	2,122.74	10,743,894	23,271.52
April 1, 2023 to March 31, 2024	2,289.85	February 28, 2024	173,612	393.00	1,393.15	April 3, 2023	11,803	16.43	1,882.03	27,606,776	52,190.71

(Source: www.nseindia.com)

*Subdivision of existing equity shares from one equity share of ₹ 10/- each into five equity shares of ₹ 2/- each with effect from September 13, 2024

1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.
2. In the case of a year, average price represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

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BSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
April 1, 2025 to March 31, 2026	788.65	July 28, 2025	25,297	19.50	569.35	April 7, 2025	29,850	16.89	681.91	10,963,925	7,517.23
September 13, 2024 to March 31, 2025*	661.60	January 8, 2025	37,867	24.99	508.15	March 5, 2025	14,513	7.37	578.53	3,016,379	1,752.37
April 01, 2024 to September 12, 2024*	2,732.70	September 12, 2024	19,399	53.47	1,813.25	May 27, 2024	14,568	26.49	2,122.90	1,306,187	2,981.21
April 1, 2023 to March 31, 2024	2,288.35	February 28, 2024	2,468	5.63	1,394.15	April 3, 2023	1,093	1.52	1,881.44	7,645,128	13,863.95

(Source: www.bseindia.com)

*Subdivision of existing equity shares from one equity share of ₹ 10/- each into five equity shares of ₹ 2/- each with effect from September 13, 2024

1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.
2. In the case of a year, average price represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

A. The following tables set out the reported high and low closing prices of our Equity Shares recorded on Stock Exchange and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months preceding this Preliminary Placement Document:

NSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month volume	Turnover (₹ in million)
May, 2026	791.15	May 11, 2026	3,419,306	2,603.47	663.00	May 4, 2026	417,706	282.23	744.11	11,877,030	8,884.02
April, 2026	682.15	April 20, 2026	692,379	470.83	624.90	April 2, 2026	274,583	113.87	659.69	10,191,299	6,725.01
March, 2026	720.60	March 6, 2026	282,833	201.13	621.50	March 30, 2026	244,686	151.46	666.02	5,610,751	3,751.29
February, 2026	745.05	February 27, 2026	521,540	386.78	593.00	February 2, 2026	502,603	296.49	673.16	10,520,020	7,131.61
January, 2026	653.60	January 5, 2026	647,314	421.18	582.10	January 23, 2026	150,634	88.92	615.66	8,322,056	5,145.07
December, 2025	706.85	December 3, 2025	210,027	147.49	601.85	December 30, 2025	511,017	309.10	657.03	8,351,511	5,477.68

(Source: www.nseindia.com)

1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.
2. In the case of a year, average price represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in million)
May, 2026	790.45	May 11, 2026	316,189	238.35	663.90	May 4, 2026	675,266	451.87	744.43	2,788,536	2,059.56
April, 2026	681.85	April 17, 2026	12,552	8.50	624.65	April 1, 2026	98,690	62.08	659.71	1,142,545	747.51
March, 2026	726.00	March 6, 2026	11,222	7.94	622.55	March 30, 2026	13,800	8.55	666.59	973,612	653.88
February, 2026	747.70	February 27, 2026	31,126	23.08	593.60	February 2, 2026	19,489	11.51	673.06	807,812	558.61
January, 2026	653.00	January 5, 2026	41,143	26.71	582.25	January 23, 2026	2,67,703	158.44	615.55	881,766	536.58
December, 2025	706.80	December 3, 2025	14,166	9.91	601.50	December 30, 2025	10,421	6.31	657.26	1,217,836	786.44

(Source: www.bseindia.com)

1. High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.
2. In the case of a year, average price represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

B. The following table sets forth the market price of our Equity Shares on Stock Exchange on March 12, 2026, the first Working Day following the approval of our Board on March 11, 2026 for the Issue:

NSE						BSE					
Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in million)	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in million)
677.55	680.75	659.55	664.40	401,680	268.48	679.95	679.95	660.00	663.65	59,244	39.40

(Source: www.nseindia.com and bseindia.com)

OBJECTS OF THE ISSUE AND USE OF ISSUE PROCEEDS

The gross proceeds from the Issue aggregate up to ₹ [●] million (“**Issue Proceeds**”). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ [●] million, shall be approximately ₹ [●] million (the “**Net Proceeds**”).

Objects of the Issue

Subject to the compliance with applicable laws and regulations, we intend to utilize the Net Proceeds to finance the following:

1. Re-payment and /or prepayment of certain outstanding borrowings, in full or part, availed by our Company;
2. Investment into certain of our Subsidiaries, namely Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, for repayment or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries; and
3. General corporate purposes.

collectively, the “**Objects**”.

The main objects and objects necessary in furtherance to the main objects of the memorandum of association of our Company enable us to undertake its: (i) existing activities; and (ii) the activities proposed to be funded from the Net Proceeds.

Requirement of funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

		(in ₹ million)
Sr. No.	Particulars	Amount
1.	Re-payment and/or prepayment of certain outstanding borrowings, in full or part, availed by our Company	9,100.00
2.	Investment into certain of our Subsidiaries, namely Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, for repayment or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries	2,150.00
3.	General corporate purposes ^{(1) (2)}	[●]
Total Net Proceeds⁽²⁾		[●]

(1) To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount to be utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

(2) To be determined upon finalisation of the Issue Price.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

		(in ₹ million)	
Sr. No.	Particulars	Amount which will be financed from Net Proceeds	Proposed schedule for deployment of the Net Proceeds Fiscal 2027
1.	Re-payment and /or prepayment of certain outstanding borrowings, in full or part, availed by our Company	9,100.00	[●]
2.	Investment into certain of our Subsidiaries, namely Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, for repayment or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries	2,150.00	[●]
3.	General corporate purposes ^{(1) (2)}	[●]	[●]
Total Net Proceeds⁽²⁾		[●]	[●]

(1) To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount to be utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

(2) To be determined upon finalisation of the Issue Price.

The fund requirements, the proposed deployment of funds and the intended use of the Net Proceeds as described herein are based on our internal management estimates, prevailing market conditions, operating plans, terms and conditions of financial instruments and/or borrowings and the growth strategies of our Company, agreements entered into by the Company and other commercial factors, which are subject to change in the future. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any external/independent agency or any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market conditions, interest rates fluctuation, access to capital, business and strategy, competition and other external factors such as changes in the business environment and exchange rate fluctuations, which may not be within the control of our management. This may also entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the planned expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable laws. For details, see ***“Risk Factors - Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution and are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Preliminary Placement Document would be subject to certain compliance requirements, including prior shareholders’ approval.”*** on page 68.

In the event that the estimated utilization of the Net Proceeds is not completely met (in full or in part) as per the timelines set out above, due to the reasons stated above, the same shall be utilized in subsequent periods, as may be determined by our management, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilization towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes, in accordance with applicable law, to the extent that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Issue Proceeds.

Details of Objects

1. Re-payment and /or prepayment of certain outstanding borrowings, in full or part, availed by our Company

We avail fund-based and non-fund-based facilities in the ordinary course of business from various banks, and financial institutions. The borrowing arrangements entered into by us include *inter alia* term loans and working capital facilities. As of April 30, 2026, our total outstanding borrowings (which consists sum of non-current borrowings and current borrowings) were ₹ 14,689.18 million (on a standalone basis) and ₹ 33,502.58 million (on a consolidated basis). We propose to utilise a portion of the Net Proceeds aggregating up to ₹ 9,100.00 million for full or partial repayment or prepayment, in full or in part, of certain outstanding borrowings (including interest thereon) availed by our Company. The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, among others, the amount of the loans outstanding and the remaining tenor of the loan. However, the aggregate amount to be utilised from the Net Proceeds towards repayment and/or prepayment of borrowings in part or full of certain borrowings, would not exceed ₹ 9,100.00 million. The amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns, and enhancement of sanctioned limits.

Pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract pre-payment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of through internal accruals or other available sources, including equity and/or debt financing, as applicable.

Details of utilisation

The details of certain borrowings availed by our Company, proposed for repayment and pre-payment as of April 30, 2026, in full or in part, from the Net Proceeds, are set forth below:

(in ₹ million)										
Sr. No.	Name of the Lender		Purpose of Loan*	Nature of the facility (Fund based)	Amount sanctioned as on April 30, 2026 (Fund based) (In ₹ million)	Amount outstanding as on April 30, 2026 (Fund based) (In ₹ million)	Details of latest sanction letter	Interest per annum (%)	Tenure of the facility	Pre-Payment penalty, if any
1	Axis Bank Limited	Bank	Towards capital expenditure for setting up a hospital in Thane (Mumbai)	Term Loan	3,850.00	3,785.90	April 15, 2023	7.45%	13 years including 24 months of construction period and 12 months moratorium period.	No Prepayment penalty if prepayment is made with written instructions of Axis Bank Limited or paid out of internal accruals or equity/preference
2	Union of India	Bank	General Corporate Loan (includes capital expenditure, payment to operational creditors & augmentation of working capital requirements)	Term Loan	2,600.00	2,567.24	August 20, 2025	7.95%	120 months in 40 structural repayments	No Prepayment penalty if prepayment is made out of internal accruals or equity/preference
3	Axis Bank Limited	Bank	Towards construction of new block in Secunderabad unit	Term Loan	3,600.00	564.91	March 19, 2026	7.45%	Door to door tenor of 12 years	No Prepayment penalty if prepayment is made with written instructions of Axis Bank Limited or paid out of internal accruals or equity/preference
4	Axis Bank Limited	Bank	Towards purchase of equipments	Term Loan	600.00	450.00	April 15, 2023	7.25%	7 years including moratorium period of 12 months	No Prepayment penalty if prepayment is made with written instructions of Axis Bank Limited or paid out of internal accruals or equity/preference
5	Indusind Bank Limited	Bank	Towards acquisition of equity in Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited	Term Loan	1,500.00	1,127.26	February 9, 2024	7.50%	84 months (7 years) including moratorium of 6 months	No Prepayment penalty if prepayment is made out of internal accruals after 1 year of loan repayment or by way of cash sweep mechanism
6	Federal Bank Limited	Bank	Purchase of equipment (medical & others)	Term Loan	1,500.00	868.44	May 14, 2024	7.60%	60 months	Nil
7	Kotak Mahindra Bank Limited	Bank	Purchase of equipment (medical & others)	Term Loan	750.00	540.87	December 19, 2024	7.60%	84 months including moratorium of 24 months	No Prepayment penalty if prepayment is made out of internal accruals

Sr. No.	Name of the Lender	Purpose of Loan*	Nature of the facility (Fund based)	Amount sanctioned as on April 30, 2026 (Fund based) (In ₹ million)	Amount outstanding as on April 30, 2026 (Fund based) (In ₹ million)	Details of latest sanction letter	Interest per annum (%)	Tenure of the facility	Pre-Payment penalty, if any
8	Kotak Mahindra Bank Limited	For augmentation of working capital requirements	Term Loan	2,000.00	1191.99	August 22, 2025	7.95%	60 months	For floating rate loan: Charges of 2% p.a not exceeding 2% on the outstanding loan amount
9	Kotak Mahindra Bank Limited	Towards capital expenditure of subsidiaries	Term Loan	1,000.00	999.93	August 22, 2025	7.95%	120 months including moratorium of 36 months	For floating rate loan: Charges of 2% p.a not exceeding 2% on the outstanding loan amount
10	Federal Bank Limited	Cash Credit	Working Capital Demand Loan	235.00	142.64	May 14, 2024	7.50%	12 months repayment on demand	Nil
11	Axis Bank Limited	Working Capital requirements	Working Capital Demand Loan	750.00	550.00	March 18, 2025	7.50%	12 Months	Nil
12	ICICI Bank Limited	Working Capital requirements	Working Capital Demand Loan	2,000.00	1,400.00	May 28, 2025	7.58%	12 Months	Nil
13	Kotak Mahindra Bank Limited	Working Capital requirements	Working Capital Demand Loan	550.00	500.00	August 22, 2025	7.15%	Maximum 120 days	Nil

As certified by B. Naga Bhushan & Co., Independent Chartered Accountant, pursuant to their certificate dated June 16, 2026

*The utilization of the proceeds of the loans as indicated above has been towards the purpose availed for, as per the sanction letters/ loan agreement of the respective lender.

We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, reduction of debt will enhance our balance sheet strength, also strengthening the capital base of our Company, for pursuing future business growth and expansion opportunities.

For the purposes of the Issue, our Company has obtained necessary consents and notified the relevant lenders, as is respectively required under the relevant facility documentation. For details, see “*Risk Factors – Our indebtedness and the conditions and restrictions imposed by our financing arrangements may limit our ability to grow our business and adversely impact our business*” on page 43.

2. Investment in certain of our Subsidiaries namely, Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, for repayment or pre-payment, in full or in part, of certain outstanding borrowings availed by such Subsidiaries

Our Company proposes to invest up to ₹2,150.00 million out of the Net Proceeds towards the funding of certain of our Subsidiaries, namely Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, as indicated below, for repayment of their debt. The form of infusion of such investments proposed by our Board after considering certain commercial and financial factors is either by way of equity or debt instrument. The actual mode of such deployment has not been finalised as on the date of this Preliminary Placement Document.

The selection of borrowings proposed to be repaid/pre-paid by the relevant Subsidiaries, namely Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, as indicated in the table below, amongst borrowing arrangements provided in the table below, is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) other commercial considerations including, among others, the amount of the loans outstanding, and the remaining tenor of the loan.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings, given in the table below, may vary from time to time. The amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with business cycle with multiple intermediate repayments, drawdowns, and enhancement of sanctioned limits of credit facilities availed by Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited. We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, reduction of debt will enhance our balance sheet strength, also strengthening the capital base of our Company, for pursuing future business growth and expansion opportunities.

The following table provides the details of outstanding borrowings availed by the relevant Subsidiaries namely, Chalasani Hospitals Private Limited, KIMS Hospitals Private Limited and KIMS Hospital Bengaluru Private Limited, as indicated below, as of April 30, 2026, which is proposed to be repaid or prepaid, in full or in part:

[Remainder of the page has been intentionally left blank]

(in ₹ million)										
Sr. No.	Name of Borrower	Name of the Lender	Purpose of Loan*	Nature of the facility (Fund based)	Amount sanctioned as on April 30, 2026 (Fund based) (In ₹ million)	Amount outstanding as on April 30, 2026 (Fund based) (In ₹ million)	Details of latest sanction letter	Interest per annum (%)	Tenure of the facility	Pre-Payment penalty, if any
1	Chalasani Hospitals Private Limited	Bandhan Bank Limited	Renovation of existing hospital and purchase of equipment	Term Loan	1,140.00	918.90	December 24, 2024	7.50%	132 months (Door to door) with initial principal moratorium of 12 months	Prepayment charges will be 1%. No prepayment charges if paid from internal accruals, after 1 year after commencement date
2	Chalasani Hospitals Private Limited	Bandhan Bank Limited	Takeover of HDFC Bank Limited (Infra purpose) Loan	Term Loan	358.30	272.96	December 24, 2024	7.50%	Residual tenor of 66 months	Prepayment charges will be 1%. No prepayment charges if paid from internal accruals, after 1 year after commencement date
3	Chalasani Hospitals Private Limited	Bandhan Bank Limited	Takeover of Federal Bank Limited Loan as part of Business Transfer agreement with Iconkrishi Institute of Medical Sciences Private Limited for transfer of gastro unit. The loan availed in gastro unit is for purchase of equipments	Term Loan	95.10	82.66	September 10, 2025	8.50%	Residual tenor of 46 months	Prepayment charges will be 1%. No prepayment charges if paid from internal accruals, after 1 year after commencement date
4	Chalasani Hospitals Private Limited	Bandhan Bank Limited	Takeover of Bajaj Finance Limited Loan (Business Expansion)	Term Loan	99.50	99.46	September 10, 2025	8.50%	Door to door tenor of 160 months including moratorium period of 16 months	Prepayment charges will be 1%. No prepayment charges if paid from internal accruals, after 1 year after commencement date
5	Chalasani Hospitals Private Limited	Bandhan Bank Limited	Cash credit	Working Capital Demand Loan	150.00	126.13	September 10, 2025	7.50	One year from the date of sanction	Nil
6	KIMS Hospitals Private Limited	Kotak Mahindra Bank Limited	Towards establishing 300 beds multispeciality hospital	Term Loan	2,460.00	650.50	January 29, 2024	8.6%	11 years including moratorium of 3 year.	No Prepayment penalty if prepayment is made out of internal accruals
7	KIMS Hospitals Bengaluru Private Limited	ICICI Bank Limited	Capex for construction of hospital and purchase of equipment	Term Loan	2550.00	2,278.34	December 17, 2024	8.00%	Door to door tenor of 36 quarters i.e. 9	Nil prepayment premium from 2nd year (from commercial operation

Sr. No.	Name of Borrower	Name of the Lender	Purpose of Loan *	Nature of the facility (Fund based)	Amount sanctioned as on April 30, 2026 (Fund based) (In ₹ million)	Amount outstanding as on April 30, 2026 (Fund based) (In ₹ million)	Details of latest sanction letter	Interest per annum (%)	Tenure of the facility	Pre-Payment penalty, if any
									years including 6 quarters of moratorium	date) onwards for the prepayment done from internal accruals, subject to the borrower providing an irrevocable prior written notice of 15 days in advance.
8	KIMS Hospitals Bengaluru Private Limited	Axis Bank Limited	Towards purchase of medical equipment for Mahadevpura unit	Term Loan	640.00	232.35	August 2, 2025	7.90%	8.5 years including moratorium period of 4 quarters.	Prepayment premium of 2% on the amount prepaid, except such prepayment paid out of internal accruals or infusion of equity/unsecured loans.
9	KIMS Hospitals Bengaluru Private Limited	Axis Bank Limited	Capex for construction of hospital and purchase of equipment	Term Loan	1,500.00	1,500.00	September 25, 2025	7.75%	8.5 years including moratorium period of 4 quarters.	Prepayment premium of 2% on the amount prepaid, except such prepayment paid out of internal accruals or infusion of equity/unsecured loans.
10	KIMS Hospitals Bengaluru Private Limited	HDFC Bank Limited	For repayment of unsecured loan to the parent/group company	Term Loan	1,200.00	950.00	March 27, 2026	7.75%	Tenor 8 years including initial 2 years moratorium and 6 years of graded principal quarterly repayment	Prepayment premium of 4% on the amount prepaid if paid by way of new loan/takeover
11	KIMS Hospitals Bengaluru Private Limited	Axis Bank Limited	Towards purchase of medical equipment for people education society unit	Term Loan	1,440.00	937.05	April 4, 2025	7.80%	Door to door tenor of 10 years with construction period of 9 months, moratorium period of 15 months and repayment period	Prepayment premium of 2% on the amount prepaid, except such prepayment paid out of internal accruals or infusion of equity/unsecured loans.

Sr. No.	Name of Borrower	Name of the Lender	Purpose of Loan *	Nature of the facility (Fund based)	Amount sanctioned as on April 30, 2026 (Fund based) (In ₹ million)	Amount outstanding as on April 30, 2026 (Fund based) (In ₹ million)	Details of latest sanction letter	Interest per annum (%)	Tenure of the facility	Pre-Payment penalty, if any
									of 8 years (ballooning repayments).	
	KIMS Hospitals Bengaluru Private Limited	Axis Bank Limited	Working Capital requirements	Working Capital Demand Loan	450.00	450.00	August 2, 2025	7.95%	Repayment on demand	Nil

**The utilization of the proceeds of the loans as indicated above has been towards the purpose availed for, as per the sanction letters/ loan agreement of the respective lender
As certified by B. Naga Bhushan & Co., Independent Chartered Accountant, pursuant to their certificate dated June 16, 2026*

Pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract pre-payment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of through internal accruals or other available sources, including equity and/or debt financing, as applicable.

The deployment of the Net Proceeds will be subject to various considerations such as applicable regulatory and contractual restrictions applicable on such subsidiaries, as the case may be, dynamic market conditions, business opportunities, competitive environment, interest rate fluctuations and other macro-economic factors.

3. General Corporate Purposes

The Net Proceeds will first be utilized towards the Objects as set out above and in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213- 47 dated December 13, 2022, issued by BSE. Subject to this, our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Issue Proceeds in accordance with the applicable law. The general corporate purposes for which our Company proposes to utilize the Net Proceeds include fulfilment of other financial commitments of Company or its subsidiaries, including payment of one or more debt financing agreements (other than in respect of the Objects as described above), investments in subsidiaries (other than in respect of the Objects as described above), other strategic initiatives, working capital requirements, business development activities, augmenting long-term cash resources, funding growth (organic or inorganic) opportunities, including acquisitions and meeting exigencies, meeting expenses, other expenditure considered expedient by our Company, as may be applicable and approved by our Board or a duly constituted committee thereof, from time to time.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable laws, including necessary provisions of the Companies Act. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Our Company's Board or a duly appointed committee shall have the flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Monitoring of utilization of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated June 16, 2026 as the size of the Issue exceeds ₹1,000 million. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the Issue Proceeds have been utilized. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI of the SEBI ICDR Regulations.

Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website, www.kimshospitals.com and also submit the same to the Stock Exchanges. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilized for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized; and (ii) disclose every year, the utilization of Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / liquid / overnight mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws. In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

Other confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by the Board and/ or a duly authorized committee of the Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed objects as disclosed above and other applicable laws.

Our Company's management will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Neither of our Promoters, members of the Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. Since the Issue is only made to Eligible QIBs, our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe to the Issue.

Since the Net Proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

CAPITAL STRUCTURE

The equity share capital of our Company, as of the date of this Preliminary Placement Document, is set forth below.

		<i>(in ₹, except share data, unless otherwise stated)</i>
	Particulars	Aggregate nominal value (in ₹)
A)	AUTHORISED SHARE CAPITAL	
	475,000,000 Equity Shares of face value of ₹ 2 each	950,000,000.00
B)	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE	
	400,138,935 Equity Shares of face value of ₹ 2 each	800,277,870.00
C)	PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT	
	Up to [●] Equity Shares aggregating to ₹ [●] million ⁽¹⁾	[●]
D)	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE	
	[●] Equity Shares of face value of ₹2 each ⁽²⁾	[●]
E)	SECURITIES PREMIUM ACCOUNT	
	Before the Issue (as on the date of this Preliminary Placement Document)(in ₹ million)	10,340
	After the Issue ⁽²⁾⁽³⁾	[●]

⁽¹⁾ Subject to finalization of allotment pursuant to the Issue. The Issue has been authorised and approved by our Board of Directors pursuant to their resolution passed on March 11, 2026. Subsequently, our Shareholders have authorised and approved the Issue by way of postal ballot on April 15, 2026.

⁽²⁾ To be determined upon finalisation of the Issue Price.

⁽³⁾ The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses.

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Equity share capital history of our Company

The following table sets forth the history of the equity share capital of our Company.

Date of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of Transaction	Form of consideration
July 26, 1973	100	100	100	Subscription of the MoA ¹	Cash
July 15, 1974	6,500	100	100	Preferential Allotment ¹	Cash
March 25, 1975	7,640	100	100	Preferential allotment ¹	Cash
January 30, 1976	500	100	100	Preferential allotment ¹	Cash
July 31, 1976	850	100	100	Preferential allotment ¹	Cash
December 27, 1976	1,950	100	100	Preferential allotment ¹	Cash
March 30, 1977	450	100	100	Preferential allotment ¹	Cash
July 6, 1978	2,010	100	100	Preferential allotment ¹	Cash
March 3, 1979	4,500	100	100	Preferential allotment ¹	Cash
Pursuant to a resolution of our shareholders dated January 5, 1994, the face value per equity share was sub-divided from ₹ 100 to ₹ 10 and accordingly, 24,500 issued equity shares of our Company of ₹ 100 each were split into 245,000 equity shares of our Company of ₹ 10 each. ¹					
As at February 15, 2003, the paid up share capital of our Company was ₹ 2,450,000 divided into 245,000 equity shares. The issued, subscribed and paid-up share capital of our Company based on the balance sheet as at March 31, 2003 was ₹ 2,450,000 divided into 245,000 equity shares. Further, the cumulative issued equity share capital as per the memorandum of understanding and agreement of takeover dated August 22, 2002 and the share transfer deeds issued in February 2003 was ₹ 2,450,000 divided into 245,000 equity shares, as well. ¹					
March 29, 2004	696,000	10	95	Preferential allotment ²	Cash
March 31, 2005	218,500	10	95	Preferential allotment	Cash
September 14, 2005	733,535*	10	95	Preferential allotment ³	Cash
December 30, 2006	5,260	10	95	Preferential allotment	Cash
March 29, 2007	375,200	10	121	Preferential allotment	Cash
April 12, 2008	49,685	10	95	Preferential allotment	Cash
February 2, 2009	580,795	10	-	Bonus issue in the ratio of 1:4 for equity shares held as on January 31, 2009 [^]	Bonus
August 14, 2009	97,560	10	205	Preferential allotment	Cash
November 26, 2009	534,194	10	728.20	Preferential allotment	Cash
November 27, 2009	15,106	10	728.20	Preferential allotment	Cash
March 26, 2010	274,649	10	728.20	Preferential allotment	Cash
June 27, 2013	1,275,300	10	-	Allotment pursuant to the 2012 Scheme [#]	Other than cash
October 9, 2013	510,078	10	-	Bonus issue in the ratio of 1:10 for equity shares held as on September 30, 2013 [^]	Bonus
June 26, 2014	228,247	10	1,425.81	Preferential allotment	Cash
October 17, 2014	27,879	10	1,434.72	Preferential allotment	Cash
January 21, 2015	2,933,494	10	-	Bonus issue in the ratio of 1:2 for equity shares held as on November 29, 2014 [^]	Bonus
August 19, 2015	8,800,482	10	-	Bonus issue in the ratio of 1:1 for equity shares held as on June 24, 2015 [^]	Bonus

Date of allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of Transaction	Form of consideration
January 20, 2016	52,802,892	10	-	Bonus issue in the ratio of 3:1 for equity shares held as on December 23, 2015 [^]	Bonus
December 14, 2016	328,000	10	250	Preferential allotment	Cash
January 24, 2017	892,740	10	250	Preferential allotment	Cash
June 20, 2018	2,864,956	10	307.16	Preferential allotment	Cash
February 16, 2021	3,103,731	10	307.16	Conversion of convertible share warrants	Cash
June 24, 2021	2,434,504	10	825	Allotment pursuant to initial public offering of the equity shares of our Company	Cash

Pursuant to a resolution passed by our Shareholders in annual general meeting dated August 29, 2024, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹ 2 each. Consequently, the authorised share capital of our Company consisting of 95,000,000 equity shares of face value of ₹ 10 each aggregating to ₹ 950,000,000 were sub-divided into 475,000,000 Equity Shares of face value of ₹ 2 each. Accordingly, the issued, subscribed, and paid-up equity share capital of our Company was sub-divided from 80,027,787 equity shares of face value of ₹10 each to 400,138,935 Equity Shares of face value of ₹ 2 each.

^{*}The allotment was made to more than 49 persons, in violation of provisions relating to a public offering of securities under the Companies Act, 1956. We had filed an application with the Regional Director, South East Region, Hyderabad / NCLT seeking to compound the aforesaid violation and have paid the applicable compounding fee. For details, see **“Risk Factors – Our Company had made an allotment of equity shares that was not in compliance with Section 67(3) of the Companies Act, 1956”** on page 53.

[^] Pursuant to the bonus issue on February 2, 2009, fractional shares aggregating to 15 equity shares emerged in respect of certain shareholders, which were allotted to Dr. Bhaskara Rao Bollineni as a trustee on behalf of the equity shareholders entitled to the fractional equity shares (such shareholders, the **“Entitled Shareholders”**). Thereafter, pursuant to subsequent bonus issues on October 9, 2013, January 21, 2015, August 19, 2015 and January 20, 2016, bonus shares were issued on the shares allotted to Dr. Bhaskara Rao Bollineni as a trustee on behalf of the Entitled Shareholders. In aggregate, 208 equity shares were allotted to Dr. Bhaskara Rao Bollineni as a trustee on behalf of the Entitled Shareholders. The 208 equity shares held by Dr. Bhaskara Rao Bollineni in such capacity were transferred to Krishnaiah Bollineni on March 17, 2017, for an aggregate consideration of ₹ 52,000. The consideration has been distributed amongst the Entitled Shareholders by cheques dated March 18, 2017.

[®]Allotment made to 52 persons in accordance with the order of the High Court of Andhra Pradesh (at Hyderabad) (C.P. 99 of 2012) dated December 27, 2012, in respect of the 2012 Scheme, i.e. scheme of arrangement between BRMH (demerged company), Bollineni Heart Center Limited (transferor company), Krishna Institute of Medical Sciences Limited (transferee company) and their respective shareholders.

¹We have been unable to trace the corporate resolutions and form filings in relation to changes in our issued, subscribed and paid up share capital from incorporation till February 2003. For further details, see **“Risk Factors – We have limited knowledge and records of documents relating to corporate actions undertaken by our Company prior to February 2003.”** on page 54.

²The original return of allotment for this allotment filed with the RoC erroneously recorded the amount of premium payable. We have subsequently filed a rectified return of allotment with the RoC. See **“Risk Factors – There have been instances in the past where we have not made certain regulatory filings with the RoC and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company. Further, we have sought for a condonation of delay and compounding from the National Company Law Tribunal, Hyderabad for failure to appoint a company secretary for certain past periods”** on page 53.

³The original return of allotment filed with the RoC erroneously recorded the number of Equity Shares. We have subsequently filed a rectified return of allotment with the RoC. See **“Risk Factors – There have been instances in the past where we have not made certain regulatory filings with the RoC and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company. Further, we have sought for a condonation of delay and compounding from the National Company Law Tribunal, Hyderabad for failure to appoint a company secretary for certain past periods”** on page 53.

[This space has been left blank intentionally.]

The Board has passed a resolution on June 13, 2026, approving the raising of funds for an amount aggregating to ₹ 6,000 million, by issuance of 7,702,182 fully convertible warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each of the Company at a price of ₹ 779.00, to certain Promoters and promoter group entity, by way of a preferential issue. In relation thereto, the Board has also approved the convening of an extra-ordinary general meeting of the Shareholders to be held on July 9, 2026. The same has also been disclosed to the Stock Exchanges.

Preference share capital history of our Company

As on the date of this Preliminary Placement Document, there are no outstanding preference shares.

Employees' Stock Option Scheme

As on the date of this Preliminary Placement Document, our Company does not have an employee stock option scheme.

Other confirmations

- a. The Promoters, Directors, Key Managerial Personnel and the members of Senior Management will not participate in the Issue. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel and members of Senior Management are not eligible to subscribe in the Issue.
- b. There will be no change of control of our Company pursuant to the Issue.
- c. Our Company has not made any allotment of Equity Shares or preference shares, including for consideration other than cash, in the one year immediately preceding the date of filing of this Preliminary Placement Document.
- d. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares as on the date of this Preliminary Placement Document.
- e. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to the Issue cannot be sold by the Allottee for a period of one year from the date of Allotment, except on the Stock Exchanges.
- f. Our Equity Shares have been listed on the Stock Exchanges for a period of at least one year prior to the date of the issuance of the notice of the postal ballot to our Shareholders, i.e., April 15, 2026, for approving the Issue.

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, the Allotment shall be made by our Company, in consultation with the BRLMs, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees and the percentage of post-Issue capital that may be held by them, please see “*Details of Proposed Allottees*” on page 452.

Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of March 31, 2026 and the post-Issue shareholding pattern:

S. No.	Category	Pre-Issue [#]		Post-Issue [*]	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	Promoters and Promoter Group holding				
1.	Indian				
	Individual	112,286,020	28.06	[●]	[●]
	Bodies corporate	24,203,310	6.05	[●]	[●]
	Others (Promoter Trust and HUF)	0	0.00	[●]	[●]
	Sub-total	136,489,330	34.11	[●]	[●]

S. No.	Category	Pre-Issue [#]		Post-Issue [*]	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
2.	Foreign promoters	0	0.00	[●]	[●]
	Sub-total (A)	136,489,330	34.11	[●]	[●]
B.	Non – Promoter’s holding				
1.	Institutional Investors	188,330,916	47.06	[●]	[●]
2.	Non-Institutional Investors	75,318,689	18.82	[●]	[●]
	Private corporate bodies	541,869	0.13	[●]	[●]
	Trust	349	0.00		
	Directors and relatives	17,362,810	4.34	[●]	[●]
	Indian public	47,388,375	11.84	[●]	[●]
	Others including Non-resident Indians (NRIs)	10,025,286	2.50	[●]	[●]
	Sub-total (B)	263,649,605	65.89	[●]	[●]
	Grand Total (A+B)	400,138,935	100.00	[●]	[●]

[#]Based on beneficiary position data of our Company as on March 31, 2026.

^{*}The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.

Note: The Board has passed a resolution on June 13, 2026, approving the raising of funds for an amount aggregating to ₹ 6,000 million, by issuance of 7,702,182 fully convertible warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each of the Company at a price of ₹ 779.00, to certain Promoters and promoter group entity, by way of a preferential issue. In relation thereto, the Board has also approved the convening of an extra-ordinary general meeting of the Shareholders to be held on July 9, 2026. The same has also been disclosed to the Stock Exchanges.

CAPITALIZATION STATEMENT

The following table sets forth the capitalization statement of our Company as of March 31, 2026, which is derived from the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the Gross Proceeds of the Issue.

This table should be read in conjunction with “*Selected Financial Information*” “*Risk Factors*”, and “*Financial Information*” on pages 31, 39 and 217, respectively.

(in ₹ million, unless otherwise stated)		
Particulars	Pre-Issue (as at March 31, 2026)	Amount after considering the Issue (i.e., Post Issue) ⁽¹⁾⁽²⁾⁽³⁾
Borrowings		
Current borrowings (A)	5,714	[●]
Non-current borrowings (B)	26,726	[●]
Total borrowings (C = A+B)	32,440	[●]
Equity		
Equity Share capital (D)	800	[●]
Other equity (E)	21,674	[●]
Total equity attributable to owners of the Company (F = D+E)	22,474	[●]
Non-controlling interest (G)	3,111	[●]
Total equity (H = F+G)	25,585	[●]
Ratio (in times): Non-current borrowings / Total equity (B/H)	1.04	[●]
Ratio (in times): Total borrowings / Total equity (C/H)	1.27	[●]

Note: These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended).

⁽¹⁾ To be updated upon finalization of the Issue Price. Adjustments do not include Issue related expenses.

⁽²⁾ As adjusted to reflect the number of Equity Share issued pursuant to the Issue.

⁽³⁾ The Board has passed a resolution on June 13, 2026, approving the raising of funds for an amount aggregating to ₹ 6,000 million, by issuance of 7,702,182 fully convertible warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each of the Company at a price of ₹ 779.00, to certain Promoters and promoter group entity, by way of a preferential issue. In relation thereto, the Board has also approved the convening of an extra-ordinary general meeting of the Shareholders to be held on July 9, 2026. The same has also been disclosed to the Stock Exchanges.

DIVIDENDS

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including Companies Act, 2013, together with the applicable rules issued thereunder. Our Board may also, from time to time, declare interim dividends. For further information, see “*Description of the Equity Shares*” on page 204.

The dividend distribution policy (“**Dividend Distribution Policy**”) of our Company was approved and adopted by our Board on May 25, 2021, in terms of Regulation 43A of SEBI Listing Regulations. As per the Dividend Distribution Policy, the distribution of dividend, will depend on a number of factors, including but not limited to, past performance/reputation of our Company, working capital management, age of our Company and its market, amount of cash holdings, operating cash flow, net sales, return on invested capital, magnitude of earnings, cost of borrowings, obligations to creditors and inadequacy of profits. In addition, distribution of dividend, will also depend on a number of external factors, that includes *inter-alia*, any significant changes in macro-economic environment which could significantly affect our Company’s long term cash flows, any taxation or regulatory concern in the geographies in which our Company operates and any market expansion plan requiring significant investment.

Our Company has not paid dividend in the last three Fiscal years, and from April 1, 2026 until the date of this Preliminary Placement Document.

We may retain all our future earnings to increase the value of stakeholders in long run, amongst others, for long term strategic, market expansion and modernization plans, diversification of business and replacement of capital assets. There is no guarantee that any dividends will be declared or paid in future. Investors are cautioned not to rely on past dividends as an indication of future performance of our Company or for an investment in the Equity Shares offered in the Issue. For details in relation to risks involved in this regard, see “**Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements**” on page 66.

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INDUSTRY OVERVIEW

Unless stated otherwise, statistical information, industry and market data used in this section has been obtained from the report titled “Assessment of healthcare delivery sector in India” dated June 16, 2026, (the “**CRISIL Report**”) prepared by CRISIL Limited, which is a report exclusively commissioned and paid for by our Company and prepared and issued by CRISIL Limited pursuant to an engagement letter dated April 15, 2026 in connection with the Issue. CRISIL Limited is not related in any manner to our Company, Subsidiaries, our Promoters, our Directors or Key Managerial Personnel or members of the Senior Management or the BRLMs. References to various segments in this section and information derived therefrom are references to industry segments and in accordance with the presentation, analysis and categorisation in the CRISIL Report. Our segment reporting in our financial statements is based on the criteria set out in Ind AS 108, Operating Segments and we do not present such industry segments as operating segments.

Global and Indian macroeconomic overview

A review of global and India’s GDP growth

Global GDP is estimated to grow by 3.1% in CY2026 and 3.2% in CY2027

The April 2026 update to IMF’s World Economic Outlook (WEO) report employs a scenario-based approach to present the forecast for 2026 and 2027. In this approach, the scenario in which the ongoing conflict in the Middle East has limited duration, intensity, and scope so that the disruptions stemming from it dissipate by mid-2026 is assumed for modelling a ‘reference forecast’ based on which forecasts are drawn for adverse and severe scenarios in which the conflict becomes more protracted, or the resumption of production and transport activities takes longer because of possible scarring from closing of or damage to energy infrastructure. Hence, the impact on global economy which crucially depends on the conflict’s duration, intensity, and scope is projected as shown below:

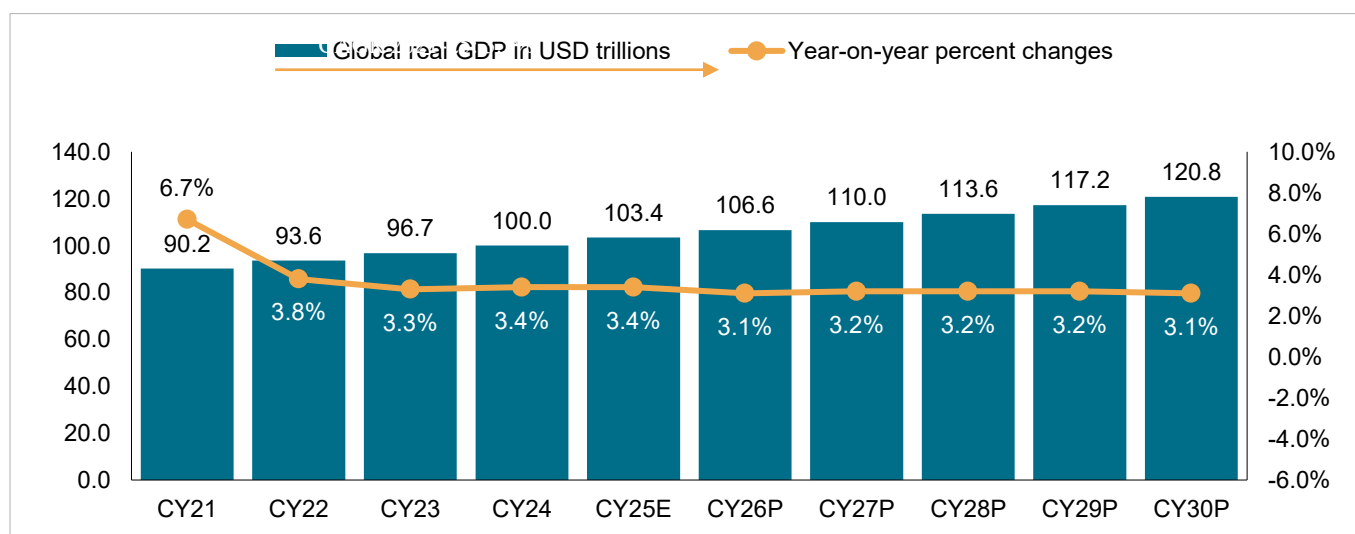
Scenario-based forecast approach taken by IMF

	Reference forecast	Adverse forecast	Severe forecast
Growth projection for global real GDP	3.1% in 2026 3.2% in 2027	2.5% in 2026 3.0% in 2027	2.0% in 2026 2.2% in 2027
Growth projection for global inflation	4.4% in 2026 3.7% in 2027	5.4% in 2026 3.9% in 2027	5.8% in 2026 6.1% in 2027

Source: IMF’s World Economic Outlook - April 2026 update, Crisil Intelligence

As per IMF, most of the impact on growth in 2026 comes from higher energy prices, whereas most of the impact on growth in 2027 comes from tightening financial conditions and rise in inflation expectations.

Global real GDP trend and outlook, CY21-30



Note: E: Estimated, P: Projection

Source: IMF, World Economic Outlook Update, January 2026; Crisil Intelligence

The forecast largely reflects the disruptions from the Middle East conflict, partly offset by reduced tariff rates, preexisting policy support, and stronger-than-expected outturn at the end of 2025 and the first quarter of 2026. However, significant variation is expected across countries, with lower-income net energy-importing economies being hit particularly hard through higher energy prices and foreign exchange depreciation. Impact is greater on emerging economies because of a combination of a larger exposure to higher commodity prices and disruption to energy production, a larger increase in inflation expectations, and a more pronounced tightening in financial conditions.

Risks to the outlook remain tilted on the downside on account of escalation of geopolitical tensions, flaring up of trade-related disputes, reevaluation of profit expectations regarding AI potentially leading to decline in investments and an abrupt correction in financial markets, and larger fiscal deficits and increasing public debt which could put pressure on long-term interest rates.

On the upside, economic activity could be further lifted by AI-related investment and supported by renewed momentum for structural reforms and by a sustained easing in trade tensions.

Crisil: India's GDP to grow by 6.6% in FY27

In February 2026, the Ministry of Statistics and Programme Implementation (MoSPI) released a new series of national accounts estimates with base year of FY 2022-23 as it represents a recent normal year (after COVID). This base revision was undertaken to capture structural changes that have taken place in India's economy and to leverage the availability of comprehensive data on different sectors of the economy. So, the new series not only improves estimation methods but also incorporates the latest data sources, thereby enhancing both the coverage and the accuracy of national accounts.

Under the new 2022-23 series, India's real GDP grew from Rs 261.2 trillion in FY23 to Rs 323.1 trillion in FY26, logging a CAGR of 7.4% between FY23 and FY26. Further, as per Provisional Estimates (PE) of the National Statistics Office (NSO), India's real GDP grew at 7.7% in FY26. Major drivers of this growth have been the secondary and tertiary sectors as they registered growths of 8.8% and 9.3%, respectively. 'Manufacturing', 'Trade, Repair, Hotels, Transport, Communication & Services related to Broadcasting, Storage' and 'Financial, Real Estate & Professional Services' sectors attained double-digit growth at both constant and current prices in FY26.

Crisil's initial forecast for FY27 considered three scenarios among which the base scenario predicated that India's GDP would grow at 7.1% in FY27. But, since the conflict in West Asia has extended beyond 2 months, the downside risks to India's economy have begun materializing. So, Crisil has laid out the following macroscopic outlook for FY 27.

Crisil's projection for India for FY 2027

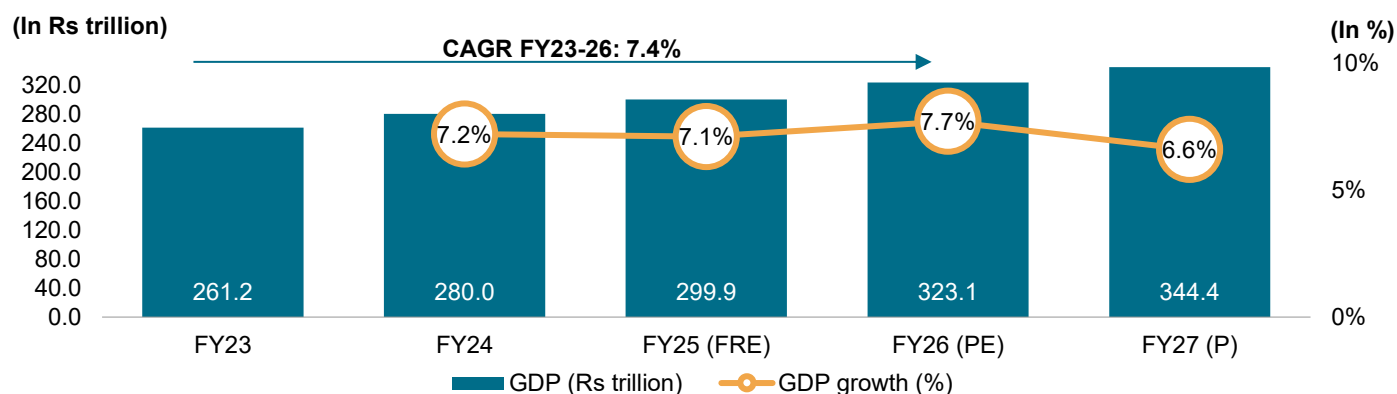
Macroeconomic variables	Estimated for FY26	Forecast for FY27
Real GDP growth (%)	7.6	6.6
CPI inflation (%)	2.0%	5.1%
10-year government security (G-sec) yield (March average, %)	6.7%	7.0%
Current account balance (% of GDP)	-0.8%	-2.2%
Exchange rate (March average, Rs/\$)	92.8	93.5

Source: Crisil Intelligence

India's economy has deep linkages to West Asia through trade, and investments, and remittances. 45-50% of crude oil imported by India and 65% of LNG imported by India comes from West Asia. For India, West Asia is also a crucial supplier of petroleum products, fertilisers and industrial raw materials, whereas, for West Asia, India is a supplier of engineering goods, gems and jewellery, food products, chemicals, and construction materials, which together make up 13% of India's total goods exports. Apart from that, West Asia also accounts for ~8% of India's FDI inflows. Additionally, the Gulf Cooperation Council (GCC) region also employs more 9.3 million Indians who together contribute ~38% of the total remittances received by India.

In addition to direct impact of the ongoing conflict in West Asia, India is also getting affected by global supply chain disruptions, surges in freight and insurance costs, weakening global demand for exports, sub-normal monsoons led by El Niño, and high dependence of its manufacturing sector on imported inputs.

India's real GDP at constant prices (base year: 2022-23), FY23-27P



Notes:

FRE – First Revised Estimates, PE: Provisional Estimates, P – Projected

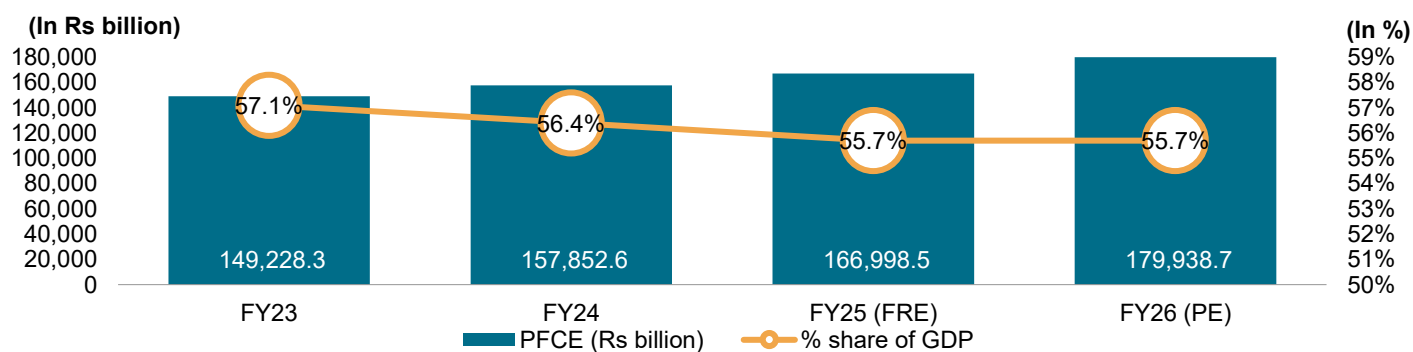
India's FY27 projection is Crisil's forecast

Source: Ministry of Statistics and Programme Implementation (MoSPI), Crisil Intelligence

Private consumption continues to anchor India's economic growth

India's private final consumption expenditure (PFCE) grew by 6.4% between FY23 and FY26, wherein growth between FY25 and FY26 stood at 7.7%. This growth in consumption is supported by the positive impact of GST rate rationalization, stable employment conditions, rising real purchasing power, steady rural consumption resulting from strong agricultural performance, and gradual rise in urban consumption aided by the rationalisation of direct and indirect taxes.

Figure 1: PFCE at constant prices (2022-23 series), FY23-26



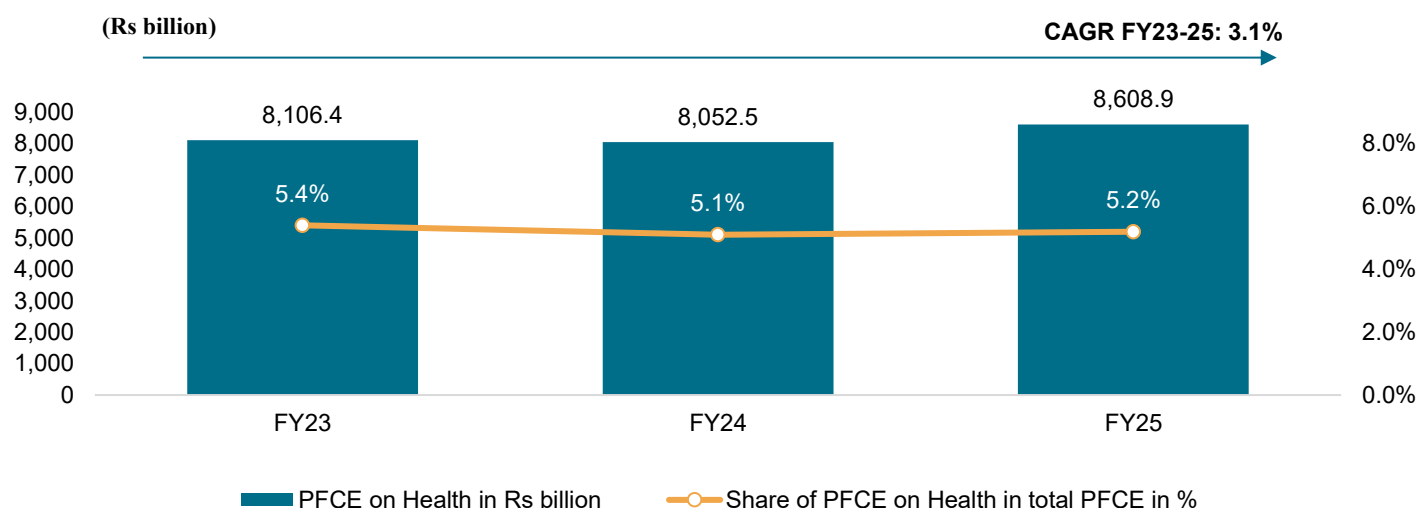
Note: FRE: First Revised Estimates; PE: Provisional Estimates

Source: MoSPI, Crisil Intelligence

Share of health expenditure in total PFCE on the rise

The share of PFCE on health in total PFCE grew at 3.1% between FY23 and FY25. In absolute terms, PFCE on health increased from Rs 8,106.4 billion in fiscal 2023 to Rs 8,608.9 billion in fiscal 2025.

Figure 2: Share of health expenditure in total PFCE, FY23-25



Source: Ministry of Statistics & Programme Implementation, Crisil Intelligence

India is among the world's fastest growing major economies

As per the April 2026 update to the IMF's WEO, the world's largest economies by nominal GDP are those of the US, China, Germany, Japan, the UK, India, France, Italy, Russia, and Brazil. Among these, India's economy has been the fastest growing through all the years since 2021, and as per IMF's projections, it is expected to sustain its lead in 2026 and 2027. In terms of size of the economy based on nominal GDP in current US dollars, India held the 5th rank in 2024 but slipped to the 6th rank in 2025 due to the depreciation of its domestic currency against the US dollar.

India's GDP per capita grew at a CAGR of 5.7% in CY 2016-25

Between CY 2016 and CY 2025, India's GDP per capita (current prices) grew at a CAGR of 5.7%, while the global GDP per capita (current prices) grew at a CAGR of 3.8%. Furthermore, IMF's projections for the period 2026-2030 shows that India's GDP per capita (current prices) is likely to grow at a CAGR of 7.3% between 2026 and 2030, whereas the global GDP per capita (current prices) is likely to grow at a CAGR of 3.2% in the same period.

GDP per capita estimates at current prices (USD thousands per capita), 2016-30

Economies	GDP per capita estimates at current prices (USD thousands per capita)							GDP per capita High Low
	Estimates 2016-2025				Projections 2026-2030			
	2016	2020	2025	CAGR CY2016-25	2026	2030	CAGR CY26-30	
India	1.7	1.9	2.8	5.7%	3.1	4.3	7.3%	
Emerging & Developing Asia	4.6	5.7	7.3	5.3%	7.8	10.0	5.2%	
World	10.4	11.2	14.6	3.8%	14.7	19.0	5.2%	
United Kingdom	41.1	40.2	56.7	3.6%	60.0	72.3	3.8%	
Canada	42.4	43.6	54.9	2.9%	58.2	68.4	3.3%	
China	8.2	10.7	13.8	5.9%	15.3	17.9	3.2%	
Middle East (region)	11.1	9.8	13.8	2.5%	14.3	16.5	3.0%	
Advanced Economies	44.1	47.7	62.0	3.9%	65.1	74.7	2.8%	
European Union	31.5	34.7	46.8	4.5%	49.9	56.9	2.7%	
Australia	51.8	53.2	65.9	2.7%	69.4	79.3	2.7%	
United States	58.2	64.5	89.6	4.9%	92.9	105.5	2.6%	

Source: IMF's economic database (accessed in March 2026), Crisil Intelligence

Fundamental growth drivers of GDP

India saw robust growth in per capita income between fiscals 2023 and 2026

India's per capita income, a broad indicator of living standards, grew at a CAGR of 6.6% between FY23 and FY26, from Rs 1,59,557 in FY23 to Rs 1,93,480 in FY26. Growth was led by better job opportunities, propped up by overall GDP growth.

As per capita income increases, individuals are more likely to invest in healthcare services, driving demand for quality and specialised care. This growing demand is expected to lead to increased spending on healthcare, creating opportunities for growth in the healthcare sector. Further, the rising income also enables individuals to afford better healthcare insurance, leading to improved health outcomes and increased access to healthcare services.

Table 1: Per capita net national income at constant prices (base year: 2022-23)

		FY23	FY24	FY25 (FRE)	FY26 (PE)
Per-capita NNI (Rs)		159,557	170,153	181,172	193,480
Y-o-Y growth (%)			6.6%	6.5%	6.8%

Note: FRE – First Revised Estimate, PE: Provisional Estimates

Source: MoSPI, Crisil Intelligence

India has the potential to reap demographic dividends

As per World Population Prospects 2024 (WPP 2024), published in July 2024 by the United Nations, India's population grew from 1.1 billion in 2001 to ~1.4 billion in 2023, thereby registering a CAGR of ~1.4% between 2001 and 2023. Going forward, India's population is projected to expand at a CAGR of 0.8% between 2025 and 2030 and is expected to remain the world's largest throughout the century. Additionally, the WPP 2024 reports that in 2024, one in every four people lived in a country that has already peaked in size. To elaborate, the following chart illustrates where different groups of countries stand with respect to their population's peak size.

Distribution of countries/ areas based on their peak population size

In 126 countries / areas, with ~62% of the world's population in 2024, population is expected to continue growing through 2054

India is likely to be among these countries as its population is projected to reach its peak at ~1.7 billion in the early 2060s.



In 63 countries / areas, with ~28% of the world's population in 2024, population peaked before 2024

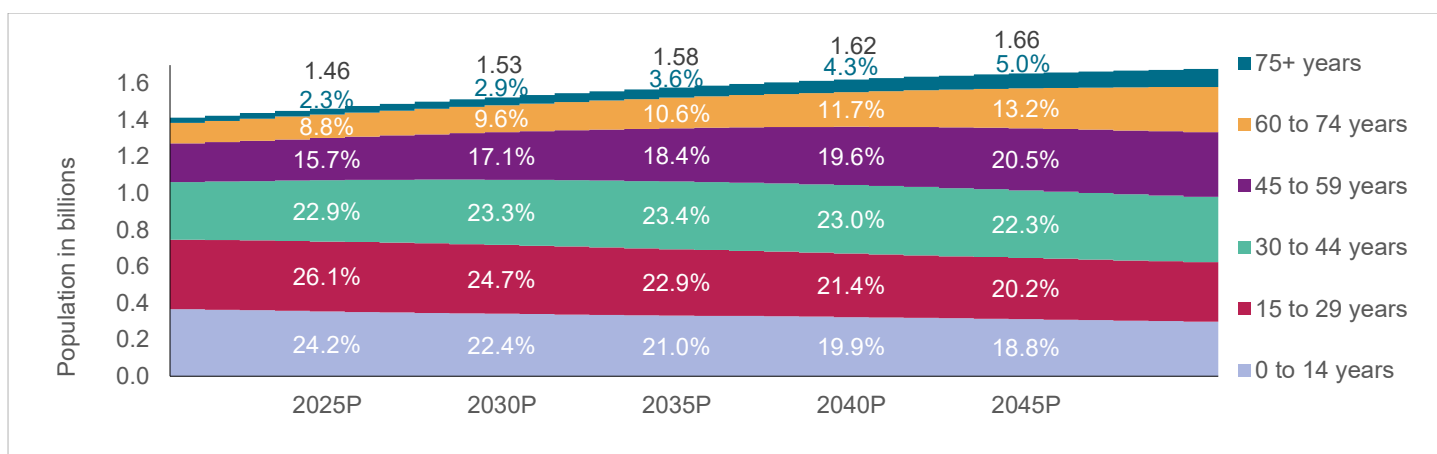
In 48 countries / areas, with ~10% of the world's population in 2024, population is expected to peak between 2025 and 2054

Source: United Nations, Department of Economic and Social Affairs, Population Division. World Population Prospects 2024, Crisil Intelligence

The WPP 2024 notes that there are ~100 countries and areas with youthful populations and declining fertility where the working-age population will grow through 2054, resulting in a time-bound window of opportunity for them to leverage their growing shares of working-age population (i.e. population between ages 20 and 64 years) for accelerated economic growth. In other words, about 100 countries and areas may reap demographic dividends.

As per WPP 2024, in 2023, India's working-age population stood at 849.9 million commanding a share of 59.1% in the total population and is expected to reach its peak at 967.7 million (~69.2% of the total population) in 2034 and continue to expand through the end of the century. This implies that India has a multi-decade window of opportunity for embarking on a path of accelerated economic growth.

India's population: split by age-groups, CY 2025-2045



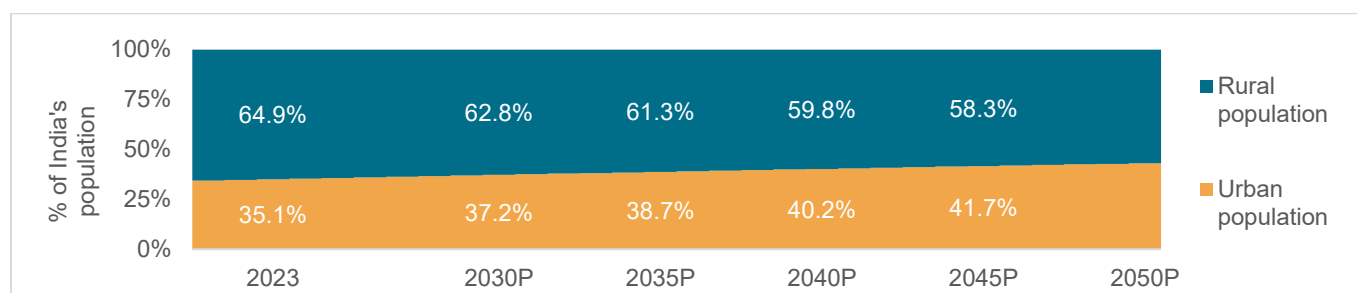
Note: P: Projected

Source: United Nations, Department of Economic and Social Affairs, Population Division. World Population Prospects 2024, Crisil Intelligence

India's population is turning increasingly urban

India's urban population has been consistently increasing, and the trend is expected to continue as India's economy grows. People from rural areas move to cities for better education, job opportunities, and quality of life. This internal migration either involves the relocation of an entire family or the relocation of a family's earning members or students. In 2001, India's urban population made up 27.9% of its total population. As per WPP 2024, India's urban population is likely to grow to 567.7 million by 2030, commanding a share of 37.2% in India's total population. This trend highlights the need to expand infrastructure in urban areas to accommodate its growing population.

India's population: split by region, CY 2023-2045



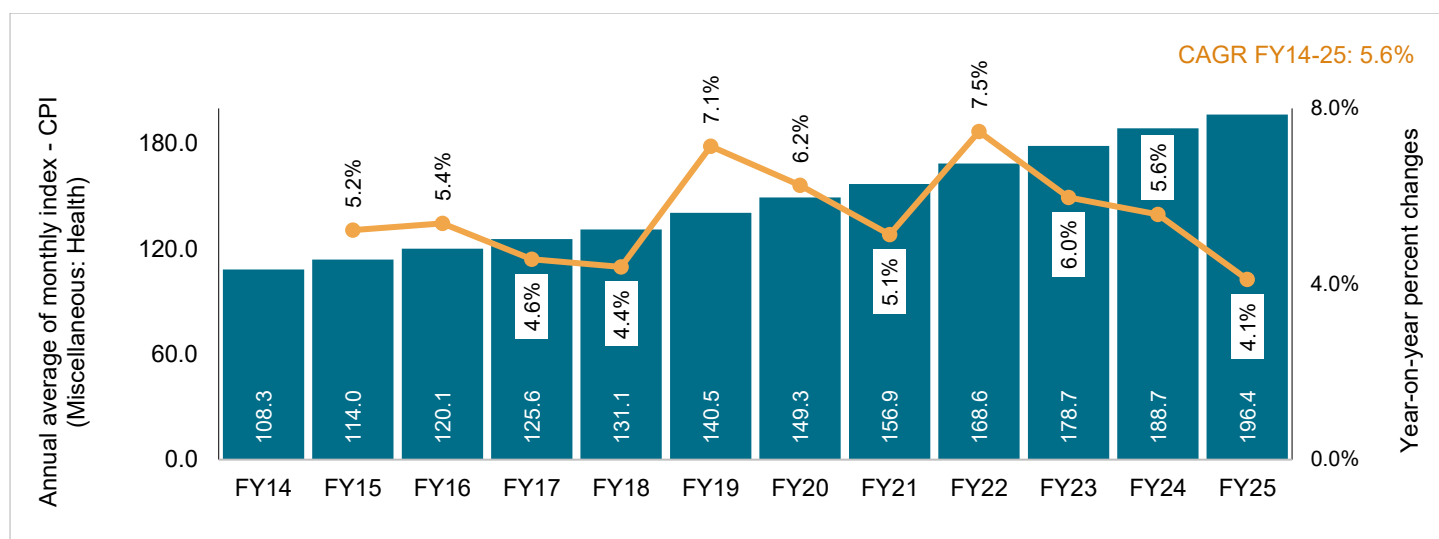
Note: P: Projection

Source: United Nations, Department of Economic and Social Affairs, Population Division. World Urbanization Prospects 2025, Crisil Intelligence

Healthcare inflation in India rose between fiscals 2016 and 2025

Healthcare inflation rose by 5.6% CAGR over FY14-25 due to rising cost of medical equipment and infrastructure, shortage of healthcare professionals, growing demand for healthcare services, high cost of medicines and diagnostics, and dominance of private healthcare enterprises. This inflation lowers access to quality healthcare services and heightens financial vulnerability for the uninsured population. However, increasing penetration of public health insurance, supported by emergence of new healthcare facilities outside metros, is expected to offer affordable healthcare services to vulnerable populations.

Annual average of monthly index – CPI (Miscellaneous: Health)

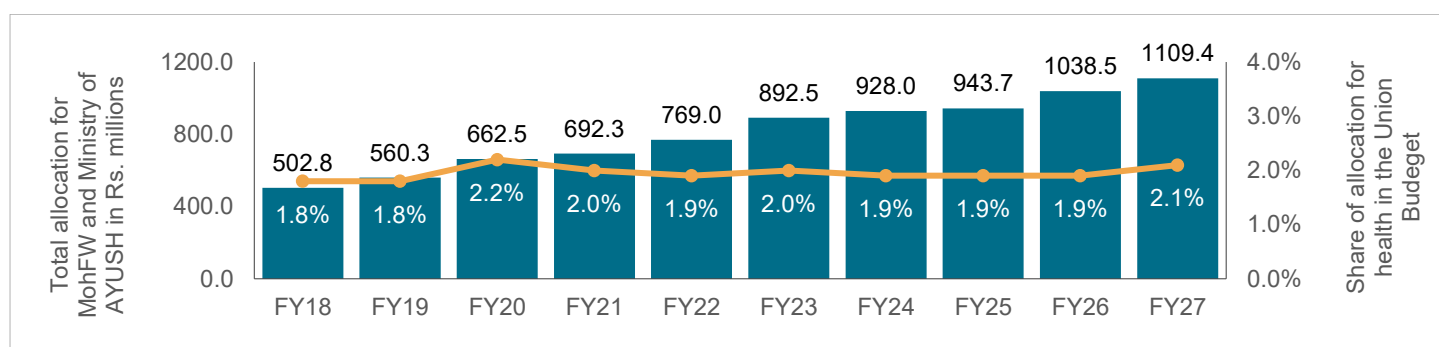


Note: Health CPI comprises hospital and nursing home charges, family planning devices, spectacles, non-institutional expenses (medicine, medical expenses, doctor's or surgeon's fee-first consultation, X-ray, ECG, pathological tests, etc)
Source: MoSPI, Crisil Intelligence

Government's health spending grew by CAGR 9.5% in FY18-26

Government's expenditure on healthcare, in terms of budgeted outlays made for both the MoHFW and the Ministry of Ayush, has grown considerably over the last 10 years, registering a CAGR of 9.2% over the period FY18-26. However, government's spending on health as a percentage of total government's spending remains low.

Share health expenditure in the Union Budget, FY18-27



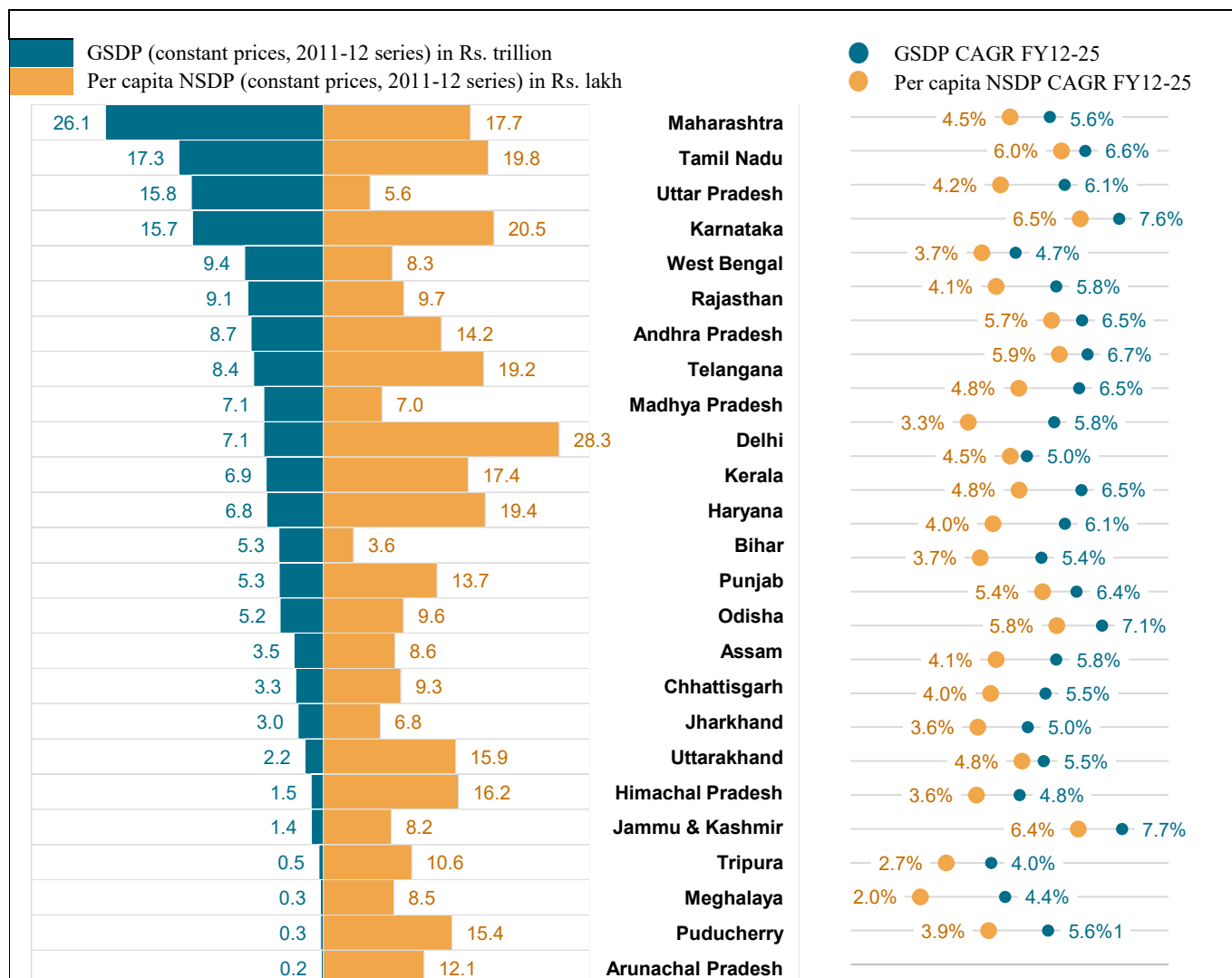
Source: Budget documents, Crisil Intelligence

State-wise macroeconomic indicators

GSDP logged a higher CAGR than per capita NSDP in FY25 for all states / UTs

Among states/UTs for which GSDP and per capita NSDP data for FY25 is available, the top three states with the highest GSDP are Maharashtra, Tamil Nadu, and UP, whereas the top three states with the highest per capita NSDP in FY25 are Delhi, Karnataka, and Tamil Nadu. Notably, among states/UTs for which relevant data is available, GSDP has logged a higher CAGR over FY12-25 than per capita NSDP.

State-wise GSDP and per capita NSDP (constant prices, 2011-12 series) in FY25



Notes:

1. Northern states include Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, Uttarakhand, and Uttar Pradesh; Eastern states include Bihar, and Jharkhand

2. GSDP and per capita NSDP for FY25 for Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Goa, Gujarat, Ladakh, Lakshadweep, Manipur, Mizoram, Nagaland, and Sikkim are not presented as they were not available when the chart was made

Source: MoSPI, Crisil Intelligence

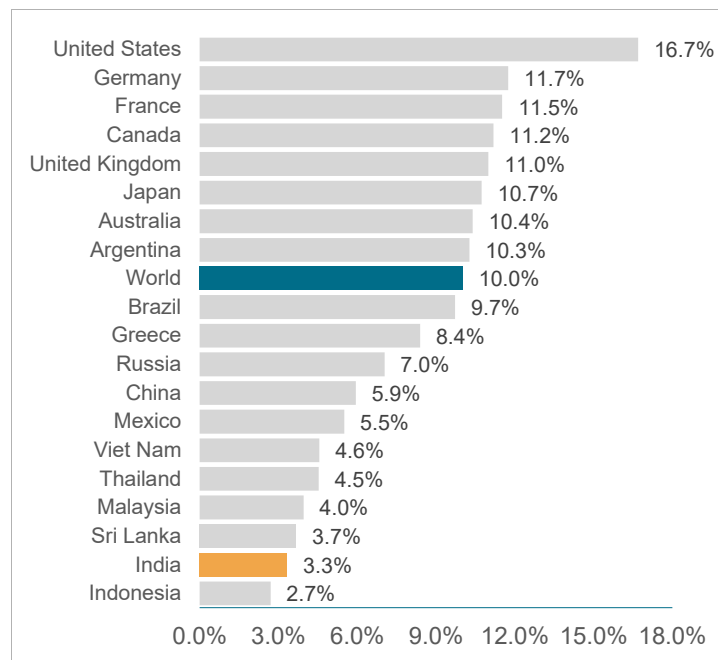
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India's social and healthcare parameters

India's health expenditure as a % of GDP is 3.3%

According to the latest data in the Global Health Expenditure Database compiled by the WHO, in 2023, India's expenditure on healthcare was 3.3% of its GDP. When compared with other countries, India's healthcare expenditure as a share of its GDP emerges as one of the lowest in the world, trailing not only developed countries such as the US and the UK, but also developing countries such as Vietnam and Thailand.

Healthcare expenditure as a % of GDP, 2023

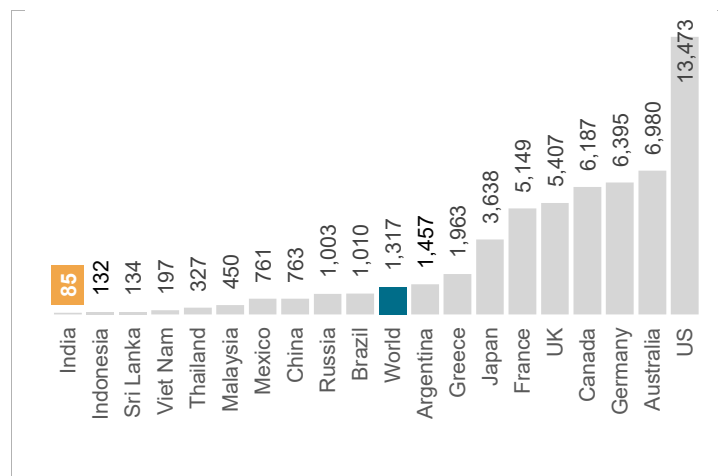


Source: Global Health Expenditure Database, World Health Organization (accessed in April 2026); Crisil Intelligence

India's per capita health expenditure: USD 85

Per capita healthcare expenditure in India stood at USD 84.7 in 2023, whereas that of the US stood at 13,473.2. In percentage terms, India's per capita healthcare expenditure is 11.1% of the per capita healthcare expenditure of China.

Per capita health expenditure (current USD), 2023



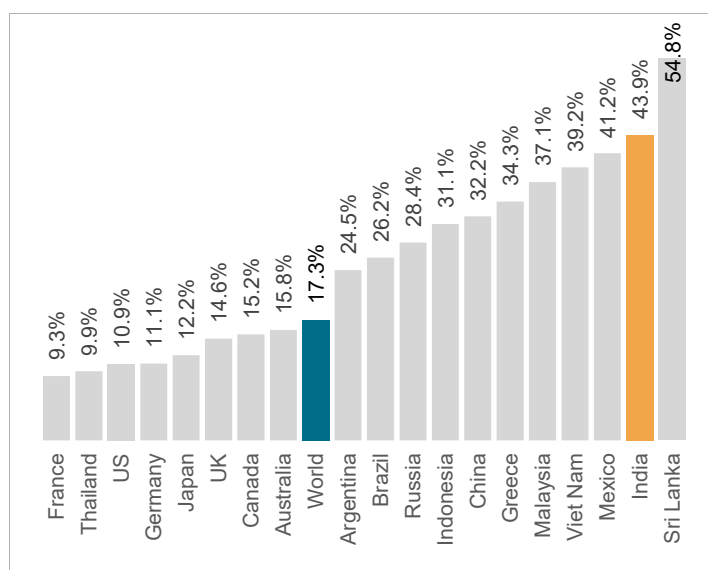
Source: Global Health Expenditure Database, World Health Organization (accessed in April 2026); Crisil Intelligence

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In India, share of OOP in total health expenditure is 43.9%

Out-of-pocket (OOP) expenditure for healthcare as a percentage of current health expenditure (CHE) in India stood at ~72% in 2000. In 2023, the share of OOP expenditure in CHE reached 43.9%. Despite this significant reduction in the share of OOP expenditure in CHE, India is still far behind the global average of 17.3% estimated for the year 2023. Additionally, India's CHE is skewed towards private spending which accounted for 59% of the CHE in 2023, while public spending accounted for only 39% of the CHE.

% of OOP expenditure in current health expenditure



Source: Global Health Expenditure Database, World Health Organization (accessed in April 2026); Crisil Intelligence

India's strategy to achieve universal health coverage: bottom-up approach

In 2024, health insurance penetration as a percentage of population for India was estimated at 41%, while that for Mexico and the US were estimated at 78% and 92%, respectively.

In India, penetration of private health insurance is limited. So, in 2018, the government of India launched the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) aiming to provide health insurance to the bottom 40% of the country's population. Under AB-PMJAY, cashless hospitalization coverage of up to Rs. 5 lakh per family per year is provided to eligible families. In the Union Budget 2026-27, Rs. 9,500 crores, which is about 9% of the amount allocated to the MoHFW, was set aside for AB-PMJAY.

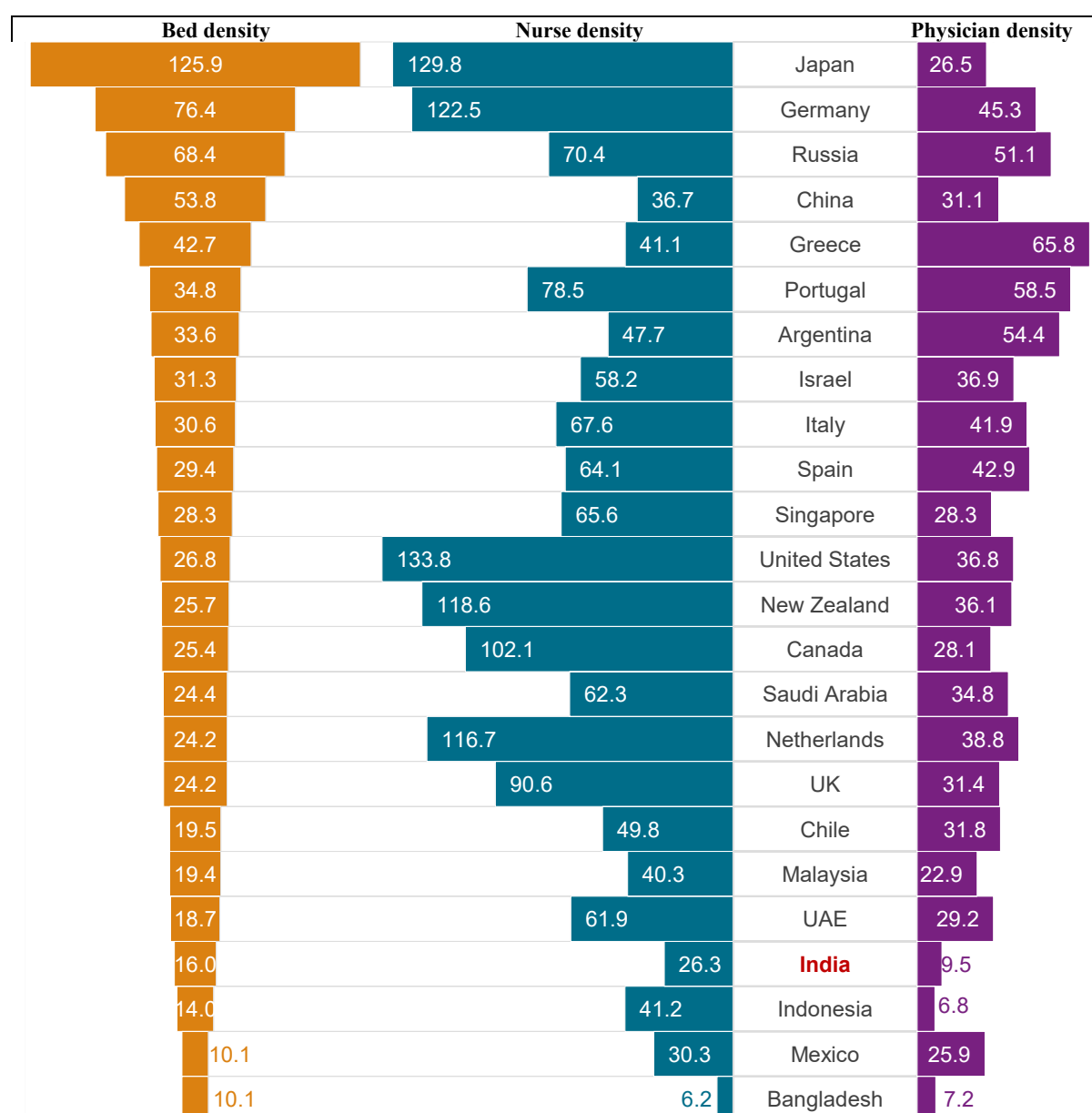
India is far from thresholds: bed density < 20, personnel density < 45

Bed density refers to the number of hospital beds available per 10,000 population in a country, where hospital beds include inpatient beds available in public, private, general, and specialized hospitals, and rehabilitation centres. At the global level, there are no widely accepted standards for bed density. However, in India, as per the National Health Policy 2017, the official healthcare policy adopted by the Government of India, bed availability of 20 beds per 10,000 people is recommended to achieve India's healthcare goals.

Personnel density, also known as health workforce density, refers to the number of doctors, nurses, and midwives available per 10,000 population in a country. Though there are no established standards for personnel density, it is generally agreed that a personnel density of 45 skilled health workers (physicians and nurses/midwives) per 10,000 population is needed for a country to attain adequate coverage of health care interventions. In 2016, the WHO, in its report 'Health Workforce Requirements for Universal Health Coverage and the Sustainable Development Goals', identified that the median health worker density among countries achieving or approaching Universal Health Coverage (UHC) is 45.

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Bed density and personnel density, 2022: India v. other countries



Note:

1. Due to unavailability of the latest data for all the countries presented above, data corresponding to the year 2022 is used for fair comparison

2. Physicians include generalist and specialist medical practitioners

3. Nurses and midwives include professional nurses and midwives, auxiliary nurses and midwives, enrolled nurses and midwives, and other associated personnel like dental nurses, primary care nurses

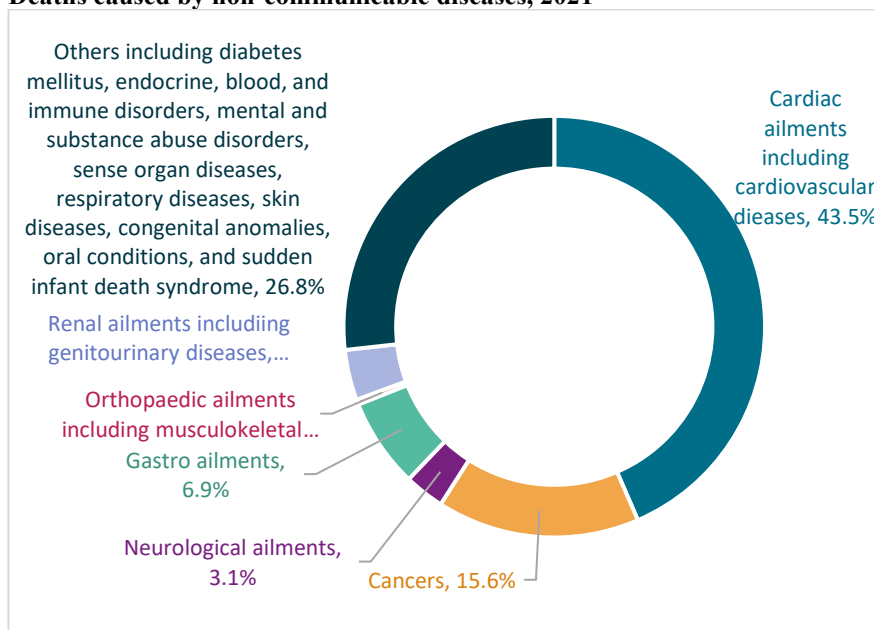
Source: Global Health Expenditure Database, World Health Organization (accessed in April 2026); Crisil Intelligence

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Disease profile in India

Non-communicable diseases (NCDs) in India

Deaths caused by non-communicable diseases, 2021



Cardiac ailments account for the largest share of deaths due to non-communicable diseases (NCD), followed by cancer. Cases of NCDs tend to increase with increase in income levels, urbanisation, adoption of sedentary lifestyle, consumption of unhealthy food, and age. Furthermore, it has been noted that chronic conditions are increasingly afflicting middle-aged people due to their sedentary lifestyle, poor diet, and stressful lives.

Source: WHO global burden of disease, Crisil Intelligence

The World Health Organisation notes that, in 2021, at the global level, among the top 10 causes of death, seven were NCDs accounting for 38% of all deaths. At the World Economic Forum, it was estimated that the world would lose nearly USD 30.0 trillion to the treatment of NCDs by 2030, and India's share of this burden would be about USD 5.4 trillion, which is ~18% of the total burden. Going forward, the demand for diagnosis and treatment of NCDs is expected to increase.

Communicable diseases in India

In India, among communicable diseases, share of acute diarrheal disease in causing morbidity remained unchanged between 2018 and 2022, signalling the persistence of gaps in water, sanitation, and hygiene infrastructure despite interventions. Among the various communicable diseases reported by states/union territories (UTs) in 2021 and 2022, the following accounted for the maximum number of reported cases and deaths:

Morbidity			Mortality		
Disease	2018	2022	Disease	2018	2022
Acute respiratory infection	69%	70%	Acute respiratory infection	27%	40%
			Pneumonia	31%	21%
Acute diarrhoeal disease	22%	20%	Acute diarrhoeal disease	11%	8%
Enteric fever	4%	4%	Enteric fever	3%	2%
TB	2%	-	Viral hepatitis	4%	14%
Pneumonia	1%	2%	Encephalitis*	8%	5%
Malaria	1%	1%	H1N1	8%	-
Others	1%	2%	Others	8%	8%
Dengue		1%	Dengue		2%

* Encephalitis includes acute encephalitis syndrome, Japanese encephalitis, and encephalitis 1) 2022 numbers for TB were not available, hence have not been represented in the chart. 2) Others include viral hepatitis (all cases), encephalitis, kala-azar, chikungunya, cholera, neonatal tetanus, tetanus infection, diphtheria, measles, rabies, meningococcal meningitis, syphilis, chicken pox, viral meningitis, swine flu, leprosy, and HIV

Source: National Health Profile-2023, Crisil Intelligence

Structure of the healthcare delivery industry in India

Classification of hospitals

Hospitals are typically classified: by the services they offer or by their ownership. The different categories under each of these bases of classification are as follows:

Classification of hospitals

Classification of hospitals			
Based on services offered		Based on ownership	
1	Primary care hospitals	1	Owned by the government or public
2	Secondary care hospitals	2	Owned by private entity
	2.1 General secondary care		
	2.2 Specialty secondary care		
3	Tertiary care hospitals	3	Owned by trust
	3.1 Single-specialty tertiary care		
	3.2 Multi-specialty tertiary care		
4	Quaternary care hospitals	4	Owned under public-private partnership

Source: Crisil Intelligence

Classification of hospitals based on services offered

Classification of hospitals based on services offered

	Primary care	Secondary care	Tertiary care	Quaternary care
Type of facility	Clinics, dispensaries	Community health centres (CHCs), sub-district hospitals	Hospitals with advanced equipment and expert doctors	Hospitals that may be considered an extension of tertiary care facilities
Type of patients	Outpatients only	Outpatients, inpatients	Primarily inpatients	Primarily inpatients
Services	Treatment of minor ailments Routine health screening Vaccination	Treatment of ailments that cannot be treated in primary care facilities General or non-complex specialty surgery Basic intensive care Medical research	Treatment of serious conditions, especially those that require admission Complex surgeries that require sophisticated equipment Medical research	Treatment of serious or rare conditions that require use of advanced or experimental methods (gene therapy, stem-cell therapy) Complex surgical procedures such as organ transplants and neurosurgery Medical research
Role in the HC ecosystem	Act as the first point-of-contact Refer patients to secondary/tertiary care hospitals	Act as the second point-of-contact Treat patients referred by primary care facilities Refer patients to tertiary/quaternary care hospitals	Treat patients referred by primary or secondary care facilities	Treat patients referred by secondary or tertiary care facilities
Number of disciplines	Multispecialty	Multispecialty	Single or multispecialty	Multispecialty

Source: Crisil Intelligence

Classification based on ownership

Classification of hospitals based on ownership

	Owned by the government or public	Owned by private entity	Owned by trust	Owned under public-private partnership
Owner	Government	An individual or a firm	A charitable trust or a non-profit organisation	Jointly owned by the government and a private entity
Objective	To provide healthcare services to the public for free or a nominal charge	To generate profit for the owners / shareholders by providing healthcare services	To provide healthcare services to the public at prices that do not include high profit margins	To provide healthcare services to the public leveraging on the strengths of both the government and the private entity (partner)

Source: Crisil Intelligence

Business models in healthcare delivery

The following figure presents the commonly adopted business models in the healthcare services delivery market.



Source: Industry, Crisil Intelligence

Owned hospitals

If a private entity runs a hospital under this business model, then it means that the private entity not only owns all the assets of the hospital (including land and building) but also manages all the operations of the hospital. So, running a hospital under this model requires significant capital investment upfront for acquiring all the assets including land and building, but allows full control over management of the hospital.

Managed hospitals

If private entity runs a hospital under this business model, then it means that the private entity has entered into an Operation & Management (O&M) contract with the owner of the hospital under which the private entity operates and maintains the hospital, taking responsibility of its profitability, and pays the owner a fixed amount and/or a share of a mutually agreed metric such as revenue.

Leased hospitals

If private entity runs a hospital under this business model, then it means that the private entity (lessee) has rented the hospital from its owner (lessor) for a specific period during which the private entity would operate the hospital.

Franchise hospitals

In this model, franchisees obtain the premises (owned or leased) and infuse capital (both fixed and working), while the franchisor lends the brand name to the healthcare facility for a fee. The franchisor has to ensure that the service quality is maintained across all healthcare centres that use its brand. It may also help the franchisee in training and recruiting staff, procuring equipment, designing the facility, etc. In India, Apollo (Apollo Health and Lifestyle Ltd.) has expanded its subsidiary brands like network of primary clinics (Apollo clinics) through this model.

Public-private partnerships

Public-private partnership (PPP) models in healthcare are mainly used to bridge the gap in healthcare infrastructure, particularly in the non-metro cities where access to quality healthcare is limited. With most of the healthcare infrastructure concentrated in metropolitan cities, PPPs offer a viable solution to extend healthcare services to underserved populations. In this model, the government and private healthcare providers collaborate to deliver healthcare services. The partnership shares risks, responsibilities, and rewards, with the private partner investing in resources and technology, and the government ensuring accessibility and affordability. The private partner operates and manages facilities, while the government monitors regulatory compliance, ensuring that there are accountability and affordability of the services. Indraprastha Apollo Hospital, Delhi, Max Healthcare, Mohali, Jay Prabha Medanta Hospital, Patna are few examples of hospitals being run under the PPP model.

Emerging technologies in healthcare delivery

Radiology information system (RIS)

Radiology information systems are used to manage digital medical imagery and associated data. In a hospital, a radiology information system is connected to medical image generating equipment such as X-ray machines and ultrasound machines. So, images generated through X-rays, ultrasounds, or MRIs are directly captured by the RIS which feeds those images and related data to EHRs and hospital databases, enabling doctors to seamlessly access those from multiple locations. In addition to boosting operational efficiency and cost-effectiveness at hospitals, radiology information systems can also be leveraged for enabling teleradiology services in regions where radiologists are scarce. AI.

Robotic surgery

Robotic surgery, or robot-assisted surgery, is a minimally invasive surgery in which surgeons use a computerized console to perform the surgery through robotic arms which hold surgical instruments and a high-definition 3D camera. Technically, the computerized console used by surgeons to control the robotic arms may be remotely located which implies that surgeons can perform a surgery remotely. Since the robotic arms are designed for enhanced dexterity, robotic surgeries deliver precision, make smaller incisions, and enable faster recovery. Robotic surgery has been used for general surgery as well as specialized surgical procedures such as neurosurgery.

3D printing

3D printing provides a wide range of opportunities pertaining to its extensive applications usage. This application supports in curing physical injuries, especially accurate replacement of bionic parts to reduce the risk of organ rejection in case of transplants. Additionally, this technology has increased the accuracy of surgical process and training. 3D printing assists in matching precision with personalisation and is beneficial in orthopaedic cases for implants, fractures, joint replacements etc. The extent of personalisation leads to better fit, function and faster healing for the patients.

Wearables and sensors

With awareness on healthcare increasing, people have started adopting wearables and sensors that keep a track of the vitals of the user. Wearables and sensors also have data on the user's historical health records and send out alerts in case of any irregularities. Some sensors are solely used from a curative healthcare perspective, to lead a healthy life with a proper fitness routine.

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Revenue and cost structure review of hospitals

Hospitals derive bulk of their revenue from IPD

The primary revenue streams of hospitals are their in-patient department (IPD) and out-patient department (OPD). Typically, in most hospitals, the OPD contributes to more than three-fourths of the total volume. This ratio could vary with hospitals, depending upon the scope of services and the specialty mix.

Revenue Mix

In-Patient Department	Out-Patient Department
Rental (Room charges / tariffs)	Consultation charges (Doctor fees)
Consultation charges (Doctor fees)	Day surgery/ minor procedures
Diagnostics (Radiology / laboratory)	Diagnostics (Radiology / laboratory)
Charges for consumables & drugs	
Surgery charges (OT charges / anaesthesia charges / procedure charges etc.)	

Notes: 1) The IPD in a hospital generally consists of beds, operation theatre(s), intensive care unit, supportive services (such as nursing services, pharmacy services, laboratory, and diagnostic centres) and central sterile and supply department (CSSD)

2) In the OPD, examination, diagnostics and day surgeries are included

Source: Crisil Intelligence

The hospital OPD (outpatient department) generates revenue from patient visits, doctor consultations, diagnostics (labs/imaging), and minor treatments (procedures / day-care), acting as a crucial volume driver, and the first point of contact at any healthcare facility.

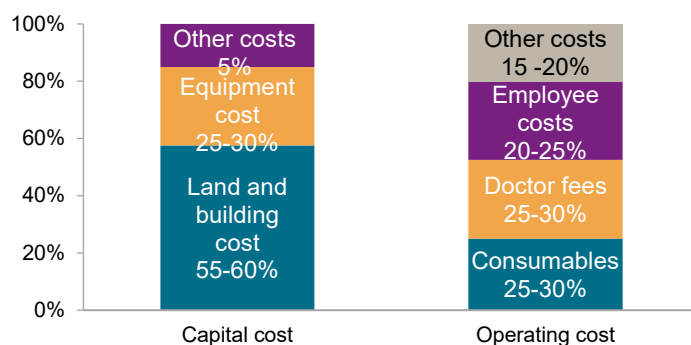
Surgeries and diagnostics fetch bulk of the IPD revenue

Surgeries and diagnostics account for bulk of the IPD revenue for most hospitals; however, the share of these verticals varies across hospitals, based on the pricing strategies deployed and specialities offered. Surgical patients generate more revenue as opposed to medical patients. However, after the government capped the prices of stents and knee implants, hospitals rationalised their treatment costs by charging for the services rendered. Some hospitals have in-house facilities such as diagnostic centres and pharmacies, while others outsource these services to optimise the operational costs.

Capital costs

For secondary care hospitals in metro cities, the capital costs hover at Rs 5-8 million per bed. The cost for super-specialty tertiary care hospitals would be higher as high-end technology, and equipment costs are involved. Use of imported equipment can further drive-up equipment costs. Capital costs to build tertiary care hospitals in metro cities are in the range of Rs 15-20 million per bed, excluding land cost. For a secondary care hospital in non-metro cities, the capital cost hovers at Rs 1-5 million per bed. The table below depicts the capital cost per bed across metro and non-metro cities for secondary and tertiary care hospitals.

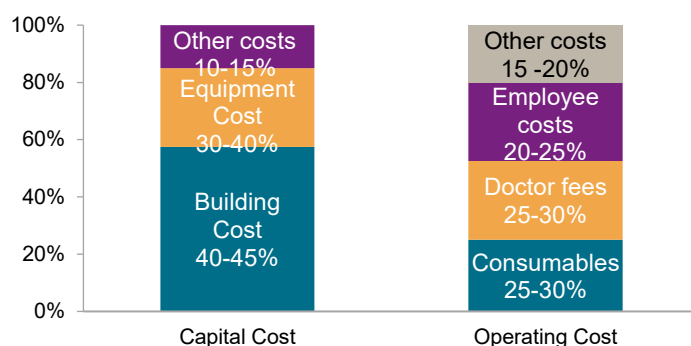
Typical cost structure of hospitals (owned)



Source: Crisil Intelligence

Capital cost / bed (excluding land cost)	Secondary care hospital	Tertiary/quaternary care hospital
Metro cities	Rs 5-8 million	Rs 15-20 million
Non-metro cities	Rs 1-5 million	Rs 5-12 million

Typical cost structure of hospitals (leased)



Source: Crisil Intelligence

The two key capital cost components are land and building development costs and equipment costs.

- Land and building costs:** These costs usually account for 55-60% of the total project cost. Land cost usually constitutes 20-30% of the total project cost as land cost varies with location. In some cases, land is offered at a concessional rate by the government. However, after obtaining land at cheaper rates, hospitals may have contractual obligations to treat a certain percentage of patients (belonging to the lower income category) free of charge and/ or at a subsidised rate every year. Under the operations and maintenance model, the building cost is borne by the player, which is dependent on the local building regulations.
- Equipment costs:** These costs constitute 25-30% of the total project cost (subject to variations depending on the sophistication of the equipment purchased). MRI, linear accelerators, and CT scan machines are some of the expensive equipment, each costing Rs 50-200 million. Advanced models / high-end models may cost higher. As such equipment rapidly becomes obsolete, hospitals need to set aside resources periodically for technology upgradation (as it directly impacts patient outcomes). The maintenance cost for high-end equipment is typically ~5% of the capital costs.

Doctor engagement model is crucial in managing the hospital's brand perception and profitability

Employee and doctor costs account for the largest proportion of the operating cost for a hospital, together accounting for nearly 50% of the hospital's overall operating cost. Some hospital players enter into vendor agreements, particularly for imported equipment for specialty-based services, to mitigate the price fluctuation risk.

The key models adopted for doctor engagement are:

- Doctors on payroll:** In this model, the doctors are employed full-time by the hospital, receiving a fixed salary, benefits, and perks. This model provides predictability and job security, allowing doctors to focus on patient care without worrying about the business aspects. For example, government teaching hospitals like

AIIMS hire doctors as regular faculty with service terms and payroll employment. These doctors work on the government payroll and are a part of the larger public health infrastructure.

- **Doctors visiting on consulting basis:** In this model, independent practitioners visit the hospital on a part-time basis, and they are paid on a fee-for-service or consultation basis. This model suits doctors who value independence and variety in their work.

Retainer model: The retainer-based care model is a practice model where the physicians/specialists charge the hospital a monthly or annual or retainerhip fee. In exchange, the physician/specialist limits the number of patient consultations they would offer in the agreed timeline. This offers greater access, longer appointments, and more personalised care by the specialist. The clauses on 'fee for extra service' are usually discussed with the doctors and included in the contracts.

Employee costs: These costs account for 20-25% of the overall operating cost. While salaries are fixed costs, consultants' fees can be linked to operations, making it a variable expense. The bed-to-staff ratio also varies from 1:3 to 1:5, with multi-specialty and super-specialty hospitals having a higher ratio. The employee cost of a hospital is also dependent on its doctor-engagement model. Non-metro hospitals generally spend a higher percentage of their costs on wages and salaries versus metro hospitals. Employing reputed doctors, experienced nursing staff and qualified healthcare administrators on the payroll (especially for new facilities) also increases employee costs.

Regulatory environment for hospitals in India

Public health is an entry in the state list of the Constitution. This means that the primary responsibility to provide healthcare lies with the state government. Notably, India's healthcare ecosystem has a federal structure wherein the centre drafts policies, and sets standards and regulations, while the states implement those standards and regulations, and operationalize public health programmes through a tiered structure of healthcare facilities. For example, at the central / national level, Central Drugs Standard Control Organization (CDSCO) approves drugs, while at the state level, states' drug control authorities enforce drug-related laws and grant licenses to pharmacies and drug manufacturing units.

Ministry of Health & Family Welfare (MoHFW)

In India's healthcare ecosystem, a set of ministries and regulatory bodies regulate different entities in the healthcare value chain. The MoHFW is the central body responsible for framing and spearheading national-level healthcare-related initiatives and programmes / schemes in the country. In addition, the MoHFW provides grant-in-aid to various autonomous / statutory bodies and NGOs to implement national and state-level healthcare-related programmes / schemes.

Accreditation of hospitals

Accreditation is a voluntary process, wherein a healthcare facility volunteers to be evaluated by an authorised agency against a set of standards.

In India, hospitals are accredited by the National Accreditation Board for Hospitals and Healthcare Providers (NABH) which is a constituent board of Quality Control of India and a member of the International Society for Quality in Health Care (ISQua). Entry-level NABH accreditation is compulsory for hospitals to get empanelled as per IRDAI (Insurance Regulatory and Development Authority).

In India, diagnostic centres are accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). In addition, diagnostic centres can also be accredited by international agencies such as the Asia Pacific Laboratory Accreditation Cooperation and the International Laboratory Accreditation Cooperation.

Raising capital for healthcare infrastructure

In India, capital for setting up a new hospital or expanding an existing hospital may be obtained as bank loans, foreign direct investment (FDI), external commercial borrowing (ECB), and private equity funds. Notably, FDI up to 100% is permitted for setting up or expanding a hospital, whereas ECB up to USD 100 million is permitted for a fiscal year. Additionally, tax relief under various sections of the Income Tax Act, 1961 may be availed by entities setting up / expanding a hospital.

Regulations pertaining to price controls

The National Pharmaceutical Pricing Authority (NPPA) regulates the prices of drugs/ medicines by bringing them under the ambit of the National List of Essential Medicines (NLEM).

In 2010, the Central Government Health Scheme (CGHS), which provides comprehensive healthcare to central government employees, their dependents, and pensioners, introduced price capping for certain hospital treatments, fixing package rates for procedures like coronary artery bypass grafting, joint replacement, and cancer treatment. These packages include post-operative care, follow-up consultations, and diagnostic tests. Since CGHS forms only a small proportion of private hospitals' revenue, this price capping does not adversely impact private hospitals' cash inflows.

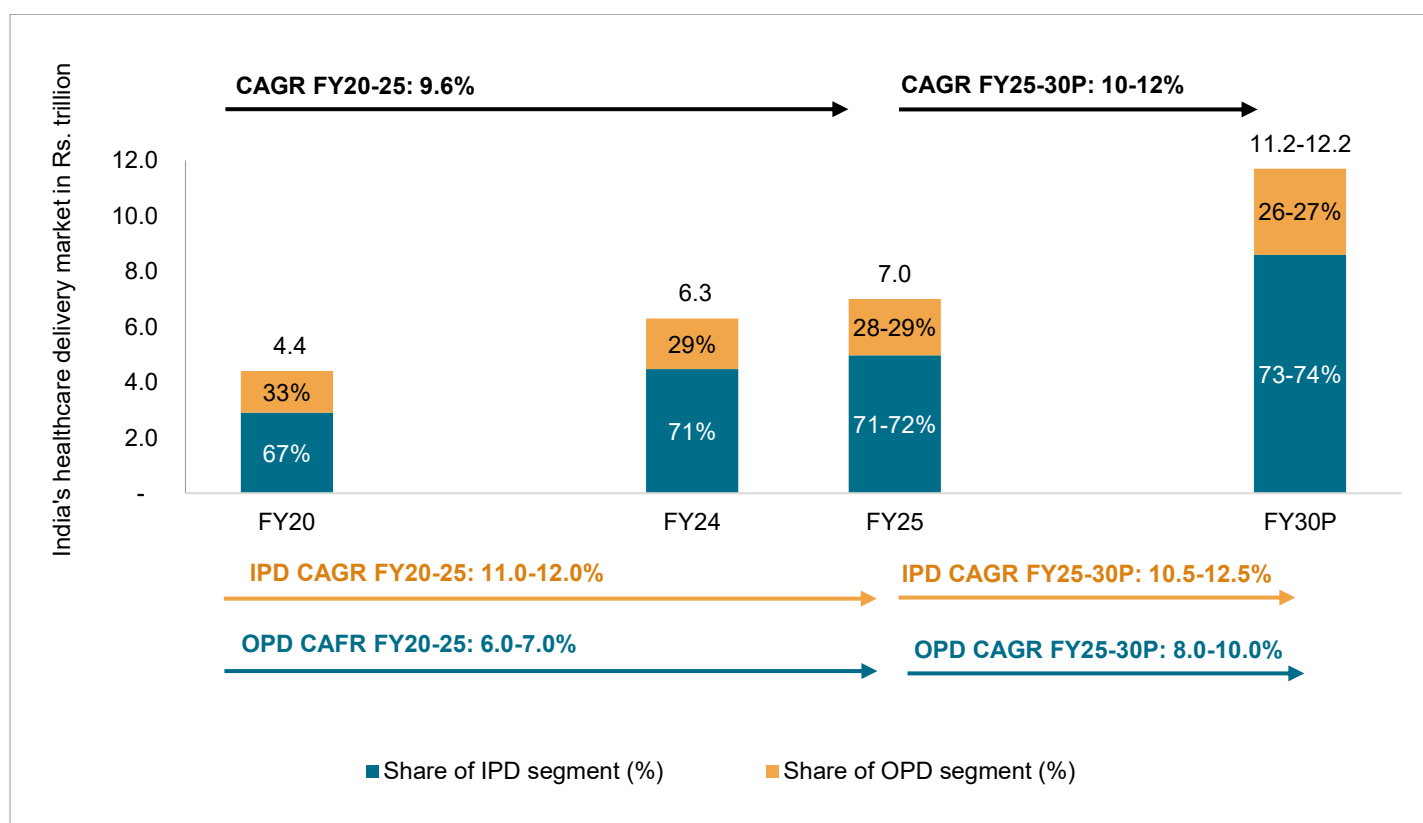
Assessment of the Indian healthcare delivery industry

India's healthcare delivery market

India's healthcare delivery market was valued at ~Rs 7.0 trillion in fiscal 2025, supported by increased demand for routine medical treatments, elective surgeries, and Out-patient Department (OPD) services. Segments which experienced a surge in demand post-pandemic, i.e. Critical Care, Oncology, Neurology, and Orthopaedics, are expected to continue their growth momentum in fiscal 2026.

In terms of value, the IPD segment outweighs the OPD segment. However, in terms of volume, the IPD segment is outweighed by the OPD segment.

India's healthcare delivery market, FY20-30P (Rs trillion)



Note:

1. IPD indicates inpatients at government and private hospitals

2. OPD indicates outpatients at government hospitals, private hospitals, and private clinics

Source: Crisil Intelligence

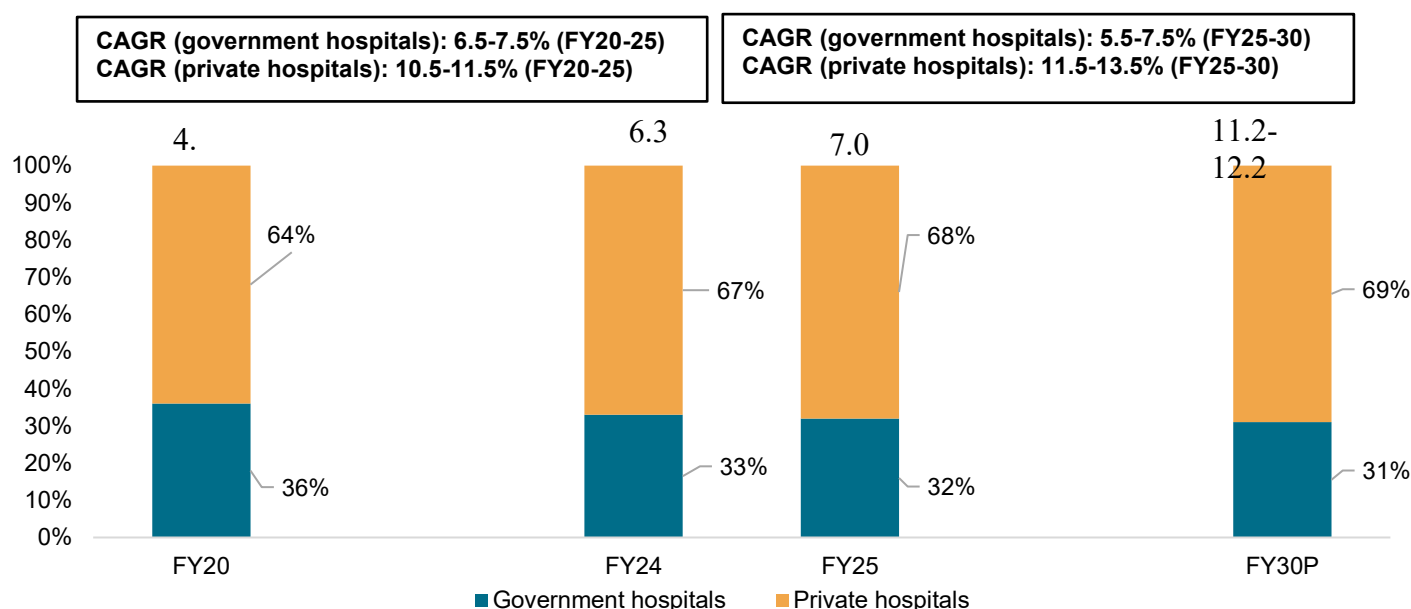
Growth of India's healthcare delivery market between FY25 and FY30 is supported by government's focus on the healthcare sector, impetus from Pradhan Mantri Jan Arogya Yojana (PM JAY), and rising incidence of non-communicable diseases in the country. Besides these, other key drivers of India's healthcare delivery market include rising incomes, changing demography, increasing incidence of lifestyle ailments, and growing medical tourism.

In India, healthcare services are provided by the government and private players, and these entities provide both IPD and OPD services. However, the provision of healthcare services in the country is skewed towards private players (both for IPD and OPD). This is mainly due to the lack of healthcare spending by the government and high burden on the existing state health infrastructure. The share of treatments (in value terms) by private players is expected to increase from 64% in fiscal 2020 to ~69% in fiscal 2030.

The Indian hospital market remains highly fragmented with large private hospitals accounting for ~20% of the overall market in fiscal 2025. Private hospitals have witnessed significant growth, as they undertake an increasing share of treatments. The private sector's growth can be attributed to the expansion plans undertaken by private players as well as the high-quality services they provide in terms of infrastructure, equipment, and treatments. As a result, private hospitals have gained immense popularity, leading to a substantial market share that denotes a higher preference for private hospitals among patients. This trend is particularly evident among the affluent and upper-middle-class segments, who are willing to pay a premium for quality healthcare.

The private healthcare providers in India compete with players ranging from standalone multi- and single-specialty hospitals, day-care and specialty centres to facilities owned or managed by government agencies, trusts and public-private partnerships. Trusts, government owned facilities, and PPPs may be able to obtain financing on more favourable terms than private healthcare providers. Pan-India hospital chains and regional players present in India's healthcare delivery market such as Manipal Health Enterprises Ltd, Apollo Hospitals Enterprise Limited, Fortis Healthcare Limited, Max Healthcare Institute Limited, Narayana Hrudayalaya Limited, Global Health Limited (Medanta), Krishna Institute of Medical Sciences Limited, and Aster DM Healthcare Limited, compete with each other.

Segmentation of the Indian healthcare delivery market, FY20-30P (Rs trillion)



Note: The above segmentation includes both government and private healthcare service delivery organisations.

Source: Crisil Intelligence

The additional potential demand to be unleashed by the PMJAY scheme (launched nearly five years ago) will largely be met by private participation as government facilities are already overburdened. Hence, going forward, the major share of treatments will incline more towards the private sector.

Key healthcare delivery players in India

Entity Names	Revenue (Rs. Million)
ASG Hospital Limited**	11,130.9
Apollo Hospital Enterprise Limited	2,52,285
Artemis Medicare Services Limited	10,812.4
Aster DM Healthcare	46,432.0
Blue Sapphire Healthcare Private Limited**	4,857.0
Careivy Hospitals Private Limited**	4,604.0
Dr. Agarwal's Healthcare Limited	20,800.8
Fortis Healthcare Limited	91,278.0
Global Health Limited	44,103.0
GPT Healthcare Limited*	4,725.5
HealthCare Global Enterprises Limited	25,384.3
Jupiter Lifeline Hospital Limited	14,998.0
Kailash Healthcare Limited**	1,463.0
Kovai Medical Center and Hospital Limited*	15,841.5
Krishna Institute of Medical Sciences Limited	39,046.0
Lotus eye Hospital and Institute Limited*	537.1
Manipal Health Enterprises Limited**	82,422.5
Max healthcare Institute Limited	100,650.0
Narayana Hrudayalaya Limited	78,960.0
Paras Healthcare Limited	16,060.0
Park Medi World Limited	16,793.6
Rainbow Children's Medicare Limited	17,030.8
Regency Hospital Limited**	5,480.0
Shalby Limited**	10,869.6
Yashoda Healthcare Services Limited**	31,610.5
Yatharth Hospital and Trauma Care Services	12,072.0

Note: This list is only indicative list and not exhaustive

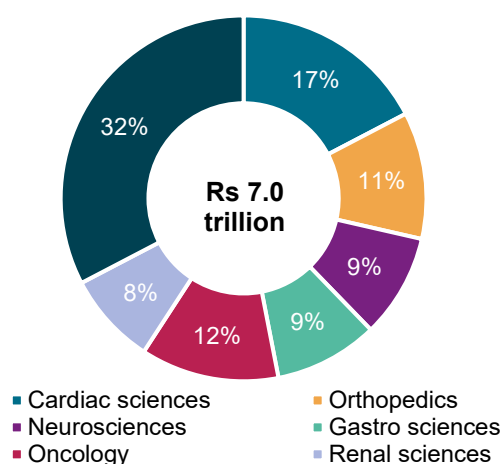
*Company reported revenue from operations on standalone basis. Revenue from operations of all other players is based on consolidated financial statement

**Revenue from operations as of FY25

Source: Annual Report, Crisil Intelligence

Cardiac sciences lead India's healthcare delivery market in fiscal 2025

Specialty-wise share of the healthcare delivery market (Fiscal 2025)



In fiscal 2025, the Indian healthcare delivery market was estimated at Rs 7.0 trillion, with cardiac sciences accounting for the largest single-specialty share at 17%, followed by oncology at 12%. This reflects the rising incidence of heart disease and cancer, driven by lifestyle risks, pollution and increasing life expectancy. Orthopedics (11%) renal sciences (8%), neurosciences (9%), and gastro sciences (9%) collectively contributed more than one-third of the market, supported by higher detection of chronic disease, stroke, joint disorders, and digestive ailments, as well as wider adoption of advanced diagnostics and specialised procedures. The remaining (32%) came from other specialities and general services where increasing health insurance coverage, government schemes, expanding hospital penetration into non-metro cities and greater awareness are broad-based growth drivers, lifting overall inpatient volumes

Note: The segmentation has been derived using a specialty mix of large private players, NSS data, and PMJAY coverage data as reference sample data.

Source: Crisil Intelligence

Healthcare delivery market in India segmented by region

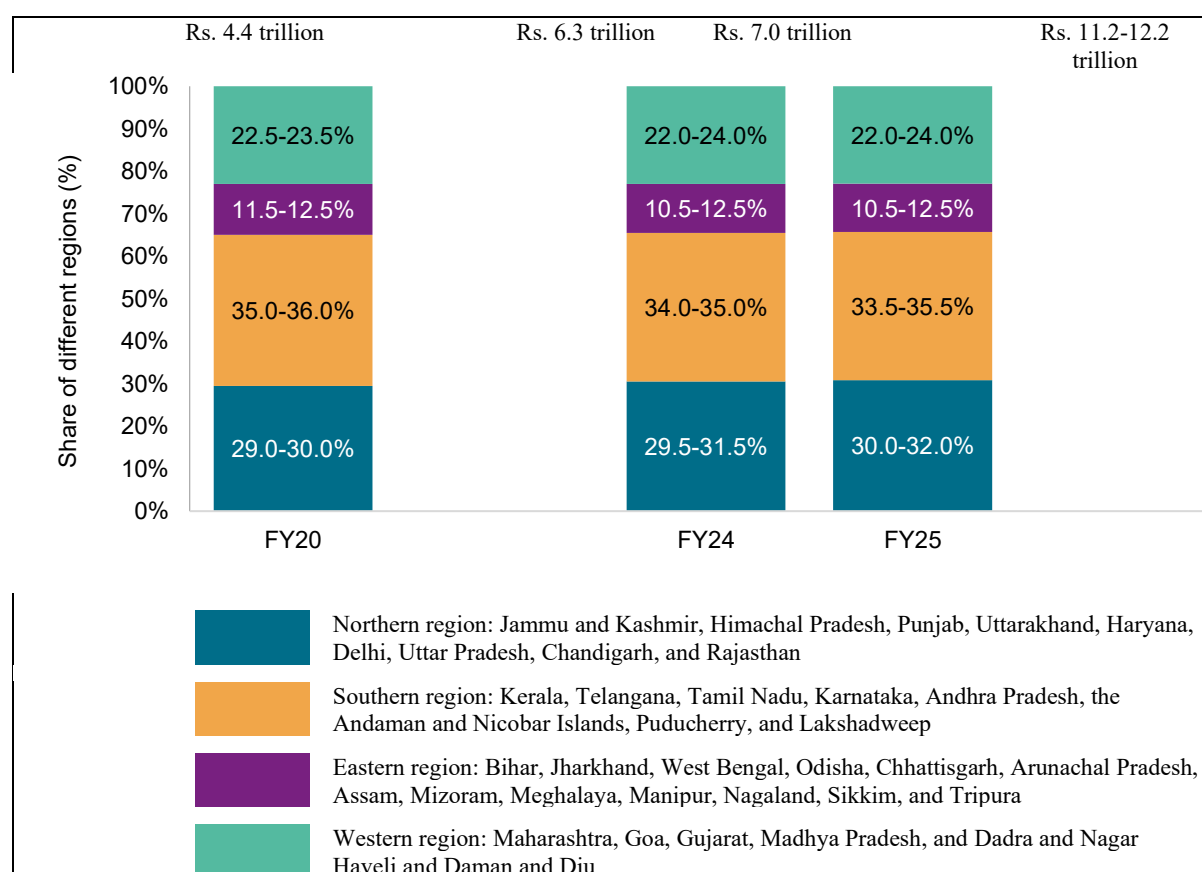
South region will continue to account for the highest share in fiscal 2030

Between fiscals 2020 and 2025, market shares of different regions remained largely the same. The share of the northern region is expected to increase from 30-32% in fiscal 2025 to 30.5-33.5% in fiscal 2030 due to an increase in urbanisation and lifestyle-related diseases, which will drive demand for healthcare services in the region. The southern region is expected to maintain its largest market share (32-35%) in fiscal 2030 due to a combination of factors, including the presence of well-established healthcare infrastructure with several reputable hospitals and medical research institutions. For example, Chennai is a major city in South India and on the border of Tamil Nadu and AP that attracts patients from AP's southern border districts. Similarly, Bengaluru acts as a large urban hub that serve to local patients as well as cater to the referral patients from various nearby districts. Further, cities such as Bengaluru are expected to see an increased influx of migrants and higher disposable income.

The market shares of the western and eastern regions are expected to be stable at 22-25% and 10-13%, respectively, in fiscal 2030.

All in all, expansion plans of organised players, growth in GDP, increasing healthcare spending, improving healthcare infrastructure, rising awareness, and disease burden are expected to contribute to the growth of healthcare delivery industry in India.

India's healthcare delivery market segmented by region, FY20-30P



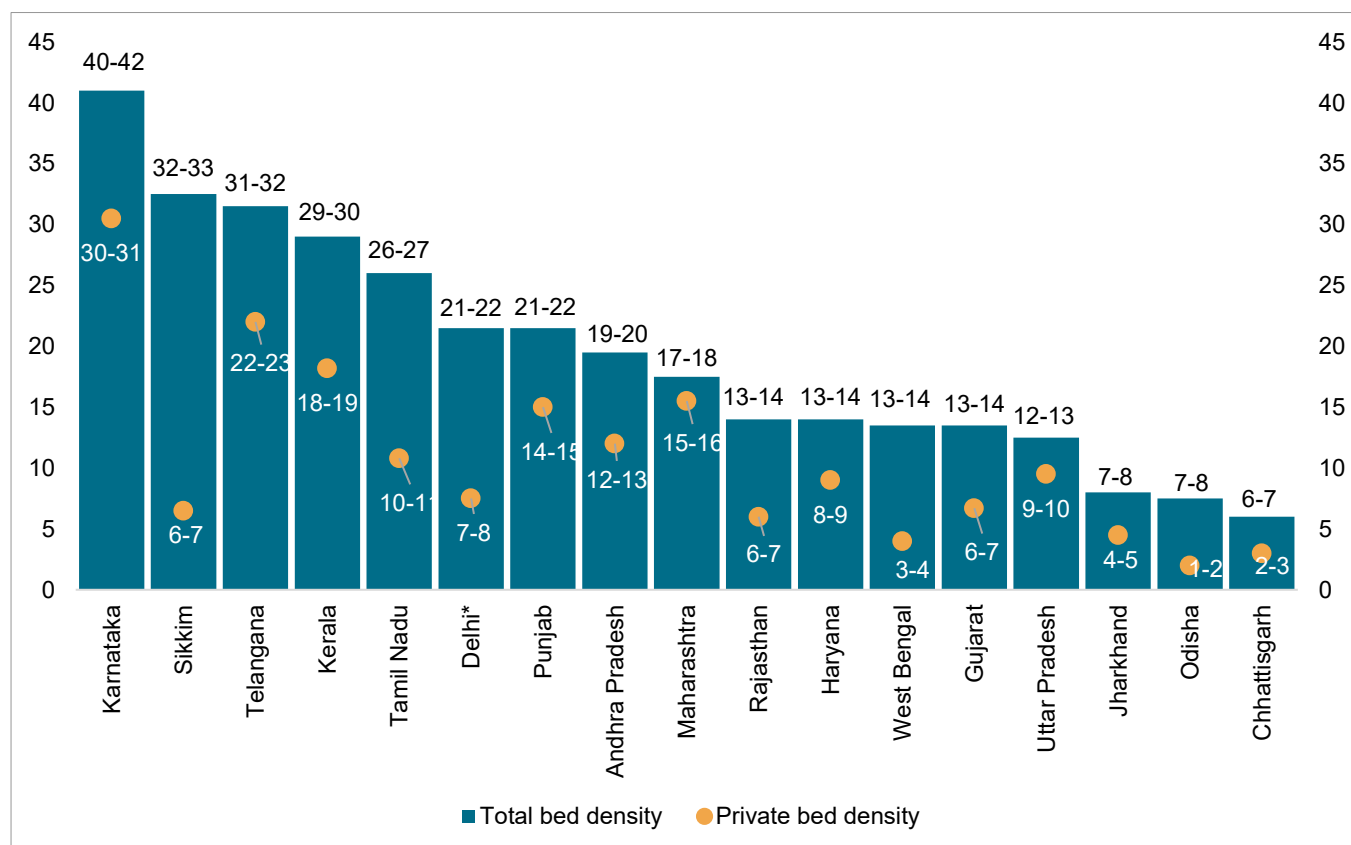
Source: Crisil Intelligence

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Karnataka has the highest bed density

Among the states assessed, Karnataka had the highest bed density (40-42 beds per 10,000 population) in 2022, followed by Sikkim (32-33), Telangana (31-32), and Kerala (29-30). The bed density for Maharashtra stood at 17-18, West Bengal at 13-14, Jharkhand at 7-8 and Chhattisgarh at 6-7. In terms of private bed density (number of private hospital beds available per 10,000 population), Karnataka led (30-31), followed by Telangana (22-23) and Kerala (18-19). Eastern states Odisha (1-2), Chhattisgarh (2-3), West Bengal (3-4), Jharkhand (4-5), and Sikkim (6-7) had the lowest private bed density. This is indicative of state-level bed density and does not imply balanced distribution across districts within the states. There could be areas where bed density is not optimal and additional hospital beds are required.

Estimated total and private bed density (per 10,000 population) for select Indian states (CY22)



Note: The above graph shows the total number of beds in private and government hospitals

*Refers to the National Capital Territory (NCT) of Delhi

Together Maharashtra and Goa had a combined population of 126.98 million, a combined total bed density of 17-18 beds per 10,000 population, and a combined private bed density of 15-16 beds per 10,000 population as of 2022

Together Jharkhand, Sikkim, Odisha, and West Bengal had a combined population of 182.42 million, a combined total bed density of 10.5-11.5 beds per 10,000 population, and a combined private bed density of 3-4 beds per 10,000 population as of 2022

The selection of states was based on the top performing states; Union Territories (except Delhi) have not been considered for the analysis.

Source: UIDAI, Crisil Intelligence

Regional focused players benefit from market depth

A regional focus strategy offers hospital chains several distinct competitive advantages that contribute to region focused market positioning, brand recognition and stakeholder trust. The following analysis examines the key benefits that accrue from concentrated geographic operations:

Key advantages of having a region focused network for hospital chains

Advantages	Description
Brand recognition and stakeholder trust	- Regional hospital chains derive substantial benefits from concentrated brand-building initiatives within their core markets. - Through the establishment and maintenance of a robust presence across a defined geography, these chains position themselves as preeminent healthcare providers within their communities, thereby cultivating deep-rooted brand equity that promotes in patient preference and sustained loyalty. - Regional hospital chains develop a sophisticated understanding of local cultural practices, linguistic preferences, and community-specific healthcare beliefs and behaviors. This nuanced knowledge enables them to customize patient communication strategies, care delivery protocols, and service offerings to align precisely with regional expectations and cultural sensitivities.
Disease profile and epidemiological insights	- Concentrated operations within a specific geography enable hospital chains to develop comprehensive insights into region-specific disease prevalence patterns, endemic health challenges, and demographic health trends. - This epidemiological understanding facilitates the establishment of specialized centers of excellence that address the most prevalent conditions within their markets, enables optimal resource allocation toward high-demand specialties, and supports the design of preventive care programs tailored to the unique health profile of their patient population. - Additionally, regional chains can identify emerging health trends earlier and respond proactively, positioning themselves as thought leaders in addressing region-specific healthcare challenges.
Operational efficiencies and resource optimization	- Regional focus facilitates significant operational synergies that enhance cost-effectiveness and service delivery capabilities. Centralized procurement and distribution systems within a concentrated geography substantially reduce logistics expenditures and enable superior inventory management practices. - Additionally, concentrated operations generate substantial economies of scale that strengthen negotiating leverage with suppliers, vendors, and service providers, resulting in improved procurement terms and reduced input costs.
Marketing Efficiency and Customer Acquisition	- Concentrated geographic operations enable hospital chains to optimize marketing investments and achieve superior returns on marketing expenditure. Focused campaigns targeting specific regions through local media channels, community events, and digital platforms may yield higher engagement rates and conversion metrics compared to dispersed national campaigns that lack regional relevance. - The established brand presence in regional markets also reduces customer acquisition costs, as brand familiarity and positive reputation generate organic patient flow through referrals and repeat visits. This marketing efficiency contributes to improved unit economics and supports sustainable growth trajectories. Additionally, regional chains can leverage local influencers, community leaders, and patient testimonials more effectively, creating authentic marketing narratives that resonate with target audiences.

Source: Crisil Intelligence

Growth drivers of the healthcare delivery industry

A combination of economic and demographic factors is expected to drive healthcare demand in India. The healthcare market is characterised by structural trends such as a sustained rise in chronic disease burden, increasing consumer adoption of digital health modalities, expanding clinician capacity constraints, heightened demand for operational efficiency, and the maturation of data infrastructure enabling predictive, personalised care. The PMJAY scheme and ABDM initiative launched by the government would also support the industry.



Source: Crisil Intelligence

Key growth drivers

Change in demographics and disease profile

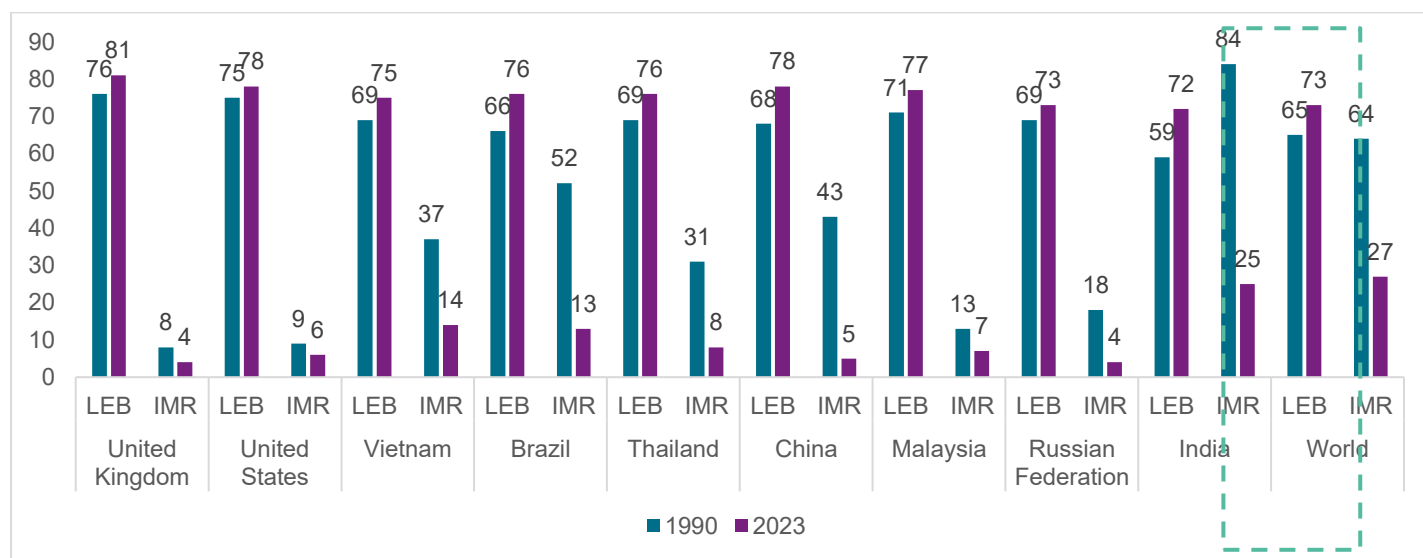
The country-wide shifting demographic landscape is significantly impacting health outcomes, thereby influencing the overall healthcare market. With a rapidly growing population, urbanisation, and changing health outcomes, different age groups have distinct health needs. This directly affects the demand for specific healthcare services, creating opportunities for innovations that cater to emerging health needs, aligning with population health requirements across the country.

With ~13% of India's population expected to be aged over 60 by CY2030, long-term care and healthy ageing are poised to become critical drivers of growth in the healthcare sector. This demographic shift is anticipated to alter the disease profile, leading to an increase in chronic diseases such as diabetes, cardiovascular issues, and arthritis.

Improving life expectancy and changing demographic/disease profile require commensurate expansion and upgradation in healthcare services

As life expectancy improves, India's demographics are also undergoing a significant shift. As of 2023, about 10.5% of the country's population was aged 60 or above, and this percentage is expected to surge to 12.6% by 2030. Similarly, the proportion of population aged 40-59 was about 22.1% as of 2023 and is expected to increase to 24.4% by 2030. The shift in life expectancy and increased ageing population also drives demand for geriatric care (chronic disease management across specialities).

Life expectancy (at birth) and infant mortality rate: India vs others



Note: LEB – life expectancy at birth; IMR – infant mortality rate (probability of dying by age one per 1,000 live births)

Source: World Bank, Crisil Intelligence

Increasing health awareness and rising income levels

Health awareness has improved significantly over the past decade. With growing health awareness especially among youth, there has been a corresponding rise in the use of preventive healthcare.

Rising income levels, share of households falling in the income bracket between Rs 150,000 and Rs 200,000 increased to 40% in fiscal 2024, indicates growing share of population with enhanced affordability and accessibility to quality healthcare.

Crisil believes the hospitalisation rate for in-patient treatment, as well as walk-in out-patients, will improve with increased urbanisation and improving literacy. Other factors, such as the Covid-19 pandemic and rise in digital marketing by various wellness brands, have also played a pivotal role in increasing health awareness and encouraging the population to access healthcare services.

Innovations in digital health and telemedicine (enhancing digital healthcare infrastructure)

Digital health and telemedicine are at the core of the healthcare sector. Technology-driven solutions have revolutionised the access to healthcare services, as well as service delivery across India. Over the past decade, several established players/providers have collaborated to develop digital solutions, enabling real-time/remote consultations, appointment scheduling, and health tracking.

Furthermore, the advent of 5G, smartphone penetration and an increasing health-conscious population will deepen digital healthcare penetration.

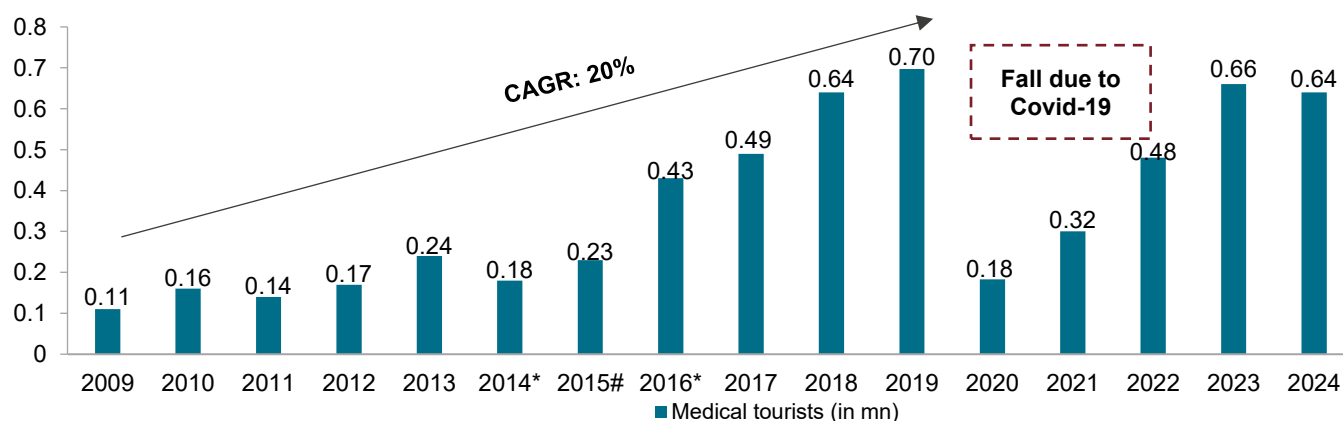
In 2021, the government launched the Ayushman Bharat Digital Mission (ABDM), building on the concept of the National Health Stack (NHS)—a shared digital framework for both private and public hospitals—to digitise all health records and keep track of all details related to healthcare enterprises in the country. The central government has taken the initiative to launch a unique health ID for all citizens under ABDM, which can be used to access a digital repository of personal health-related information. This account provides details such as tests conducted, doctor's prognosis and medicines taken. An Ayushman Bharat Health Account (ABHA) ID is generated for citizens, which enables secure storage of medical records. This ensures data interoperability and grants healthcare providers limited access to patient data, allowing patients to access care at different health facilities without the hassle of collecting reports/records from previous health facilities.

Medical tourism

Healthcare costs are higher in developed countries relative to India. Some of the factors that make India an attractive destination for medical tourism is the presence of technologically advanced hospitals with specialised doctors, low treatment costs, and facilities such as e-medical visa. Delhi, Mumbai, Bengaluru, Chennai, Hyderabad, Kolkata, Kochi, Pune, and Ahmedabad are some of the key medical tourism cities in India. These cities attract medical tourists from across the country and abroad for quality and affordable medical treatment.

As per the Medical Tourism Index (MTI) 2020-21, India ranked 10th globally in terms of medical tourism out of the 46 countries assessed.

Growth in medical tourists*



The above years are calendar years

*Includes all types of medical and medical attendant visas

#Includes medical visa and medical attendant visa

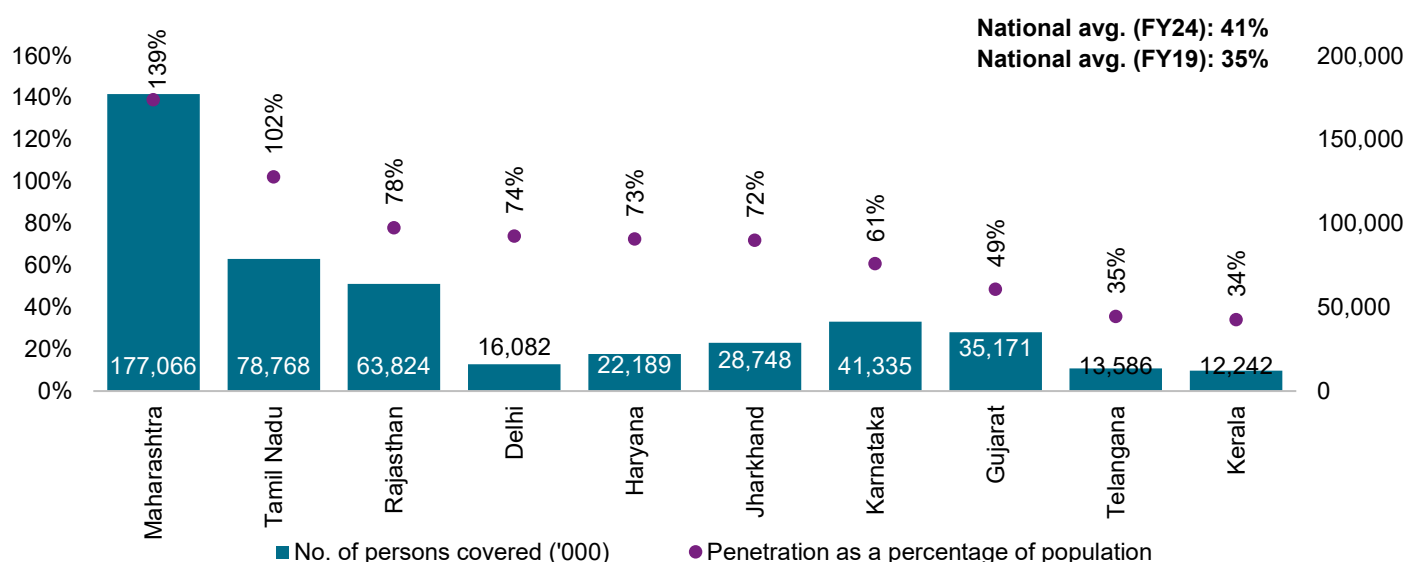
Source: Ministry of Tourism, Bureau of Immigration (BoI), Crisil Intelligence

Growing health insurance penetration to propel demand

The national insurance penetration in the health sector in India has increased in recent years. As the middle class expands and employer-provided coverage becomes a standard benefit, hospitals are seeing a higher proportion of "insured" versus "self-pay" patients. While this provides a more stable and predictable patient pipeline, it also transfers pricing power from the hospital to the insurer. For hospitals, this means that revenue growth will increasingly be driven by volume and negotiated "bulk" contracts rather than individual price hikes.

The shift from "out-of-pocket" spending to an "insurance-backed" model is a primary growth engine for the Indian hospital sector. National health insurance penetration has risen steadily from 35% in FY19 to 41% in FY24, significantly lowering the financial barriers to quality healthcare. As more people gain coverage, the "fear of the bill" diminishes, leading to higher patient volumes and increased demand for elective procedures like joint replacements or cardiac surgeries that were previously delayed due to cost. This growing safety net ensures a more predictable flow of patients and a clear shift toward organized, accredited hospital chains that offer seamless cashless treatment.

State-wise insurance penetration and number of persons covered under health insurance (Fiscal 2024)



Notes:

Top 10 states in terms of insurance penetration as of fiscal 2024 are considered in the chart above

States above 4 million persons covered by health insurance have been considered

Estimated 2024 population compared with Fiscal 2024 health insurance coverage data

Among the UTs, only Delhi has been considered in the chart above

Beneficiary enrolment under multiple schemes has resulted in percentages exceeding 100% for some states

The following formula has been used to arrive at the insurance penetration rate for each state. For the national average penetration, the total number of persons covered under health insurance across all states is added and then divided by the total population of India for the respective year, to arrive at the number

Insurance penetration rate = Total number of persons covered under health insurance / Total population

Total number of persons covered = Persons covered under RSBY Business + AB-PMJAY only + Other government-sponsored schemes + Group business (other than RSBY and government-sponsored schemes) + Individual business including floater/non-floater policies

Source: Handbook on Indian Insurance Statistics FY 2023-24, UIDAI, Crisil Intelligence

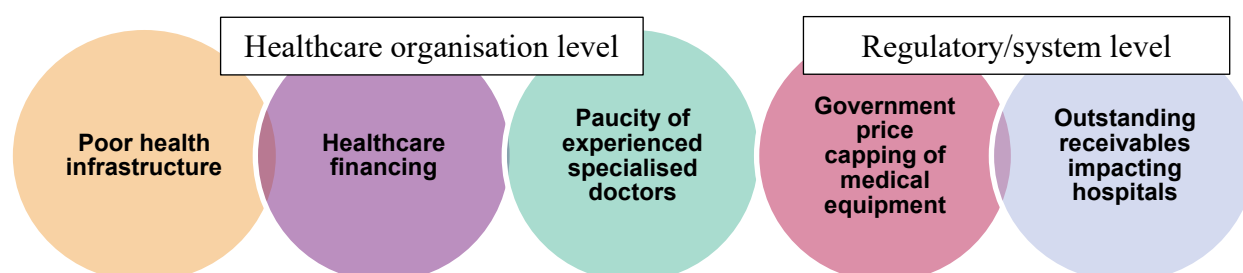
Favourable government policies

An evolved regulatory framework and ongoing policy reforms are significantly contributing to the enhancement of the Indian healthcare market. This has led to better governance, accountability, and transparency so far. Policy reforms and regulations are well positioned to support innovation, encourage PPPs (Public-private partnership), and promote the early adoption of technology solutions in the health space. The recent inclination and investments towards improving healthcare infrastructure, particularly in rural areas, and incentivisation of healthcare technology initiatives, form a conducive environment for healthcare sector growth.

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Key challenges facing the healthcare delivery industry

Despite the significant potential and opportunities in India's healthcare industry, many challenges remain. Some of these include inadequate health infrastructure and disparities in the quality of services provided based on affordability and healthcare financing.



Poor health infrastructure (including digital security)

Infrastructure is paramount for effective service delivery, playing an important role in improving public health outcomes and achieving health equity. Strategic planning and appropriate investments in infrastructure should be prioritised to strengthen the health system across all levels.

With rapid advancements and digital transformation driven by the ABDM, electronic health records, telemedicine, and other technological interventions, it is crucial to ensure data privacy, integrity and security as the sector is exposed to various cyber threats. There is a need to integrate cybersecurity policies when upgrading hospital infrastructure, with integrated IT infrastructure, cybersecurity awareness, and data protection practices in place. This is required at varying levels in compliance with applicable regulations, such as the Digital Personal Data Protection Act, 2023 and CERT-In directions.

Healthcare financing

The central challenge for India's healthcare delivery industry remains the "affordability gap." Currently, 44% of total health expenditure is paid out-of-pocket, a high burden that frequently pushes families into financial distress. This is driven by several linked challenges: the rising cost of imported medical technology, high manpower expenses, and a fragmented supply chain that inflates the price of life-saving drugs and implants.

To address this, hospital firms are shifting toward cost-standardization. This transition is accelerated by government schemes like Ayushman Bharat (PM-JAY), which offer fixed-rate reimbursement packages. Because these rates are pre-determined, hospitals can no longer pass operational inefficiencies on to the patient.

Paucity of experienced specialised doctors

The paucity of experienced doctors in India is a significant concern. The data also reflects low patient: doctor ratios, especially in rural areas. A focus on disease profiles, demographics and population health needs is essential to address healthcare challenges and bring about necessary change in the system.

Government price capping of medical equipment and treatments

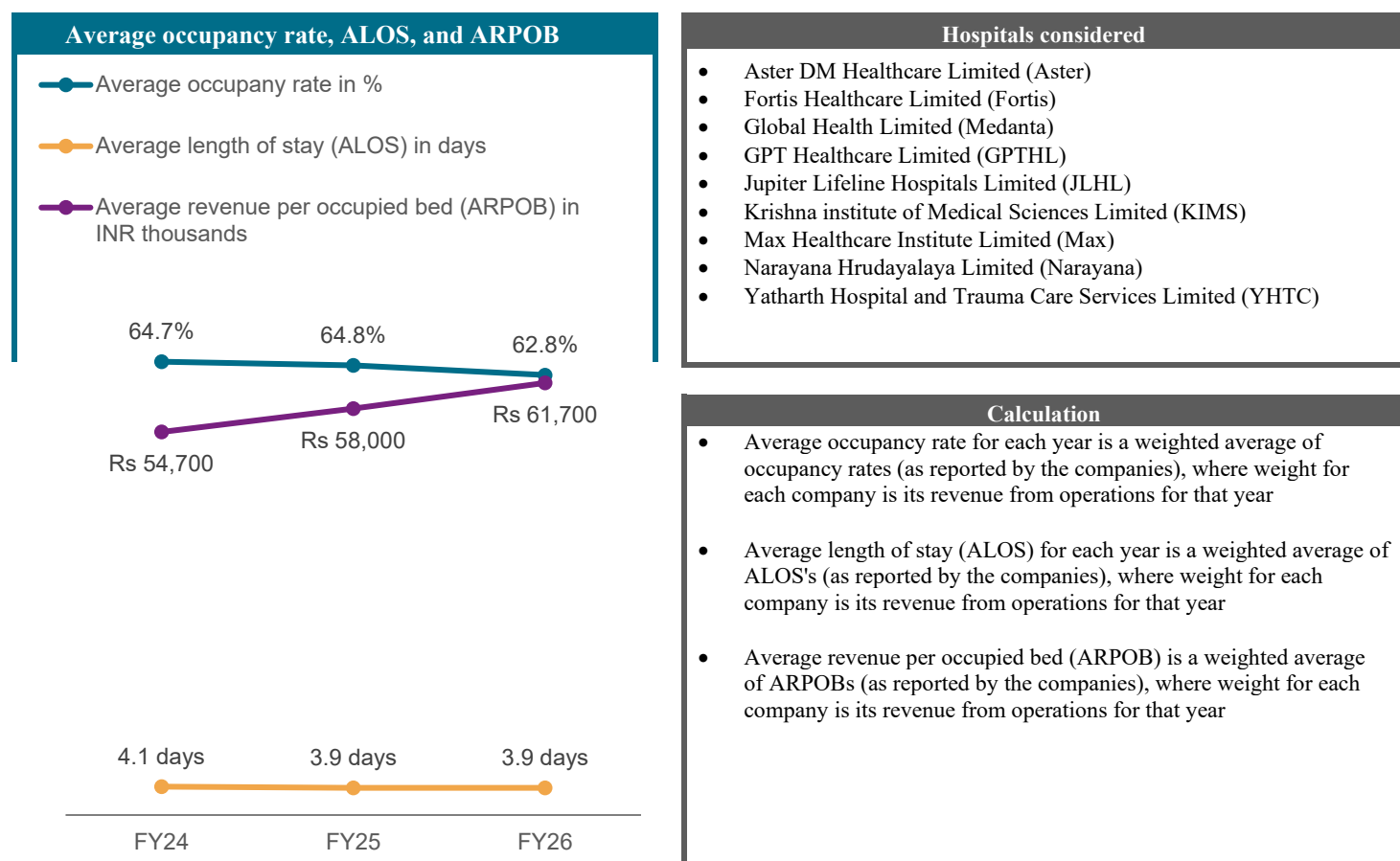
The Indian government has implemented price caps on cardiac stents, knee implants, and other essential medical devices. The National Pharmaceutical Pricing Authority (NPPA) has extended price caps on knee implants, ranging from Rs 54,000 to Rs 114,000, for another year. Additionally, the government has identified 23 medical devices for potential price controls.

The Supreme Court of India also intervened in February 2024, directing the central government to establish price bands for all medical treatments offered by hospitals. Citing high procedure rates and large price variations, the court had given the government six weeks to report on the matter, stipulating to impose medicated rates under the Central Government Health Scheme (CGHS) as an interim measure if no action is taken. By capping the margins, the government aims to ensure consumers do not pay excessive amounts for essential devices, thereby supporting prevention, innovation, and affordable care.

Outstanding receivables affecting fiscal profiles of hospitals

The financial profile of many hospitals empanelled under state schemes has weakened due to rising outstanding receivables from the government (state and central) for treatments provided to beneficiaries under health insurance schemes. However, this challenge is expected to be dealt with on priority under the PMJAY, by fixing a particular timeline for reimbursements of claims.

Key operational metrics for the healthcare delivery industry (based on select listed players)



Notes:

1. *Occupancy levels:* Given the high fixed costs (equipment, beds, and other infrastructure), occupancy levels need to be commensurate for a hospital to break even.

2. *Average length of stay (ALOS):* ALOS is a key efficiency metric and is reflective of the hospital's ability to use its existing bed capacity. Large hospitals aim to reduce ALOS, focusing on efficiency and quality patient care. Lower ALOS enables hospitals to achieve and record higher volumes and ensure that more patients are treated with the existing capacity.

Source: Annual reports, investor presentations, Crisil Intelligence

Competition analysis

A comparative analysis of select major hospital players in the healthcare delivery industry has been made with publicly available data sources, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites, as relevant.

Crisil has provided a list of key hospitals in Section 3 (Assessment of the Indian healthcare delivery industry), from which the following set of major hospital players have been considered based on comparable revenue and scale, hospital network, geographical presence, and service offerings. Please note that this list is indicative and not exhaustive.

Brief description of select major hospital players

Company (Legal entity name)	Representative company name	Year of incorporation	Geographic presence*
Apollo Hospitals Enterprise Ltd	Apollo	1979	Pan India
Aster DM Healthcare Ltd [^]	Aster	2008	South and West India
Fortis Healthcare Ltd	Fortis	1996	Pan India
Global Health Ltd	Medanta	2004	North and East India
Krishna Institute of Medical Sciences Ltd	KIMS	1973	South and West India
Manipal Health Enterprises Ltd	Manipal	1991 [#]	Pan India
Max Healthcare Group	Max	2001	North and West India
Narayana Hrudayalaya Ltd	Narayana	2000	Pan India

Note: *Pan India presence is defined based on a player's presence across four regions and having two or more hospitals in each region.

[^]Data for Aster is excluding QCIL

[#]The first Manipal Hospital was set up in 1991 in Bengaluru. The year of incorporation for the entity "Manipal Health Enterprises Ltd" is 2010.

Source: Company annual reports, investor presentations, Crisil Intelligence

Brief business profile of select major hospital players

Player	Description
Apollo	Apollo Hospitals Enterprise Ltd was incorporated in 1979. It has a presence across the healthcare ecosystem, including hospitals, pharmacies, primary care and diagnostic clinics and several retail health models. The group also has telemedicine facilities, health insurance services, global projects consultancy, medical colleges, Medvarsity for e-learning, colleges of nursing and hospital management and a research foundation.
Aster	Aster DM Healthcare Ltd was incorporated in 2008. The company operates multiple hospitals across Karnataka, Maharashtra, Andhra Pradesh, Telangana, and Kerala.
Fortis	Fortis Hospitals Ltd was incorporated in 1996. The group operates healthcare facilities (including joint ventures and O&M facilities) and diagnostic laboratories. Fortis has a presence in India, the United Arab Emirates, Nepal, and Sri Lanka, with the group's headquarters in Gurugram.
KIMS	Krishna Institute of Medical Sciences Ltd was incorporated in 1973. The group established its first hospital in Nellore, Andhra Pradesh in 2000. KIMS has multiple centres of excellence, speciality and super speciality hospitals across Telangana, Kerala, Andhra Pradesh, Karnataka, and Maharashtra. The company have conducted 170 lung transplants, 249 liver transplants, 25 heart transplants and 600 kidney transplants between FY24-FY26.
Manipal	The first facility of Manipal Hospitals commenced in Bengaluru in 1991. Manipal Health Enterprises Ltd (MHEL) is a pan-India multispecialty hospital network having 12,367 beds as of September 30, 2025 (pro forma) and 10,761 as of September 30, 2025 (actuals). Manipal Hospitals reports licensed bed capacity for its network.
Max	Max Healthcare Institute Ltd was incorporated in 2001 with its headquarters in New Delhi. The group operates multiple hospitals and medical centres across Delhi NCR, Haryana, Punjab, Uttarakhand, Uttar Pradesh, and Maharashtra. Max Healthcare also operates homecare and pathology businesses under brand names Max@Home and Max Lab, respectively.
Medanta	Global Health Ltd was incorporated in 2004. The chain has hospitals in Gurugram, Patna, Ranchi, Lucknow, Noida, and Indore. Medanta, Gurugram is the group's flagship hospital.
Narayana	Narayana Hrudayalaya Ltd was incorporated in 2000. The group is headquartered in Bengaluru and operates 18 hospitals across India.

Note: The above list is not exhaustive for key specialties undertaken by respective players

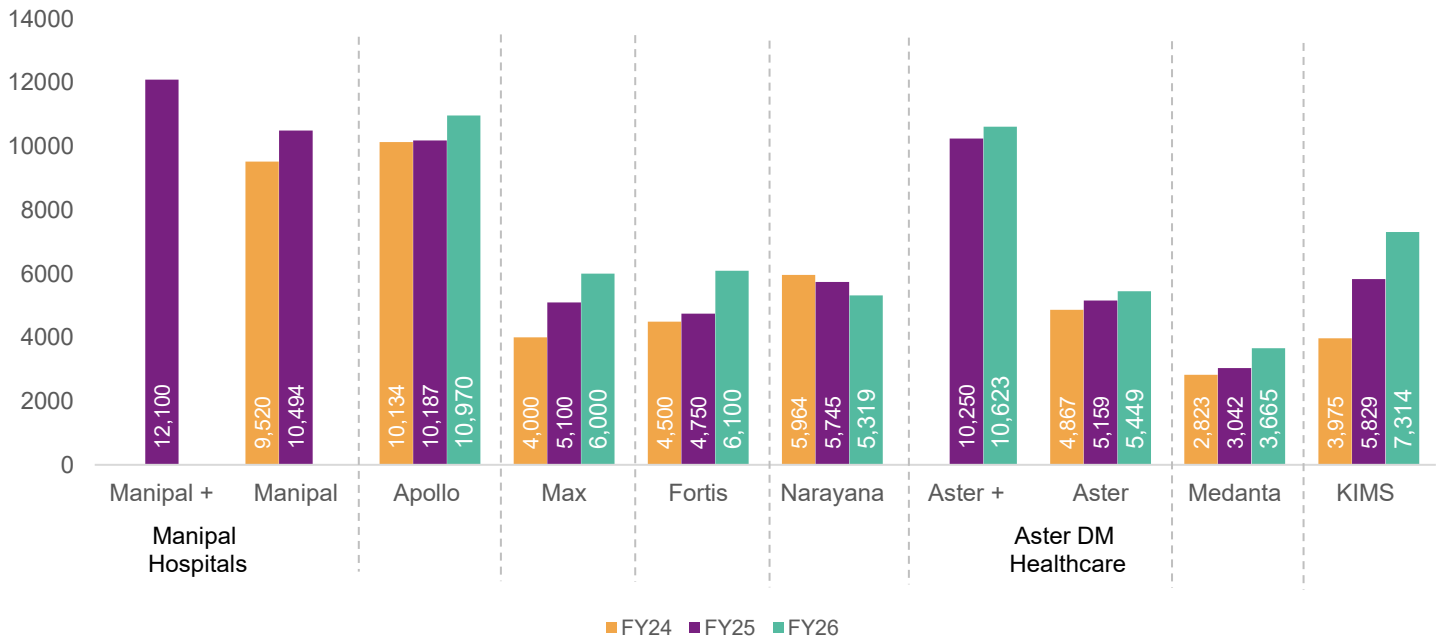
Source: Company annual reports, company websites, investor presentations, Crisil Intelligence

- KIMS is one of the key corporate healthcare groups in India in terms of bed capacity as of FY26
- KIMS Secandrabad is the first hospital in South India to install Elekta ESPRIT model
- KIMS Hospital, Secunderabad is the first Profound Medical TULSA-PRO center in India
- KIMS ICON has:
 - First OLYMPUS Endoscopic Ultrasound System with Radial & Linear Scopes in Andhra Pradesh (AP)

- First OLYMPUS 2T scope in AP to perform high end Endoscopy like ESG & therapeutic procedures
- First OLYMPUS Power Spiral Endoscopy in AP for performing End to End Enteroscope through motorized scope
- KIMS Kondapur was the first hospital in the states of Telangana & Andhra Pradesh to install Medtronic Mazor X spine robot (Stealth Edition)

Operational parameters of select major hospital players

Bed capacity (fiscal 2024 to fiscal 2026)



Notes:

Bed capacity is the general term referring to the total number of beds in a hospital. The term bed capacity can represent parameter such as Total Hospital Bed Capacity, Census Bed Capacity, Licensed Beds (as approved by authorities), Operational Beds. However, across the industry players, the reported values for bed capacity may vary in terms of its definition and exact constituents i.e. overnight use beds, day-care, casualty, emergency, inpatient beds, outpatient beds etc. The following terms are used by the respective companies to report data on beds:

Manipal	Apollo	Max	Fortis	Narayana	Aster	Medanta	KIMS
Licensed beds	Capacity census bed	Bed capacity	Operational beds	Capacity beds	Capacity beds	Installed beds	Bed capacity

Apollo: The number of beds includes those in hospitals under Apollo Hospitals Enterprise Ltd (Hospitals) (owned and managed hospitals). Day surgery and cradle ((Apollo Health and Lifestyle Ltd. (AHLL)) beds have been shown separately in the chart above. Apollo's count is inclusive of day surgery and cradle (AHLL) hospitals in Q4FY25. The company included the ambulatory care and birthing centres in addition to owned and managed hospital beds in its Q4FY24 investor presentations. The value refers to capacity census beds and includes bed capacity at two managed overseas hospitals as well.

Apollo: For FY26, Capacity beds include only census capacity beds and does not include emergency, daycare beds, recovery room, dialysis, endoscopy etc. Beds include recently commissioned 4 new hospitals – Pune, Defence Colony, Gachibowli and Sonarpur.

Fortis: Operational beds are considered, including O&M beds

Fortis: For FY26, total operational beds reported were ~6100 including ~1200 O&M beds

Medanta: Bed capacity refers to installed capacity reported by the company

Aster: The count is excluding QCIL and the count considers owned and managed hospital beds for all the years.

Aster+: For FY26, bed capacity for Aster and QCIL, is taken from investor presentation pro forma updates. The count considers owned and managed hospital beds as of Mar'26.

Manipal+ (The number of beds is inclusive of Sahyadri and is pro forma.): For H1FY26, the reported value is 12,100 beds

Manipal: For H1FY26, the reported value is 10,761 beds

For Manipal+ and Manipal, the count also considers O&M hospital beds

Narayana: For FY24-25: The count considers capacity beds across owned/operated hospitals. It excludes the Cayman Islands hospital

Narayana: For FY26: It excludes the beds of Heart Centres, Cayman Islands hospital and United Kingdom Hospitals.

KIMS: The count refers to bed capacity and includes existing operational and existing O&M beds. Numbers for KIMS are as per signed ICA certificate.

Max: Current Capacity as disclosed by the company in its investor presentation, the current capacity for FY26 is reported as ~6000 beds, FY25 is reported as 5,100+ beds, and for FY24 it is reported as ~4000 beds

Source: Investor presentation, Company Documents, Crisil Intelligence

Bed additions planned by key players (as of fiscal 2026)

Company name	FY27	FY28	FY29	FY30 and beyond	Total planned beds addition
Manipal	N.A.	N.A.	N.A.	N.A.	N.A.
Apollo	1,000	N.A.		2,415	3,415
Max	668	501	1,231	2,177	4,577
Fortis	472	173	702	749	2,096
Narayana	100	1,085	350	N.A.	1,535
Aster	878	1,305	1,462	800	4,445
Medanta	490			2,700	3,190
KIMS				1,310	1,310

Notes:

Numbers for KIMS are as per signed ICA certificate

Capex planned is as per the respective company's disclosures as of March 31, 2026

Apollo: Expansion bed additions value refers to the total bed addition of 1,000 beds (835 census beds) expected commissioning by FY27.

Expansion bed additions value refers to the total bed addition of 2,415 beds (1,970 census beds) expected commissioning by FY29-FY30.

Fortis: For FY26, ramp up of operational beds will be done as per the business growth and occupancy trends- 678 O&M beds added in FY26 for Gleneagles India adjusted for 155 beds of Greater Noida which was converted to lease arrangement from O&M earlier

Medanta: As of FY26, company had 3,665 installed beds, and is projected to add 490 beds till FY27, thereby reaching 4,155 beds.

Aster: Capex plans of merged entity

Max: The values of planned capacity are of 9MFY26. The planned bed capacity excludes the potential addition of ~3,500 from fiscal 2030 onwards, as no plans have yet been formalised. No. of beds may vary subject to ward configuration

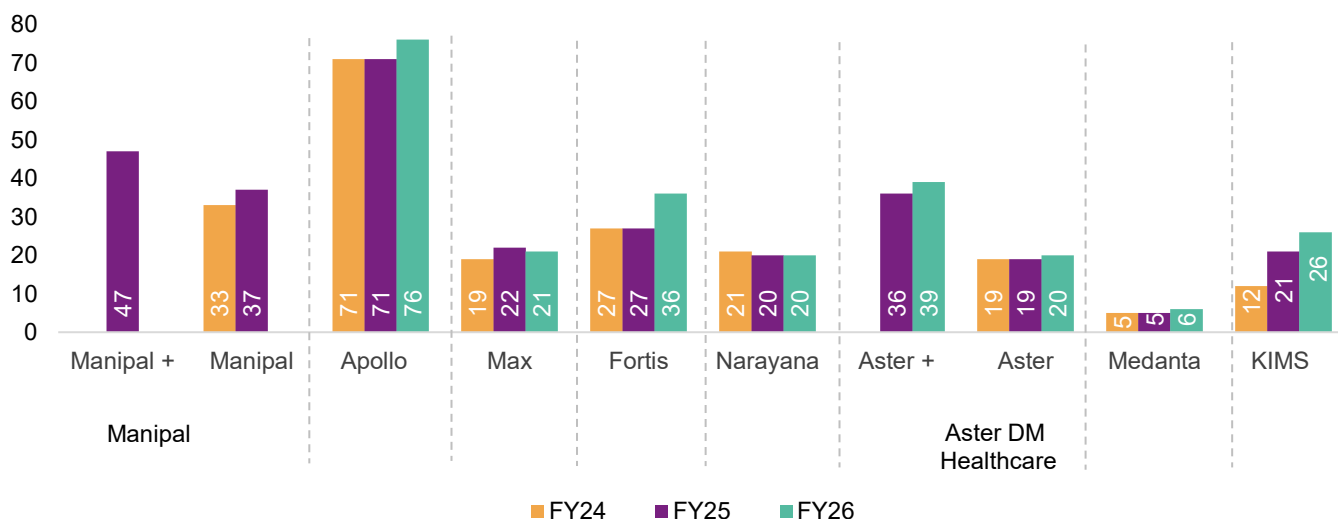
Narayana: 215 beds are projected to be added in HSR, Bangalore for a projected cost Rs 4900 million, 350 beds are projected to be added in Rajarhat, Kolkata for a projected cost Rs 9,000 million, 220 beds are projected to be added in Central Bangalore for a projected cost Rs 1,600 million, 350 beds are projected to be added in South Bangalore for a projected cost Rs 8,000 million, 300 beds are projected to be added in Raipur for a projected cost Rs 5,400 million, 100 beds are projected to be added in Southwest Bangalore for a projected cost Rs 840 million.

Manipal: The planned bed capex is inclusive of greenfield and brownfield projects over the medium term as of September 2026 are as follows:

Company name	FY26	FY27	FY28	FY29 and beyond	Total planned beds addition
Manipal	532	810	76	1,540	2,958

Source: Investor presentation, concall transcripts, Company Documents, Crisil Intelligence

Total number of hospitals (fiscal 2024 to fiscal 2026)



Notes:

Numbers for KIMS are as per signed ICA certificate

For H1FY26 and FY25, the value for Manipal+ is inclusive of Sahyadri and the numbers are pro forma. The count for Manipal+ and Manipal also considers O&M hospitals. Manipal Hospital Yelahanka was operationalised in November 2025 having total bed capacity of 264

Manipal: For H1FY26, the reported value is 38 hospitals

Manipal+: For H1FY26, the reported value is 48 Hospitals

Manipal: For FY24, O&M hospitals are also considered

Apollo: For FY26, the value includes 49 owned hospitals, 6 managed hospitals and 23-day surgery and cradle (AHLL), it excludes 2 international hospitals

Apollo: The number of hospitals includes those under Apollo Hospitals Enterprise Ltd (Hospitals) (owned and managed hospitals) and excludes those in Bahrain and Bangladesh. Day surgery and cradle (AHLL) hospitals have been shown separately in the chart above. Apollo's count is inclusive of day surgery and cradle (AHLL) hospitals in Q4FY25 and Q3FY26. The company included ambulatory care and birthing centres in its Q4FY24

Max: For FY26, company reported 21 Facilities in Investor Presentation, For FY25, company reported 22 Facilities in Investor Presentation. For FY24, company reported 19 Facilities in Investor Presentation.

Fortis: For FY26, the company operates 36 healthcare facilities (including JVs and O&M facilities) across 12 states.

Fortis: For FY25, the number of hospitals excludes the Richmond Road, Bengaluru, facility following its divestment in December 2024. The count includes both owned and managed hospitals

Fortis: For FY24, the number of hospitals excludes the Manesar facility, which had not been operationalised as of March 31, 2024. The count includes both owned and managed hospitals

Narayana: For FY26, the number includes heart centres and excludes 20 Clinic and dialysis centres in India, 2 Facilities in Cayman Island and 13 Facilities in United Kingdom. Breakup of total number of hospitals considered in the above chart is as follows: South (India): Hospitals – 6, East (India): Hospitals – 7, North (India): Hospitals – 3, West (India): Hospitals - 2

Narayana: For FY25, the number of hospitals includes two heart centres and excludes 18 clinics and dialysis centres, and two hospitals in the Cayman Islands. The

Jammu unit is excluded and considered part of discontinued operations effective from Fiscal 2025

Narayana: For FY24, the number of hospitals includes three heart centres and excludes 17 clinics and dialysis centres and one hospital in the Cayman Islands

Aster+: For FY26, the hospital count includes QCIL's hospitals. For FY25, the hospital count includes QCIL's hospitals, except those in Bangladesh. These are pro forma numbers. For both Aster+ and Aster, the count is inclusive of O&M hospitals

Aster: For FY26, the hospital count includes WIMS. The Count includes 4 O&M Asset Light hospital beds with a capacity of 554 beds

Aster: For FY24, the hospital count includes four O&M asset-light hospitals with a capacity of 538 beds

Medanta: For FY26, the hospital count includes 1. Gurugram, 2. Indore, 3. Ranchi, 4. Lucknow 5. Patna 6. Noida

Source: Investor presentations, Company Documents, Crisil Intelligence

Metro and non-metro split of select major hospital players (fiscal 2026)

Company	Beds		Share of beds	
	Metro	Non-metro	Metro	Non-metro
Manipal+	N.A.	N.A.	N.A.	N.A.
Manipal	N.A.	N.A.	N.A.	N.A.
Apollo	4,662	3,469	57.33%	42.67%
Max	4,452	1,679	72.61%	27.39%
Fortis	4,703	1,393	77.14%	22.85%
Narayana	N.A.	N.A.	N.A.	N.A.
Aster+	N.A.	N.A.	N.A.	N.A.
Aster	1,289	4,160	23.66%	76.34%
Medanta	1,822	1,843	49.71%	50.29%
KIMS	3,182	4,132	43.51%	56.49%

Notes:

Numbers for KIMS are as per signed ICA certificate

NA is not available

Apollo: Refers to owned hospitals, excluding AHLL and managed hospitals

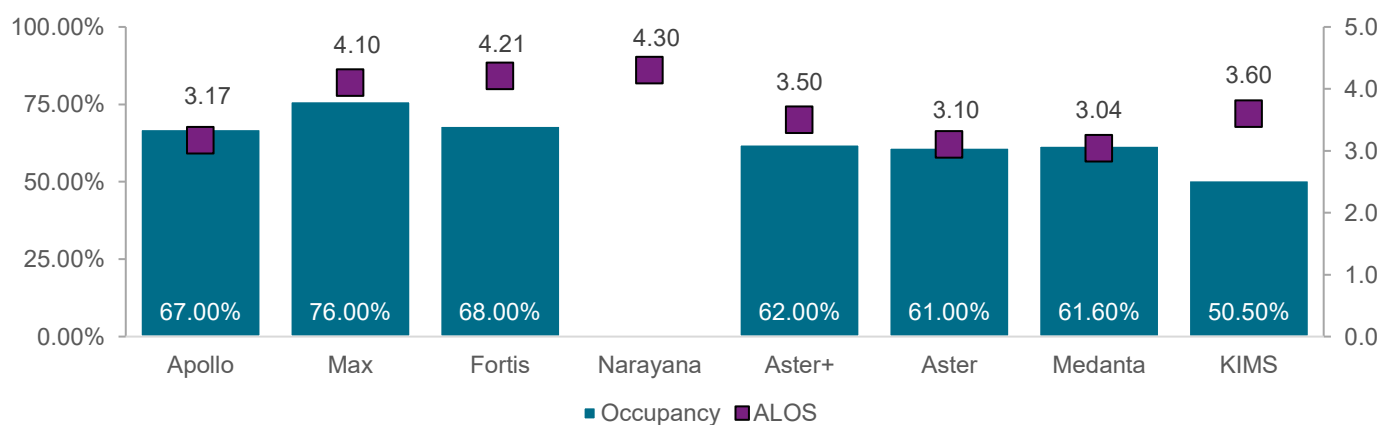
Medanta: Installed capacity reported by the company

Manipal+: for H1FY26, the reported values are 5,579 beds in the metro region and 6,788 beds in non-metro region constituting 45.11% and 54.89% of total share, respectively.

Manipal: for H1FY26, the reported values are 4,597 beds in the metro region and 6,164 beds in non-metro region constituting 42.72% and 57.28% of total share, respectively.

Occupancy rate and ALOS

Occupancy rate and ALOS for fiscal 2026



Note: Occupancy rate and ALOS are as reported by all the companies

Numbers for KIMS are as per signed ICA certificate

The numbers have been rounded off to the nearest decimal place

Apollo: The figure refers to in-patient ALOS days and occupancy % for hospital including new hospitals

Manipal+ is inclusive of Sahyadri and is pro forma. Manipal+ has reported 65.11% occupancy and ALOS of 2.78 for the period H1FY26

Manipal has reported 65.31% occupancy and ALOS 2.73 for the period HIFY26

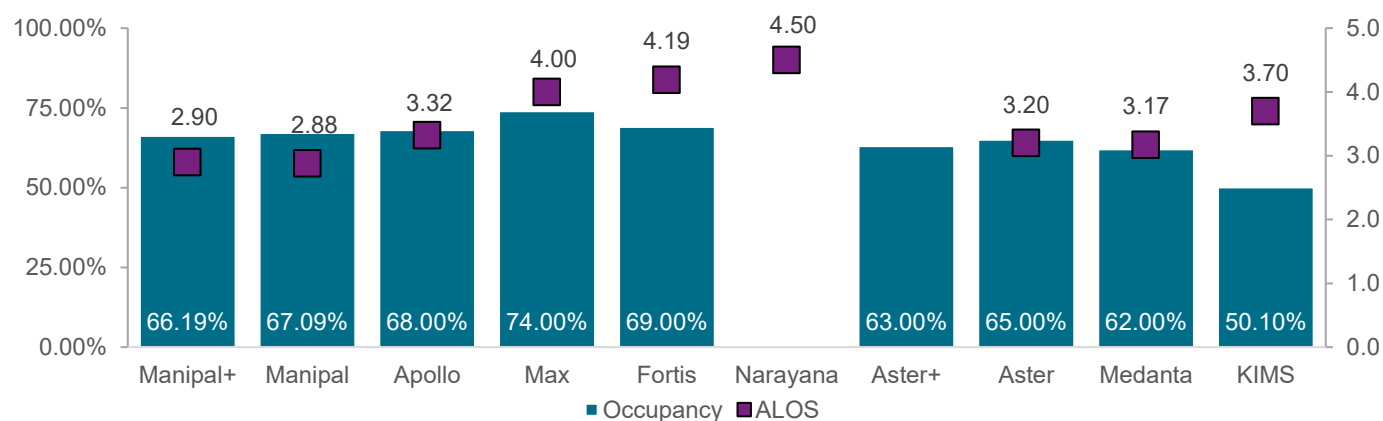
Max: ALOS calculated for discharged IP patients

Narayana: Occupancy rate is not disclosed by the company

Aster+ & Aster: Occupancy rate is calculated based on operational beds (census). Aster+ represents pro forma numbers including QCIL.

Source: Investor presentations, Company Documents, Crisil Intelligence

Occupancy rate and ALOS for fiscal 2025



Note: Occupancy rate and ALOS are as reported by all the companies

Numbers for KIMS are as per signed ICA certificate

The numbers have been rounded off to the nearest decimal place

Apollo: The figure refers to in-patient ALOS days

Max: ALOS is considered from the company's Q4 investor presentation, and the value is at the network level, which includes partner healthcare facilities. ALOS is calculated for discharged IP patients

Aster+ & Aster: Occupancy rate is calculated based on operational beds (census). Aster+ represents pro forma numbers including QCIL.

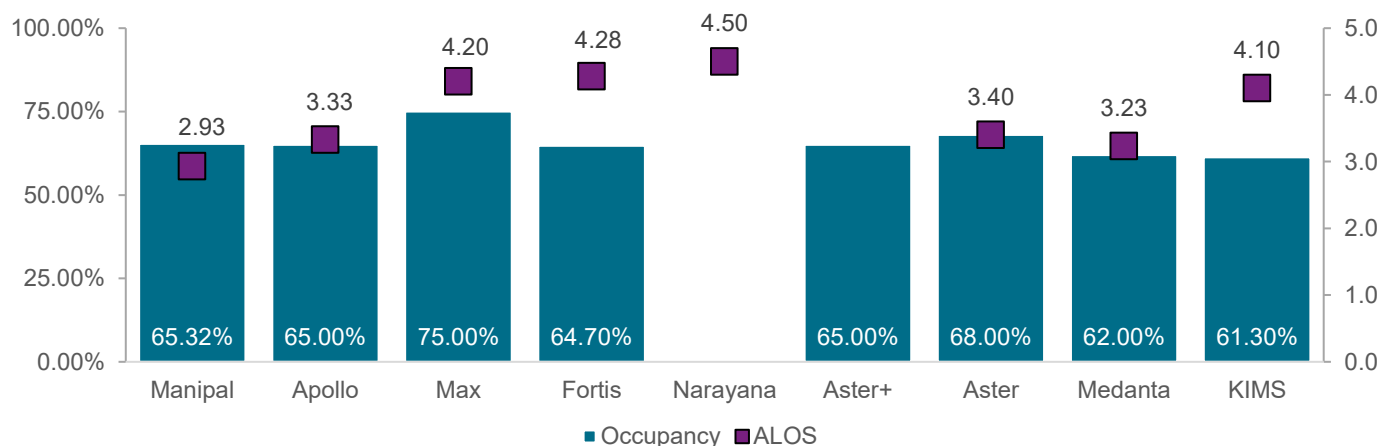
The company has not provided pro forma ALOS

For Manipal+: Value is inclusive of Sahyadri. These are pro forma numbers.

Narayana: Occupancy rate is not disclosed by the company

Source: Investor presentations, Company Documents, Crisil Intelligence

Occupancy rate and ALOS for fiscal 2024



Note:

Occupancy rate and ALOS are as reported by all the companies

Numbers for KIMS are as per signed ICA certificate

The numbers have been rounded off to the nearest decimal place

Apollo: The figure refers to inpatient ALOS days

Max: ALOS is considered from the company's Q4 investor presentation, and the value is at the network level, which includes partner healthcare facilities. ALOS is calculated for discharged IP patients

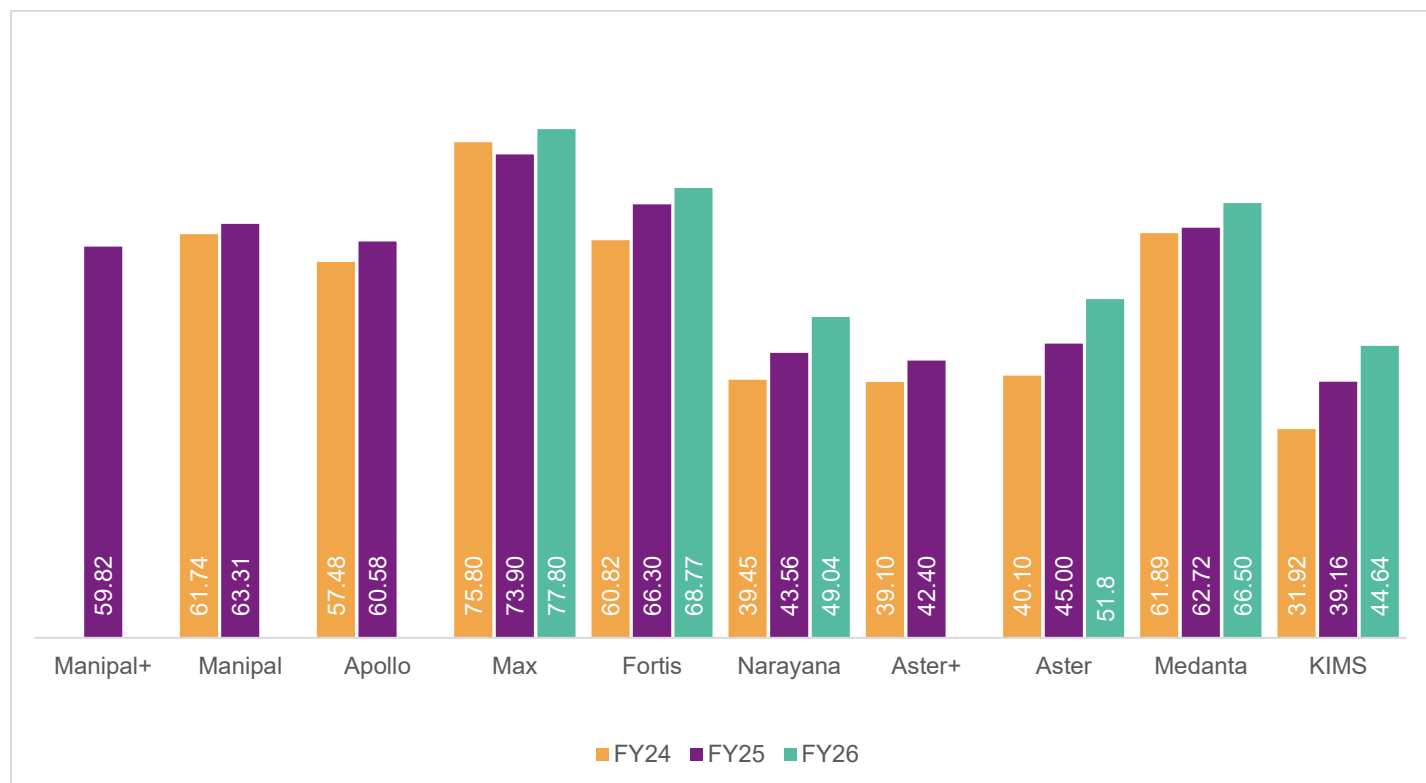
Narayana: The Jammu unit is excluded and considered part of discontinued operations effective from Fiscal 2025. Hence Fiscal 2024 numbers are adjusted for Jammu and Occupancy rate is not disclosed by the company

Aster+ and Aster: Occupancy rate is calculated based on operational beds (census). Aster+ represents pro forma numbers including QCIL. the company has not provided pro forma ALOS

Source: Investor presentations, Company Documents, Crisil Intelligence

ARPOB

Average revenue per occupied bed (ARPOB) per day (fiscal 2024 to fiscal 2026) (Rs. '000)



Notes:

Numbers for KIMS are as per signed ICA certificate

ARPOB in '000 per occupied bed per day

Manipal+: For H1FY26 the reported value is Rs 64,760 and is inclusive of Sahyadri. These are pro forma numbers.

Manipal: For H1FY26 the reported value is Rs 70,780

Fortis: FY26, FY25, and FY24 ARPOB is given as 25.1 million/annum, 24.2 million/annum, and 22.2 million/annum respectively which is divided by 365 to arrive at the above figure

Apollo: ARPOB is net of fees paid to fee for service doctors which is netted off in the reported revenues

Medanta: ARPOB is calculated on hospital revenues excluding pharmacy and other income divided by occupied bed days

Max: For FY26, ARPOB calculated as Gross Revenue/total OBD; Gross Revenue excludes revenue from Max Lab operations

Max: For FY25 and FY24, ARPOB has been considered from the company's Q4FY25 and Q4FY24 investor presentation respectively, the value is at a network level which includes the values of partner healthcare facilities and the value does not include the revenue from Covid-19 vaccination & related antibody tests and Max Lab operations.

Narayana: For FY26, Total ARPOB for Fiscal 2025 is given as Rs.17.9 million which is divided by 365 to arrive at the above figure

Narayana: For FY25, Total ARPOB for Fiscal 2025 is given as Rs.15.9 million which is divided by 365 to arrive at the above figure

Narayana: For FY24, Total ARPOB for Fiscal 2024 is given as Rs.14.4 million which is divided by 365 to arrive at the above figure.

Additionally, Jammu unit is removed and is considered as a part of discontinued operation effective from Fiscal 2025. Fiscal 2024 numbers are adjusted for Jammu.

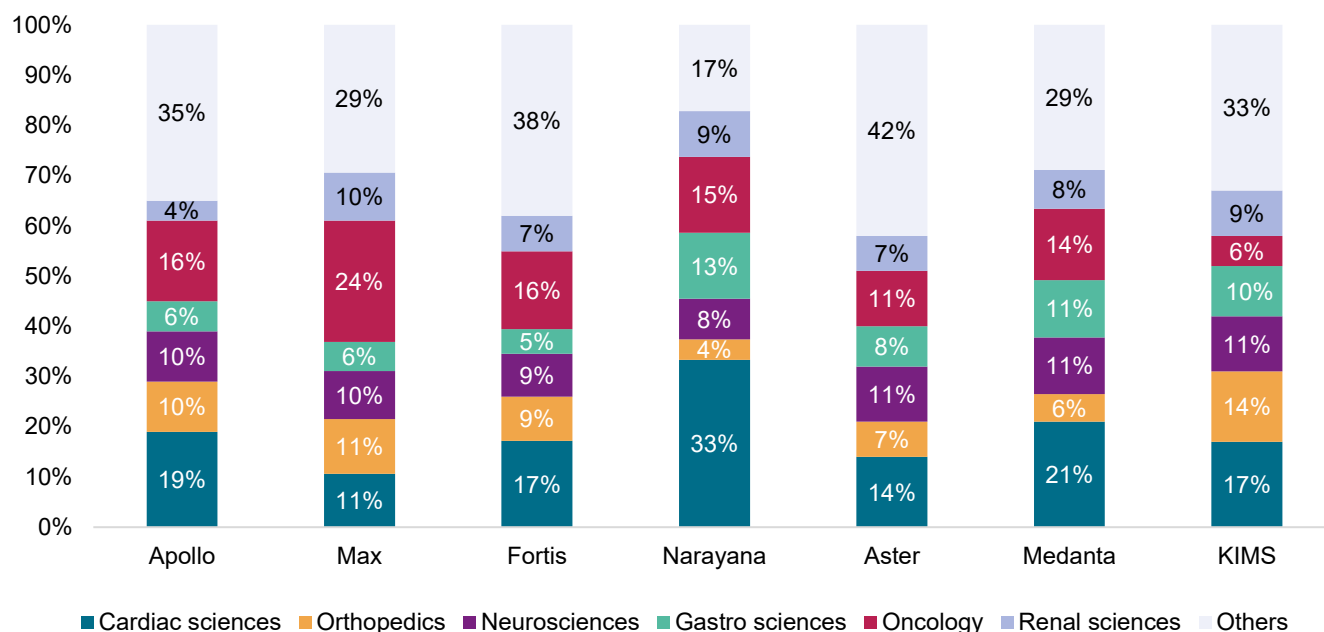
For Aster: For FY26, ARPOB refers excluding QCIL and taken from Fiscal 2026 Investor presentation pro forma updates

For Aster+: For FY25 and FY24, ARPOB refers to both Aster and QCIL and taken from Fiscal 2025 Investor presentation pro forma updates

Source: Investor Presentation, Company Documents, Crisil Intelligence

Speciality wise revenue breakup

Speciality-wise revenue break-up of select major hospital players in fiscal 2026



Note:

Apollo's speciality mix refers to in-patient services in the healthcare services business, which excludes managed hospitals and day surgery and cradle (AHLL) hospitals. The company's cardio specialty has been considered under Cardiac sciences, onco specialty, which includes radiotherapy and chemotherapy, under Oncology, nephrology under Renal sciences, and internal medicine, others, general surgery, obstetrics and gynaecology, urology, transplants, and paediatrics under Others

Medanta's heart specialty has been considered under Cardiac sciences, digestive under Gastro sciences, cancer under Oncology, kidney and urology under Renal sciences, and internal medicine and liver transplant under Others

Fortis's speciality mix of pulmonology, gynaecology, other IPD, OPD and other operating revenue has been included in Others

KIMS's gastric sciences specialty has been considered under Gastro sciences. Organ transplants, mother and child, and other departments have been included in the others category. Specialty wise breakup % is calculated as per the numbers provided in the ICA certificate.

Narayana's cardiac sciences specialty has been included under Cardiac sciences, medicine and GI sciences under Gastro sciences

Max's oncology specialty, which includes chemotherapy and radiotherapy, has been included under Oncology, renal sciences, which includes dialysis, under Renal sciences, gastroenterology under Gastro sciences, and pulmonology, obstetrics, gynaecology and paediatrics, internal medicine, MAS and general surgery, liver and biliary sciences and others have been included in the others category

Aster's gastroenterology and integrated liver care has been considered under Gastro sciences, nephrology and urology under Renal sciences, women's health, child and adolescent health, OP pharmacy, anaesthesiology, and multi-speciality under Others. This does not include information for QCIL

For Manipal, Manipal+ (inclusive of Sahyadri), the speciality mix refers to department-wise gross IP revenue, excluding its O&M hospital. The cardiac sciences specialty has been included under Cardiac sciences, gastroenterology under Gastro sciences and onco science under Oncology

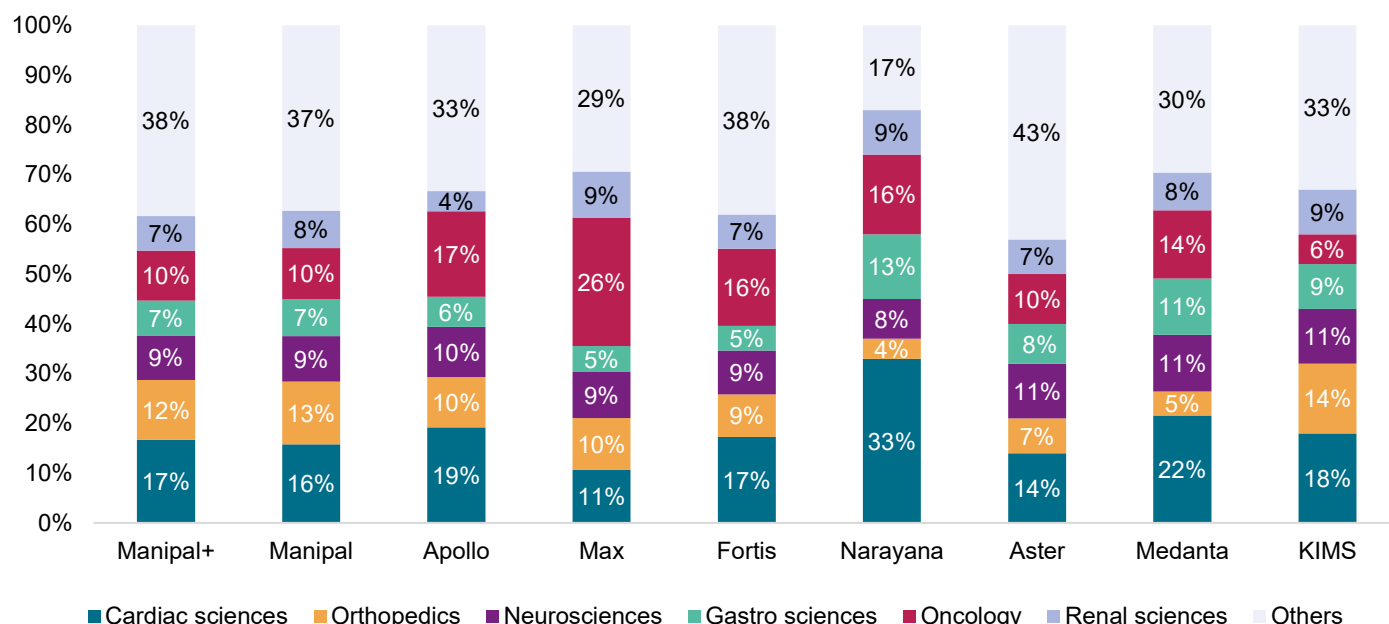
In HIFY26, For Manipal+, 17% of the total speciality mix is contributed by Cardiac sciences, 13% is contributed by Orthopedics, 9% by Neurosciences, 7% by Gastro sciences, 11% by oncology, 7% by Renal sciences, and 36% by others.

In HIFY26, For Manipal, 16% of the total speciality mix is contributed by Cardiac sciences, 13% is contributed by Orthopedics, 9% by Neurosciences, 7% by Gastro sciences, 11% by oncology, 8% by Renal sciences, and 36% by others.

Source: Investor presentations, Company Documents, Crisil Intelligence

- Among the players considered, KIMS had the highest share of orthopedics specialty in the specialty mix as of FY26.

Speciality-wise revenue break-up of select major hospital players in fiscal 2025



Note:

The percentage values are rounded off to the nearest decimal place, hence may not add up to 100

For Manipal+, Manipal, Medanta, Apollo and Max, the speciality mix refers to in-patient services

Apollo's speciality mix refers to in-patient services in the healthcare services business, which excludes managed hospitals and day surgery and cradle (AHLL) hospitals. The company's cardio specialty has been considered under Cardiac sciences, onco specialty, which includes radiotherapy and chemotherapy, under Oncology, nephrology under Renal sciences, and internal medicine, others, general surgery, obstetrics and gynaecology, urology, transplants and paediatrics under Others

Fortis's speciality mix of pulmonology, gynaecology, other IPD, OPD and other operating revenue has been included in Others

Medanta's heart specialty has been considered under Cardiac sciences, digestive under Gastro sciences, cancer under Oncology, kidney and urology under Renal sciences, and internal medicine and liver transplant under Others. Revenue from healthcare services excludes pharmacy revenue and other income

KIMS's gastric sciences specialty has been considered under Gastro sciences. Organ transplants, mother and child, and other departments have been included in the Others category. Specialty wise breakup % is calculated as per the numbers provided in the ICA certificate.

Max's oncology specialty, which includes chemotherapy and radiotherapy, has been included under Oncology, renal sciences, which includes dialysis, under Renal sciences, gastroenterology under Gastro sciences, and pulmonology, obstetrics, gynaecology and paediatrics, internal medicine, MAS and general surgery, liver and biliary sciences and others have been included in the Others category

Narayana's cardiac sciences specialty has been included under Cardiac sciences, medicine and GI sciences under Gastro sciences

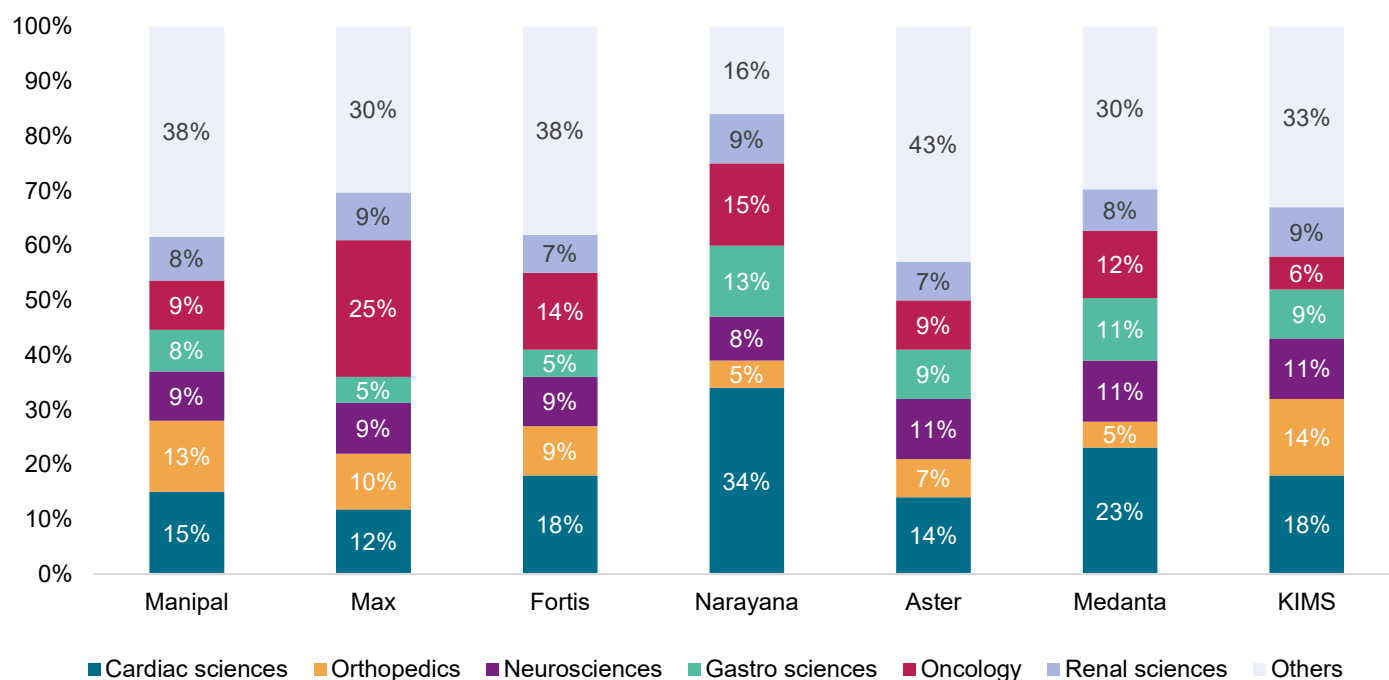
Aster's gastroenterology and integrated liver care has been considered under Gastro sciences, nephrology and urology under Renal sciences, women's health, child and adolescent health, OP pharmacy, anaesthesiology, and multi-specialty under Others. This does not include information for QCIL

For Manipal, Manipal+ (inclusive of Sahyadri), the speciality mix refers to department-wise gross IP revenue, excluding its O&M hospital. The cardiac sciences specialty has been included under Cardiac sciences, gastroenterology under Gastro sciences and onco science under Oncology

Source: Investor presentations, Company Documents, Crisil Intelligence

- Among the players considered, KIMS had the highest share of orthopedics specialty in the specialty mix as of FY25.

Speciality-wise revenue break-up of select major hospital players in fiscal 2024



Note:

The percentage values are rounded off to the nearest decimal place, hence may not add up to 100

For Manipal, Medanta and Max, the speciality mix refers to in-patient services

Apollo's the data for Fiscal 2024 is not available

Fortis's speciality mix of pulmonology, gynaecology, other IPD, OPD and other operating revenue has been included in Others

Medanta's heart specialty has been considered under Cardiac sciences, digestive under Gastro sciences, cancer under Oncology, kidney and urology under Renal sciences, and internal medicine and liver transplant under Others.

KIMS's gastric sciences specialty has been considered under Gastro sciences. Organ transplants, mother and child, and other departments have been included in the Others category. Specialty wise breakup % is calculated as per the numbers provided in the ICA certificate.

Max's speciality mix of pulmonology, obstetrics, gynaecology and paediatrics, internal medicine, MAS and general surgery, and liver and biliary sciences have been included in Others

Narayana's cardiac sciences specialty has been included under Cardiac sciences, and medicine and GI sciences under Gastro sciences

Aster's gastroenterology and integrated liver care has been considered under Gastro sciences, nephrology and urology under Renal sciences, women's health, child and adolescent health, OP pharmacy, anaesthesiology, and multi-speciality under Others. This does not include information for QCIL

Manipal's speciality mix refers to department-wise gross IP revenue, excluding the O&M hospital. Gastroenterology under Gastro sciences, onco science under Oncology

Source: Investor presentations, Company Documents, Crisil Intelligence

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Fundamental financial parameters of major players

Revenue from operations (as reported by the company)

Revenue from operations (Rs million)	Fiscal 2024	Fiscal 2025	Fiscal 2026	CAGR (Fiscal 2024-26)
Apollo	190,592.00	217,940.00	2,52,285.00	15.05%
Aster	36,989.00	41,384.60	46,432.20	12.04%
Fortis	68,929.17	77,827.52	91,278.4	15.08%
Medanta	32,751.11	36,923.15	44,102.66	16.04%
KIMS	24,982.00	30,351.00	39,046.00	25.02%
Manipal	61,716.32	82,422.50	N/A	N/A
Manipal PF^^	-	92,635.56	N/A	N/A
Max	68,480.00	86,670.00	100,650.00	21.23%
Narayana	48,902.07	54,829.77	78,960.35	27.07%

Notes:

Numbers for KIMS are as per signed ICA certificate

The numbers are not comparable across the peer set as different formulae have been used by different peers. The numbers mentioned are not based on Crisil's standard formulae and are not calculated by Crisil. Instead, these are as reported by the companies in their filing documents such as annual reports, corporate or investor presentations and quarterly financial reports

Manipal: For H1FY26, the reported value is Rs.47,130.53 million

Manipal PF (inclusive of Sahyadri): For H1FY26, the reported value is Rs.53,129.20 million

Max: Total operating income for the whole group is considered from the period ending investor presentation

All values have been considered on a consolidated basis

Aster: Revenue excludes other income. As per pro forma financials, which include QCIL, revenue for fiscals 2023, 2024, 2025, 2026 was Rs 61,830 million, Rs 73,140 million, Rs 81,050 million and Rs 92,730 million, respectively

^^ Numbers for Manipal PF (proforma numbers) include Sahyadri

Source: Company filings, Company Documents, Crisil Intelligence

Earnings before interest, tax, depreciation and amortisation (EBITDA) (as reported by the company)

EBITDA (Rs million)	Fiscal 2024	Fiscal 2025	Fiscal 2026	CAGR (Fiscal 2024-26)
Apollo	23,907.00	30,219.00	37,693.00	25.56%
Aster	6,200.00	8,060.00	9,470.00	23.59%
Fortis*	13,059.00	16,549.00	21,356.00	27.88%
Medanta	8,737.00	9,562.00	10,560.00	9.94%
KIMS^	6,533.00	8,148.00	8,282.00	12.59%
Manipal	16,965.90	21,653.62	N/A	N/A
Manipal PF^^	-	23,616.45	N/A	N/A
Max	19,070.00	23,190.00	26,380.00	17.61%
Narayana**	12,223.54	13,684.22	17,168.91	18.51%

Notes: NA – not available

Numbers for KIMS are as per signed ICA certificate

The numbers are not comparable across the peer set as different formulae have been used by different peers. The numbers mentioned are not based on Crisil's standard formulae and are not calculated by Crisil. Instead, these are as reported by the companies in their filing documents such as annual reports, corporate or investor presentations and quarterly financial reports

All values have been considered on consolidated basis

Manipal: For H1FY26, the reported value is Rs.12,723.66 million

Manipal PF (inclusive of Sahyadri): For H1FY26, the reported value is Rs.13,778.08 million

Max: Operating EBITDA from the period ending investor presentation has been considered

Aster: Operating EBITDA, as defined by the company, has been considered

^KIMS: The number represents adjusted EBITDA

^^ Numbers for Manipal PF (proforma numbers) include Sahyadri

* EBITDA includes other income, forex and exceptional/non-recurring expenses

**Earnings Before Interest, Tax, Depreciation and Amortisation and Exceptional items

Source: Company filings, Company Documents, Crisil Intelligence

Profit after tax (PAT) (as reported by the company)

PAT (Rs million)	Fiscal 2024	Fiscal 2025	Fiscal 2026	CAGR (Fiscal 2024-26)
Apollo	9,350.00	15,051.00	20,027.00	46.35%
Aster	2,046.80 ¹	3,366.90 ²	4,271.00	44.45%
Fortis	6,452.19	8,093.85	10,641.90	28.43%
Medanta	4,780.60	4,813.18	5,540.68	7.66%
KIMS	3,359.00	4,148.00	2,420.00	(15.12%)
Max**	12,780.00	13,180.00	16,310.00	12.97%
Manipal PF^^	-	5,347.96	N/A	N/A
Manipal	5,332.03	10,816.72	N/A	N/A
Narayana*	7,896.24	7,906.31	8,059.79	1.03%

Notes:

Numbers for KIMS are as per signed ICA certificate

The numbers are not comparable across the peer set as formulae used by companies vary. They are reported by companies in their filing documents, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

All numbers are on consolidated basis

Manipal: For H1FY26, the reported value is Rs. 5,718.31 million

Manipal PF (inclusive of Sahyadri): For H1FY26, the reported value is Rs. 3,194.68 million

* For Narayana, Fiscal 2025 PAT includes PAT from discontinued operations of Rs 8.12 million; excluding that, the number is Rs 7,898.19 million.

For Narayana, Fiscal 2026 PAT includes loss from discontinued operations of Rs 44.80 million; excluding that, the number is Rs 8,104.59 million

** For Max, PAT for the whole group is considered from the investor presentation published at the end of the period

^^ Numbers for Manipal PF (proforma numbers) include Sahyadri

1 For Fiscal 2024 PAT excludes PAT from discontinued operations of 68.8 million, including that, the number is 2115.60 million

2 For Fiscal 2025 PAT excludes PAT from discontinued operations of Rs 50,712.00 million, including that, the number is Rs 54,078.90 million

Source: Company filings, Company Documents, Crisil Intelligence

EBITDA margin (as reported by the company)

EBITDA margin	Fiscal 2024	Fiscal 2025	Fiscal 2026
Apollo	12.50%	13.90%	14.90%
Aster^	16.80%	19.50%	20.40%
Fortis	18.90%	21.30%	23.40%
Medanta	26.10%	25.40%	23.40%
KIMS**	25.98%	26.57%	21.07%
Manipal	27.49%	26.27%	N/A
Manipal PF^^	-	25.49%	N/A
Max*	27.80%	26.80%	26.20%
Narayana	25.00%	25.00%	21.70%

Notes: NA: Not Available

Numbers for KIMS are as per signed ICA certificate

The numbers are not comparable across the peer set as formulae used by companies vary. They are reported by companies in their filing documents, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

All numbers are on consolidated basis

Manipal: For H1FY26, the reported value is 27.00%

Manipal PF: for H1FY26, the reported values are 25.93%

*Max reports EBITDA margin as OPBDIT margin in its investor presentation

^ For Aster, EBITDA margin is considered as reported by the company

^^ Numbers for Manipal PF (proforma numbers) include Sahyadri

** KIMS: The number represents adjusted EBITDA margin

Source: Company filings, Company Documents, Crisil Intelligence

PAT margin (as reported by the company)

PAT margin	Fiscal 2024	Fiscal 2025	Fiscal 2026
Apollo	4.90%	6.90%	7.70%
Aster	5.10%	7.00%	N/A
Fortis*	9.16%	11.58%	11.95%
Medanta	14.30%	12.80%	12.30%
KIMS	13.36%	13.52%	6.16%
Manipal	8.64%	13.12%	N/A
Manipal PF^^	-	5.77%	N/A
Max**	18.70%	15.20%	16.20%
Narayana	16.10%	14.40%	10.26%

Notes: NA – not available

Numbers for KIMS are as per signed ICA certificate

The numbers are not comparable across the peer set as formulae used by companies vary. They are reported by companies in their filing documents, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

All numbers are on consolidated basis

Manipal: For H1FY26, the reported values are 12.13%

Manipal PF (inclusive of Sahyadri): for H1FY26, the reported values are 6.01%

*For Fortis, the numbers are Net Profit Margin reported by the company

^^ Numbers for Manipal PF (proforma numbers) include Sahyadri

** For Max, PAT margin is for the whole group as reported by the company in its investor presentation

Source: Company filings, Company Documents, Crisil Intelligence

- The company had the second highest reported EBITDA margin of 26.57% and the third highest reported PAT margin of 13.52% among the considered players, as of Fiscal 2025.

Return on Equity (ROE) or Return on Net Worth (as reported by the company) (Consolidated)

Company Name	RoE%		
	Fiscal 2024	Fiscal 2025	Fiscal 2026
Apollo	12.75%	17.39%	N/A
Aster	N/A	N/A	N/A
Fortis	N/A	N/A	N/A
Medanta	17.93%	15.30%	N/A
KIMS	18.31%	19.30%	10.57%
Manipal PF^^	N/A	N/A	N/A
Manipal	N/A	N/A	N/A
Max	13.37%	12.10%	N/A
Narayana	N/A	N/A	N/A

Notes: N/A – not available

Numbers for KIMS are as per signed ICA certificate

Apollo: For FY24 and FY25 Return on equity/ Net worth (ROE) as reported by the company in Annual Report 2025

Medanta: For FY24 and FY25 Return on equity (ROE) as reported by the company in Annual Report 2025

Max: For FY24 and FY25 Return on equity calculated as Net profits/(loss) after taxes divided by Average Shareholder's equity as reported by the company in Annual Report 2025

The numbers are not comparable across the peer set as formulae used by companies vary. They are reported by companies in their filing documents, such as annual reports, corporate or investor presentations, quarterly financial reports etc., and not calculated by Crisil using a standard formula

All numbers are on consolidated basis

^^ Numbers for Manipal PF (proforma numbers) include Sahyadri

Source: Company filings, Company Documents, Crisil Intelligence

SUMMARY OF OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, consists of certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. Unless otherwise indicated, Industry and market data used in this section has been derived from the report titled “Assessment of healthcare delivery sector in India” dated June 16, 2026 (the “**CRISIL Report**”) prepared and issued by CRISIL Limited (“**CRISIL**”), which has been commissioned by and paid for by our Company, exclusively in connection with the Issue for the purposes of confirming our understanding of the industry in which we operate. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to the CRISIL Report, see “**Risk Factors – This Preliminary Placement Document contains industry information that has been extracted or derived from an industry report prepared by CRISIL Limited, which was commissioned by our Company.**” on page 67. The information in the following section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Preliminary Placement Document, including the information contained in “**Risk Factors**”, “**Industry Overview**” and “**Selected Financial Information**” on pages 39, 99 and 31, respectively.*

OVERVIEW

We are one of the key corporate healthcare groups in India in terms of bed capacity as of March 31, 2026, according to the CRISIL Report. We provide multi-disciplinary integrated healthcare services with a focus on tertiary and quaternary healthcare. We follow a cluster-based approach and operate 26 multi-specialty and super specialty hospitals under the “KIMS Hospitals” brand across Telangana, Andhra Pradesh, Maharashtra, Karnataka, and Kerala, with an aggregate bed capacity of 8,624, as of March 31, 2026, comprising 6,464 existing bed capacity, 1,310 beds under planned expansion and 850 beds under existing operation and management arrangements at our Kompally, Guntur and Sangli facilities, offering over 40 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopedics, pediatrics, reproductive sciences, organ transplantation, renal sciences and mother and child care. Our cluster-based approach enables us to concentrate on clinical expertise, build brand density and capture greater patient volumes, while achieving economies of scale in procurement, staffing and administration. Certain of our hospitals also have integrated diagnostic services and pharmacies.

We have grown from a single hospital to a chain of multi-specialty hospitals through organic growth and strategic acquisitions under the leadership of Dr. Bhaskara Rao Bollineni, our founder and Chairman and Managing Director, and Dr. Abhinay Bollineni, our Executive Director and CEO. Our first hospital was established in Nellore (Andhra Pradesh) in 2000 and has a capacity of approximately 250 beds as on March 31, 2026. We have significantly expanded our hospital network in the last three Fiscals, across South India and Maharashtra, through new hospital launches, acquisitions of hospitals and operation and management arrangements in Vizag, Nashik, Sangli, Kompally and Kannur in Fiscal 2025 and started operations in Thane, Kollam, Mahadevapura and Electronic City in Fiscal 2026.

We operate and manage all of our hospitals, providing greater control over our facilities and helping us deliver high quality and affordable healthcare services. We also pursue asset-light operating and management models for select hospitals, where substantial capital investment is not required.

We have made significant efforts to create a culture that nurtures our medical talent and encouraged our doctors to become stakeholders in the KIMS hospitals where they work. We believe this culture of empowerment and ownership has led to talent retention and allowed patients to create long-term relationships with our doctors. We also foster medical education through our network, with over 208 DNB students and a post-doctoral programme that strengthens our clinical knowledge base and helps deploy innovation across our hospitals. We have invested and expect to continually invest in sales and marketing activities. We have a dedicated marketing team that coordinates our sales and marketing activities to promote our brand and our hospitals in India and internationally.

We have established a track record of consistent revenue growth and profitability. As per the CRISIL Report, our Company had the second highest reported Adjusted EBITDA margin of 26.57% and the third highest reported PAT margin of 13.52% among the private hospital chains in India, as of Fiscal 2025.

The table below sets forth selected financial information for Fiscals 2026, 2025 and 2024, respectively:

Selected financial information

Particulars		Unit	As of/ For the year ended March 31,			CAGR (from Fiscal 2024 to Fiscal 2026) (%)
			2026	2025	2024	
Revenue from operations	₹ million		39,046	30,351	24,982	25.02%
Other income	₹ million		262	319	161	27.57%
Total income (A)	₹ million		39,308	30,670	25,143	25.04%
EBITDA ⁽¹⁾⁽²³⁾	₹ million		8,196	8,256	6,530	12.03%
Adjusted EBITDA ⁽²⁾⁽²³⁾	₹ million		8,282	8,148	6,533	12.59%
Adjusted EBITDA Margin ⁽³⁾⁽²³⁾	%		21.07%	26.57%	25.98%	
Profit before tax (B)	₹ million		3,339	5,581	4,595	-14.76%
PBT Margin ⁽⁴⁾⁽²³⁾ (B/A)	%		8.49%	18.20%	18.28%	
Profit for the year (C)	₹ million		2,420	4,148	3,359	-15.12%
PAT Margin ⁽⁵⁾⁽²³⁾ (C/A)	%		6.16%	13.52%	13.36%	
Net Worth ⁽⁶⁾⁽²³⁾	₹ million		22,895	21,492	18,350	11.70%
Return on Net Worth ⁽⁷⁾⁽²³⁾	%		10.57%	19.30%	18.31%	
Net Asset Value Per Equity Share ^{(8)(23)^}	₹		57.22	53.71	45.86	11.70%
Basic earnings per equity share ^{(9)^}	₹		6.03	9.61	7.75	-11.79%
Diluted earnings per equity share ^{(10)^}	₹		6.03	9.61	7.75	-11.79%
Total Assets	₹ million		77,587	57,360	38,517	41.93%
Cash & Cash Equivalents ⁽¹¹⁾	₹ million		554	560	469	8.68%
Total Equity	₹ million		25,585	24,188	20,931	10.56%
Total comprehensive income for the year	₹ million		2,422	4,125	3,362	-15.12%
IND AS 116 ⁽¹²⁾	₹ million		436	239	172	59.21%
Adjusted EBITDA Pre IND AS ⁽¹³⁾	₹ million		7,846	7,909	6,361	11.06%
Bed Capacity ⁽¹⁴⁾	Number		6,464	5,179	3,975	27.52%
Inpatient Volume ⁽¹⁵⁾	Number		246,297	213,346	191,167	13.51%
Outpatient Volume ⁽¹⁶⁾	Number		2,300,360	1,834,312	1,607,563	19.62%
ARPOB ⁽¹⁷⁾	₹		44,644	39,158	31,916	18.27%
ARPP ⁽¹⁸⁾	₹		159,575	143,293	131,232	10.27%
Operational Beds ⁽¹⁹⁾	Number		4,852	4,492	3,503	-
Occupied beds ⁽²⁰⁾	Number		2,450	2,248	2,148	-
Bed Occupancy Rate ⁽²¹⁾	%		50.49%	50.04%	61.32%	-
ALOS ⁽²²⁾	Days		3.6	3.7	4.1	-

⁽¹⁾ "EBITDA" is calculated as profit for the year, plus total tax expenses, finance costs and depreciation and amortization expenses.

⁽²⁾ "Adjusted EBITDA" is calculated as profit for the year, plus total tax expenses, finance costs and depreciation and amortization expenses less exceptional items ((loss)/gain on fair valuation of call option (net) and statutory impact of new labour codes) & share of profit/(loss) from associate, (net of taxes).

⁽³⁾ "Adjusted EBITDA Margin" is the percentage of Adjusted EBITDA divided by total income.

⁽⁴⁾ "PBT Margin" is the percentage of Profit before tax divided by total income.

⁽⁵⁾ "PAT Margin" is the percentage of Profit for the year divided by total income.

⁽⁶⁾ "Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. Accordingly, Net Worth has been calculated as aggregate value of the paid-up share capital, securities premium account and retained earnings.

⁽⁷⁾ "Return on Net Worth" is computed as profit for the year attributable to equity shareholders divided by the net worth at the end of the year.

⁽⁸⁾ "Net Asset Value Per Equity Share" is computed as net worth divided by the number of equity shares outstanding as at the end of the year. Net asset value for Fiscal 2024 is calculated post taking impact of split of face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each).

⁽⁹⁾ "Basic earnings per equity share" means profit for the year attributable to equity shareholders / weighted average number of shares outstanding as at the end of the year, in accordance with Ind AS 33 'Earnings per Share'. Basic earnings per equity share for Fiscal 2024 is calculated post taking impact of split of face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each).

⁽¹⁰⁾ "Diluted earnings per equity share" means profit for the year attributable to equity shareholders / weighted average number of shares outstanding as at the end of the year on fully diluted basis, in accordance with Ind AS 33 'Earnings per Share'. Diluted earnings per equity share for Fiscal 2024 is calculated post taking impact of split of face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each).

⁽¹¹⁾ "Cash & Cash Equivalents" includes cash on hand, balances with current accounts and deposit accounts.

⁽¹²⁾ "IND AS 116" is the Indian accounting standard that prescribes the principles for recognizing, measuring, presenting, and disclosing leases. It includes rent expenses (after right-of-use asset and a corresponding lease liability).

⁽¹³⁾ "Adjusted EBITDA Pre INDAS" is equal to Adjusted EBITDA minus INDAS 116 entries.

⁽¹⁴⁾ "Bed Capacity" means number of beds for which the civil structure has been planned for, as at the end of the relevant fiscal year.

⁽¹⁵⁾ "Inpatient Volume" means total number of patients who have been admitted to a hospital for treatment and subsequently discharged in the relevant year.

⁽¹⁶⁾ "Outpatient Volume" means total number of out patients visited the hospital within the specific period.

⁽¹⁷⁾ "ARPOB" means average revenue per occupied bed, which is hospital revenue divided by the total length of stay days.

⁽¹⁸⁾ "ARPP" means hospital revenue divided by the inpatient volume.

⁽¹⁹⁾ "Operational Beds" includes census beds (bed available for mid-night occupancy such as intensive care units ("ICUs")) and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds).

⁽²⁰⁾ "Occupied beds" means length of stay days divided by no of days.

⁽²¹⁾ "Bed Occupancy Rate (%)" is calculated by dividing the total number of occupied beds by the total number of operational beds.

⁽²²⁾ "ALOS" means average of length of stay, which means total length of stay divided by inpatients volume.

⁽²³⁾ EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Net Worth, Net Asset Value Per Share, Return on Net Worth, PAT Margin, and PBT Margin for our Company are non-GAAP measures. These non-GAAP measures are not meant to be considered in isolation or as a substitute for our profit before tax, profit for the year or any other financial measure prepared in accordance with Ind AS. The non-GAAP measures presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure. For information on how these non-GAAP measures are calculated and a reconciliation to our most directly comparable GAAP measures, see section titled "Financial Information" on page 217. Also see, "Risk Factors – This Preliminary Placement Document contains certain Non-GAAP measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry and therefore may not be comparable with financial or industry-related statistical information of similar nomenclature computed and presented by other companies." on page 67.

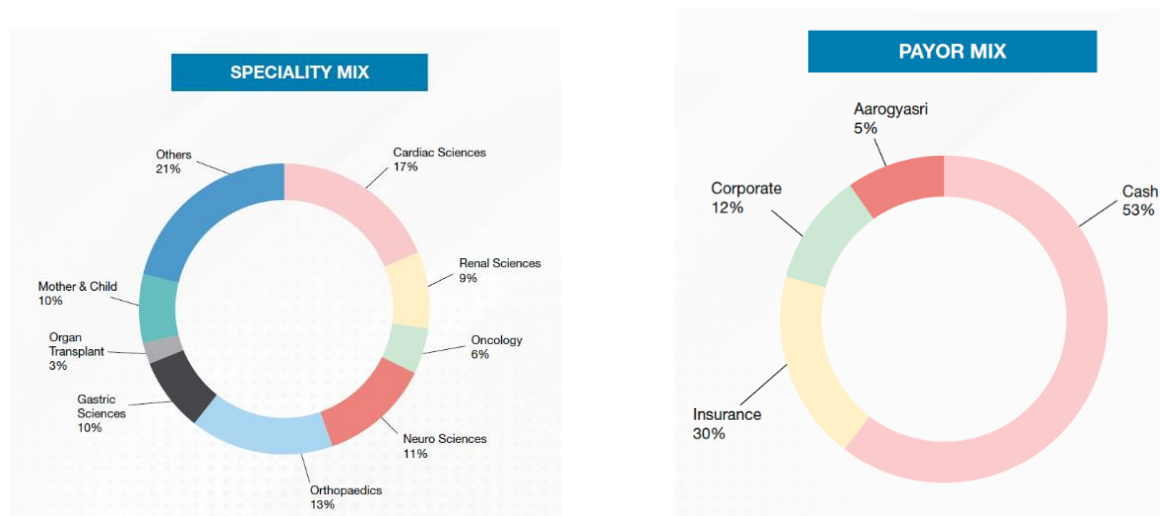
^The Board of Directors, at their meeting held on June 28, 2024, recommended for the sub-division of equity shares of the Company from existing face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each), and the same has been approved 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 ₹ 10 have been sub-divided into 5 equity shares of ₹ 2 each w.e.f. September 13, 2024.

Set forth below are details of payor mix breakdown (cash, insurance, government schemes) for Fiscals 2026, 2025 and 2024:

Particulars	(in percentages)		
	2026	For the year ended March 31, 2025	2024
Cash	53	53	53
Insurance	30	29	27
Corporate (including government schemes)	17	18	20

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Set forth below is our graphical representation of specialty mix and payor mix breakdown for Fiscal 2026:



Our key accreditations include NABH (including Digital standards), AACI (American Accreditation Commission International) and PDQ certification (Pharmacie De Qualite). Our flagship hospital at Secunderabad was the second hospital in Hyderabad to install the da Vinci robotic surgical system and has received the award for “*Excellence in Hospital Operations (Non-Clinical)*” at the AHPI (India) Awards for Excellence in Healthcare, 2025, the “*Advanced Stroke Center*” accreditation by the Quality and Accreditation Institute and recognition as the best BSD Certifying Team in South by National Organ and Tissue Transplant Organization, the Ministry of Health and Family Welfare. KIMS Vizag was one of the first hospitals in Andhra Pradesh to deploy an Endoscopic Ultrasound System with Radial & Linear Scopes, a 2T scope for high-end endoscopy procedures, Power Spiral Endoscopy. KIMS Kondapur received the AHPI Award 2025 for “*Excellence in Nursing Practices*”, and also received the CAHO award for “*Excellence in Endoscopy Services*”, and the “*Best Hospital with Remote Monitoring System*” award at the Financial Express Healthcare Awards. KIMS-Kingsway Hospital, Nagpur received the NABH Digital Health Accreditation Standards “*Gold Certificate*” and award for second runner-up in Western region by CAHO. KIMS-Saveera Hospital, Anantapur received the NABL accreditation. KIMS-USHALAKSHMI Centre for Breast Diseases received the Guinness World Record for “*Largest Breast Cancer Awareness Lesson*” in Fiscal 2025.

OUR STRENGTHS

1. Established healthcare platform in South India and Maharashtra with growing multi-state presence

We are one of the key corporate healthcare groups in India in terms of bed capacity as of March 31, 2026, according to the CRISIL Report. Leveraging our 25 years of expertise in Andhra Pradesh and Telangana since opening our first hospital in Nellore (Andhra Pradesh) in 2000, over time we have expanded our network across South India and Maharashtra. We strategically focus on the southern India and adjacent states healthcare market, where we have a strong understanding of regional nuances, customer culture and the mindset of medical professionals and where there is significant and growing demand for quality and affordable healthcare. Over the last three Fiscals, we have launched six hospitals across three states: two in Maharashtra, one through our subsidiary, KIMS Manavata Hospital Private Limited, and one through our Company, two in Kerala through our subsidiary, KIMS Swastha Private Limited, and two in Karnataka through our subsidiary, KIMS Hospital Bengaluru Private Limited. In addition, we are currently in the process of launching a hospital in Tamil Nadu. We follow a cluster-based approach and operated 26 multi-specialty and super specialty hospitals under the “KIMS Hospitals” brand across Telangana, Andhra Pradesh, Maharashtra, Karnataka, and Kerala, with an aggregate bed capacity of 8,624, as of March 31, 2026, comprising 6,464 existing bed capacity, 1,310 beds under planned expansion and 850 beds under existing operation and management arrangements (at our Guntur, Sangli, and Kompally facilities) offering over 40 specialties and super specialties including neurology, neurosurgery, psychiatry, neuro rehabilitation, cardiology, cardiac surgery, vascular surgery, heart transplant, cardio rehabilitation, pulmonology, interventional pulmonology, thoracic surgery, lung transplant, ENT (ear, nose, throat, head and neck surgery), ophthalmology, medical gastroenterology, surgical gastroenterology, hepatobiliary pancreatic surgery, liver transplant, bariatric surgery, nephrology, urology, andrology, renal transplant, gynecology, urogynecology, IVF and ART, fetal medicine, obstetrics, oncology, orthopedics, arthroscopic surgery, spine surgery, ortho rehabilitation, dermatology, cosmetology, plastic and reconstructive surgery, maxillo

facial surgery, general surgery, diabetology and endocrinology, pediatrics and pediatric sub specialties, neonatology, radiology, lab services, critical care services and hospital infection control.

Set forth below is the cluster-wise average billing per patient for Fiscals 2026, 2025 and 2024:

(in ₹)

Particulars	For the year ended March 31,		
	2026	2025	2024
Telangana	2,42,340	2,15,676	1,99,652
Andhra Pradesh	92,766	81,416	72,198
Karnataka	2,62,952	-	-
Maharashtra	1,57,484	1,31,299	1,21,517
Kerala	91,776	95,308	-

Note: Operations in Kerala started from Fiscal 2025 and operations in Karnataka Started in Fiscal 2026

Our leadership is driven by clinical excellence and affordable pricing. We believe that we deliver clinical excellence through quality healthcare services, supported by top medical talent, strong clinical and patient safety protocols and investments in new medical technology. We provide treatment for complex and chronic diseases covering primary, secondary, tertiary and quaternary healthcare including advanced quaternary care in cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother and childcare. Our continuous investment in medical technology and equipment has enabled us to offer advanced healthcare services. We strive to offer quality healthcare services at affordable prices across all markets, specialties and service types. We have successfully implemented our affordable pricing model across our clusters, despite differing competitive landscapes, patient demographics and specialty mixes. To sustain affordable pricing while generating strong returns, we rationalize doctor, procurement and administrative costs. We manage doctor costs through a mix of fixed and variable compensation arrangements based on patient volumes, costs and other factors. Specifically, we follow three compensation models for our doctors: (i) a consultation model, where a fixed salary is paid to doctors; (ii) a hybrid model, comprising a minimum guaranteed pay combined with a share of the revenue generated from professional fees; and (iii) a purely variable model, where compensation is entirely based on the revenue generated by the doctor.

Set forth below is the average doctor cost as a percentage of revenue for Fiscals 2026, 2025 and 2024:

Particulars	For the year ended March 31,		
	2026	2025	2024
Doctor Cost (₹ million)	10,072	6,838	5,494
Revenue from operations (₹ million)	39,046	30,351	24,982
% of Revenue	25.80%	22.53%	21.99%

Set forth below is ARPOB (Average Revenue Per Occupied Bed) by cluster for Fiscals 2026, 2025 and 2024:

Particulars	For the year ended March 31,		
	2026	2025	2024
Telangana	69,450	63,650	53,246
Andhra Pradesh	25,595	21,130	15,996
Karnataka	85,320	-	-
Maharashtra	39,402	32,052	33,782
Kerala	29,063	29,885	-

We have centralized supply chain operations, vendor management, and compliance, leveraging our scale to secure favorable pricing from vendors for medical equipment and consumables. We have a dedicated purchase department which undertakes centralized purchase of our supplies (including medicines) and equipment for our hospitals. We seek to maintain high service standards by sourcing most of our medical and non-medical supplies and equipment, manufactured by reputable companies, a wide range of suppliers with reputations for high quality products. Further, as of March 31, 2026, 2025 and 2024, we had 17,672, 14,106 and 11,049 employees, respectively, including employees of our Subsidiaries and O&M entities.

2. Integrated multi-specialty healthcare platform

In addition to core medical, surgical and emergency services, we offer a wide range of complex and advanced tertiary and quaternary care across our 26 multi-specialty and super specialty hospitals including cardiac sciences, neurosciences, oncology and transplant services. All our hospitals are typically launched as large-format, full-scale multi-specialty facilities from the date of their respective commencement. This full-spectrum launch model drives higher patient footfalls and enables cross-specialty referrals from inception.

We focus on high-end Cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics and renal sciences (“CONGOR”) specialties. The revenue generated from CONGOR criteria specialties over Fiscals 2026, 2025 and 2024 as a percentage of total revenue from operations for the respective period is as follows:

Particulars	For the year ended March 31,		
	2026	2025	2024
Revenue from CONGOR criteria specialties (₹ million)	26,234	20,215	16,704
As a % of total revenue from operations	67.19%	66.60%	66.86%

We conduct our multi speciality hospital business under a separate brand “KIMS Cuddles”. We recently launched IVF speciality under brand “KIMS Fertility”.

The revenue generated from CONGOR, Transplant and mother and child specialties over Fiscals 2026, 2025 and 2024 as a percentage of total revenue from operations for the respective period is as follows:

Particulars	For the year ended March 31,		
	2026	2025	2024
Revenue from CONGOR Transplant and mother and child specialties (₹ million)	31,180	24,091	19,725
As a % of total revenue from operations	79.85%	79.37%	78.96%

We have conducted 170 lung transplants, 249 liver transplants, 25 heart transplants and 600 kidney transplant procedures in India from Fiscal 2024 to Fiscal 2026 according to the CRISIL Report.

3. Leveraging asset-light model for capital-efficient expansion

We have developed a multi-pronged approach to hospital network expansion, which enables us to pursue growth opportunities in a capital-efficient manner. Our expansion models include: (a) greenfield projects, (b) brownfield projects and (c) asset-light operating and management model.

The asset light operating and management model, is further divided into two sub-models:

- (i) *Long-term lease model* - whereby we acquire existing hospital facilities and operate them under the “KIMS Hospitals” brand pursuant to a long-term lease contract, which can be renewed at our discretion or by mutual agreement, this enables us to retain control on the hospital assets and operations for a relatively longer period. We operate 859 beds under this model in Kerala (Kannur and Kollam) and Karnataka (Electronic City in Bangalore).
- (ii) *Operations and Management model* - whereby we partner with running hospitals and manage their operations, while the licenses are under the enterprises’ name and the Company is entitled to receive a percentage of the revenue generated by such hospital, coupled with call option, on the equity of such enterprise which enables us to retain and exercise control on the hospital assets and operations at our discretion. We operate 850 beds under this model in Sangli, Kompally, and Guntur.

This diversified approach allows us to deploy capital strategically while accelerating our geographic expansion. Our cluster-based growth strategy also aids bandwidth management. Each cluster has units with a unit head who reports to the cluster head and unresolved issues are escalated to the CEO. This system streamlines operations and boosts efficiency, as cluster heads are equipped to deal with local market nuances, patient tendencies, doctor-patient dynamics, and demographics.

4. Ability to attract and retain high quality doctors, including through equity participation

We maintain our standard of high-quality healthcare by employing a diverse pool of talented doctors, nurses and paramedical professionals. Our multi-disciplinary approach, combined with affordable treatment costs, a high-volume tertiary care model, and our focus on teaching and research, has helped us attract and retain high quality doctors.

A key element of our talent retention strategy is our doctor equity participation model. Further, our doctors have been involved in the growth of our hospitals by actively participating in the equity ownership in our Subsidiaries. Doctors invest directly from their personal accounts into the respective subsidiaries and may dilute their equity at a subsequent stage. We believe this structure creates a strong alignment between the interests of our doctors and the long-term performance of our hospitals, incentivizes sustained commitment, and fosters a deep sense of ownership, loyalty, trust and alignment with the long-term success of our hospitals. This partnership-driven culture has enabled us to achieve a doctor attrition rate of 22.64% for Fiscal 2026. Since inception in 2000, we have retained over 80% of our doctors.

We have fostered a culture that nurtures medical talent and encourages our doctors to become stakeholders in the KIMS hospitals where they work. Our doctors and patient care teams are actively involved in operational matters, including scheduling of surgeries and hospital management, which we believe contributes to improved clinical outcomes and enhanced service standards across our network. Further, many of our specialists have been trained in premier medical institutions across the world. For example, Dr. Raghuram was conferred the Officer of the Order of British Empire by Her Majesty Queen Elizabeth II.

5. Pioneering clinical capabilities underpinned by technology adoption

Our hospitals are equipped with modern medical infrastructure including robotic surgery systems, cutting-edge imaging technology and critical care facilities. We have made continuous investments in medical technology, systematically deploying new capabilities.

- Since 2020, we introduced the HD da Vinci Robotic Surgical System (facilitating virtually scarless complex surgeries), the O-Arm Scanner (multi-dimensional surgical imaging for spine, orthopaedic and trauma surgeries), SpyGlass (direct visualisation of biliary and pancreatic ducts), FibroScan (non-invasive liver fibrosis and steatosis diagnosis), the Novalis Tx Linear Accelerator (radiosurgery and radiotherapy for cancer), 3 Tesla MRI, the Mako Robotic System for knee replacement, the Cuvis Ortho Robo (3D pre-planning and precise bone cutting), EBUS (endobronchial ultrasound for lung cancer and lymph node diagnosis), the Stealth Station S8 (intraoperative neuro-navigation), IMPELLA (the world's smallest heart pump for hemodynamic support) and the EVIS X1 Endoscopy System.
- In 2024, we added Ex-ablate (MRgFUS Focussed Ultrasound, a revolutionary knifeless brain procedure for treating Parkinson's and essential tremors) and in 2023, we added the ESWL Dornier Delta III for non-invasive stone management.
- In 2025, we deployed TULSA-PRO (MRI-guided thermal ablation for BPH and prostate cancer), Gamma Knife radiosurgery (non-invasive focused gamma radiation for brain tumours and vascular malformations) and the CORI Surgical System for degenerative joint disease and introduced the MISSO Robotic Knee Replacement system (fully automated, sub-millimetre precision based on CT scan planning) and the Mazor X Robotic Guidance System for robotic spine surgery.
- In 2026, we installed cutting-edge diagnostic technologies at KIMS-Saveera Hospital, Anantapur, including High-Resolution 24-Channel Manometry, 24-Hour pH Metry, Hydrogen Breath Test and C13 Urea Breath Test.

KIMS Kondapur is the first hospital in the states of Telangana & Andhra Pradesh to install Medtronic Mazor X spine robot (Stealth Edition), according to the CRISIL Report.

The amount spent on advanced medical infrastructure and equipment over Fiscals 2026, 2025 and 2024 as a percentage of total Assets for the respective period is as follows:

Particulars	For the year ended March 31,		
	2026	2025	2024
Amount spent on advanced medical infrastructure and equipment (₹ million)	7,583	2,761	1,084
As a % of Total Assets (Total Assets is equal to total additions during the respective financial year)	34.07%	53.84%	16.99%

Further, our patient records are maintained in electronic form on our integrated IT system, which allows these records to be quickly securely transmitted within one of our hospitals, throughout our hospital network and to offsite locations as needed for quick diagnoses and treatment. We have implemented SAP in our hospitals, which helps us to have seamless access to financial, operational and management information system data.

6. Experienced senior management team

We benefit from an experienced senior management team with a proven track record in the healthcare services industry, enabling us to operate our facilities efficiently while providing quality affordable healthcare to our patients.

Our Company has been built under the leadership of Dr. Bhaskara Rao Bollineni, our founder, Chairman and Managing Director, a renowned cardiothoracic surgeon with over 32 years of experience, and Dr. Abhinay Bollineni, our Executive Director and CEO, who was named to Businessworld's BW 40 Under 40 list in 2019. Dr. Bhaskara Rao Bollineni started KIMS Nellore in 2000 with the vision of creating a hospital system for AP capable of attracting top medical talent and providing high-quality care at affordable prices. Dr. Abhinay Bollineni has led the expansion of the KIMS network, including setting up KIMS Kondapur and our numerous acquisitions across AP, Telangana, Maharashtra, Kerala and Karnataka, and is responsible for strategy, growth, marketing and operations. Sachin Ashok Salvi, our CFO, has experience of over 15 years in finance and accounting across leading companies in different sectors.

OUR STRATEGIES

1. Deepening regional presence through strategic cluster-based expansion

We intend to strengthen our hospital clusters across key markets in South India and adjacent states, like Maharashtra. Our cluster-based approach enables us to concentrate clinical expertise, build brand density and capture greater patient volumes within defined geographies, while achieving economies of scale in procurement, staffing and administration. The table below sets forth our revenue from operations from each region for the Fiscals 2026, 2025 and 2024, respectively, as a percentage of total revenue from operations for the respective period:

Cluster	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations (₹ million)	As a % of total revenue from operations	Revenue from operations (₹ million)	As a % of total revenue from operations	Revenue from operations (₹ million)	As a % of total revenue from operations
Telangana	22,289	57.08%	19,440	64.05%	16,432	65.78%
Andhra Pradesh	9,423	24.13%	8,082	26.63%	6,756	27.04%
Karnataka	1,012	2.59%	-	-	-	-
Maharashtra	4,629	11.86%	2,349	7.74%	1,794	7.18%
Kerala	1,693	4.34%	480	1.58%	-	-

In Andhra Pradesh and Telangana, where we have more than 25 years of experience, we intend to deepen our presence through expansion in specific specialties like oncology and mother and childcare, while adding beds in existing hospitals. In Maharashtra, we plan to scale operations in Nagpur, Nashik and Thane, strengthen clinical talent, ramp up recently commissioned facilities such as Sangli, and enter newer cities. In Karnataka, we are expanding into north Bengaluru through a new hospital with a focus on building clinical teams and driving volumes and we have leased a land in Sarjapur for this purpose. We believe there is potential for Bengaluru and greater Karnataka to support new hospitals that offer quality and affordable healthcare, as according to the CRISIL Report, cities such as Bengaluru are expected to see an increased influx of migrants and higher disposable income.

Our entry into Thane and Bengaluru not only provides access to new markets in Western India and Karnataka but serves as a gateway to serving new patients, signalling the transition from a regional chain to a pan-India healthcare platform. In Kerala, we intend to follow the operations and management model and target more hospitals in this model. In Tamil Nadu, we are setting up a hospital in Chennai and plan to expand along the border of Kerala and Tamil Nadu, which will attract population from both states. Chennai, major city on the border of Tamil Nadu and Andhra Pradesh, already attracts patients from Andhra Pradesh's four southern border districts.

We believe that, as we enter into these new markets, our strong existing brand recognition among patients in these regions can accelerate the growth of new hospitals. We also intend to leverage our acquisition experience to successfully identify, execute and integrate new opportunities, including through operations and management arrangements with third party healthcare service providers. For further details on operations and management arrangements.

2. Launching new specialties in existing and established hospitals in Andhra Pradesh and Telangana.

We are already a dominant player in Andhra Pradesh and Telangana and intend to launch new tertiary and quaternary specialties in our existing and established hospitals in these states, with a focus on improving average revenue per occupied bed. As per the CRISIL Report, in Fiscal 2025, the Indian healthcare delivery market was estimated at ₹7.0 trillion, with cardiac sciences accounting for the largest single-specialty share at 17%, followed by oncology at 12%. This reflects the rising incidence of heart disease and cancer, driven by lifestyle risks, pollution and increasing life expectancy. According to the CRISIL Report, in Fiscal 2025 Orthopedics (11%), neurosciences (9%), gastro sciences (9%) and renal sciences (8%) collectively contributed more than one-third of the market, supported by higher detection of chronic disease, stroke, joint disorders and digestive ailments, as well as wider adoption of advanced diagnostics and specialised procedures.

In this regard, we have identified cardiac sciences, orthopaedics, neurosciences, gastric sciences, renal sciences, interventional pulmonology, immunology and palliative care and in particular, organ transplant, oncology and mother and childcare as specialties that we intend to further strengthen and grow. In organ transplantation, we have expanded our clinical team to provide heart and lung transplants in addition to other organ transplant services (liver and kidney, among others). In Fiscal 2026, we had 384 inpatients in our organ transplant programme generating ₹ 1,021 million revenue, accounting for 3% of our consolidated revenue from operations. We intend to offer complicated specialist-skill driven clinical areas of organ transplantation services in more of our hospitals in the future.

We also aim to strengthen oncology services by adding radiation and surgical services and introducing oncology at more hospitals. We offer medical oncology, surgical oncology and radiation oncology, with our surgical oncology programme providing modern, multidisciplinary treatment of primary and metastatic tumours in collaboration with different departments, with a specialisation in detecting and treating prostate gland cancers, ovarian cancers, brain cancers and other rare types of cancers and malignancies with techniques such as 'True Beam STX', robotic procedures and nuclear medicinal treatments. We supplement cancer treatment services with radiation oncology technology. We have adopted intensity modulated and image guided radiation treatment, known as 'IMRT' and 'IGRT', which delivers painless and precise doses to the tumour, minimising any radiation deposited on the surrounding healthy tissue for improved overall outcomes. In Fiscal 2026, we had 17,633 inpatients and 49,378 outpatients in our oncology programme, generating ₹ 2,523 million revenue, accounting for 6.4% of our consolidated revenue from operations.

We have also developed our mother and childcare under the 'KIMS Cuddles' brand, particularly at hospitals with strong growth in inpatient volumes growth. 'KIMS Cuddles' program is a single specialty woman and child division which focuses on providing high-quality maternity and paediatric care across a wide range of specialties, including obstetrics, gynaecology, paediatrics, neonatology and foetal medicine. We have also recently launched our IVF specialty under the 'KIMS Fertility' brand. The Institute for Reproductive Science at KIMS offers individually designed treatment including intrauterine insemination (IUI), in vitro fertilization (IVF), ICSI, blastocyst transfer, preimplantation genetic diagnosis (PGD), egg or embryo cryopreservation, or egg donation. We also offer comprehensive paediatric care, from treatment of simple fevers to intensive care for paediatric cancer and cystic fibrosis. In Fiscal 2026, we had 35,248 inpatients and 3,35,686 outpatients in our mother and childcare programme, generating ₹ 3,926 million revenue accounting for 10% of our consolidated revenue from operations.

We will also periodically evaluate increasing the bed capacity of existing hospitals as demand grows.

3. Ramp-up of recently commissioned hospitals

We intend to continue investing in our recently commissioned hospitals across Maharashtra, Kerala and Karnataka to drive medium-term growth. Our proven operational playbook for ramping up new hospitals, including launching with a full suite of specialties, efficient onboarding of clinical teams and targeted community outreach, positions us to achieve occupancy and profitability targets at an accelerated pace.

We believe that maximising operating efficiencies is critical to maintaining and improving the affordability of our healthcare services and, ultimately, our profitability. In Maharashtra, we aim to ramp up capacities, build clinical talent, bring Sangli (currently under the O&M model) under the KIMS fold and enter newer cities. In Bengaluru, we intend to engage new clinical talent, concentrate on building volumes and focus on achieving breakeven at the earliest. We aim to improve occupancy rates and the utilisation of key equipment and operating theatres by expanding tertiary care services, growing our preventive healthcare and health screening programmes and increasing community outreach programmes. We monitor our costs of pharmacy and consumables, human resources and other administration closely through a dedicated business intelligence team that works closely with key departments to monitor and optimise operational costs. We intend to further centralise and optimise our procurement costs by leveraging our growing scale. We have also launched special initiatives focused on energy efficiency and cost reduction, while continuing to invest in technology-enabled operating procedures to increase efficiencies and ensure quality patient care.

We intend to ramp up our new facilities through new technology adoption, strategic tie-ups (including with insurance companies and corporates), branding and community outreach programmes, CME programmes, and monthly journals and bulletin publications on clinical outcomes.

4. Continued investment in technology adoption

We intend to strengthen our investments in advanced medical technology and digital tools to improve clinical outcomes and patient experience, developing a healthcare ecosystem that utilises digital healthcare technologies to offer patients a fully integrated approach to manage their journey towards health and wellness management. According to the CRISIL Report, the advent of 5G, smartphone penetration and an increasing health-conscious population will deepen digital healthcare penetration.

We also intend to invest in the infrastructure and technology necessary to perform technology-enabled operating procedures in our hospitals. Greater integration of technology in operations can reduce our costs by streamlining our processes and allow us to use more selective human interventions with patients, while also providing patients with round-the-clock access to care. Our focus areas include expanding robotic surgery capabilities, building on our existing deployment of the da Vinci, Mako, MISSO, Cuvis, CORI and Mazor X platforms, deploying AI-assisted diagnostic tools and enhancing our digital patient engagement platforms. We are also in the process of adopting and enhancing end-to-end automation in our key operational procedures such as outpatient registration, billing, admissions and discharge. On the clinical side, we have piloted a new digital nursing portal to better optimise time and resource allocation at nursing stations and enhance patient care satisfaction.

We also intend to pursue research and development initiatives to further our clinical innovation agenda. We conduct research and development activities through KFRC. Pursuant to a MoU dated January 1, 2016, KFRC conducts research in association with us and has access to our facilities and services for the purposes of research and establishing research-related educational facilities. KFRC was set up in 2010 to, among other things, conduct research in the field of medicine, science and technology and has been recognised by the Department of Scientific and Industrial Research, Government of India. It conducts innovative research by focusing on medical needs and collaborating with national and international organisations, in various fields including regenerative medicine, cancer biology and molecular genetics. Through KFRC, we have published clinical papers in international medical journals. KFRC also publishes a quarterly journal titled Journal of Medical and Scientific Research, with content ranging from original research, review articles, case reports to editorials and medical news.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of the Board of Directors is governed by the Companies Act, 2013, the SEBI Listing Regulations, each as amended, and our Articles of Association. In accordance with our Articles of Association, our Company shall not have more than 15 Directors.

As on the date of this Preliminary Placement Document, our Company has nine Directors, of which four are Executive Directors, and five Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding our Board of Directors as on the date of this Preliminary Placement Document:

Name, Address, Occupation, Current term, Period of Directorship and DIN	Age	Designation
Dr. Bhaskara Rao Bollineni <i>Date of birth:</i> January 1, 1954 <i>Address:</i> 300A, MLA Colony, Road No. 12, Banjara Hills, Khairatabad, Hyderabad 500 034, Telangana, India. <i>Occupation:</i> Doctor <i>Current term:</i> Five years from April 1, 2022, liable to retire by rotation <i>Period of directorship:</i> Since November 1, 2002 <i>DIN:</i> 00008985	72	Chairman and Managing Director
Anitha Dandamudi <i>Date of birth:</i> August 29, 1969 <i>Address:</i> Plot No. 1240, Road No. 62, Jubilee Hills, Shaikpet, Hyderabad 500 033, Telangana, India. <i>Occupation:</i> Service <i>Current term:</i> Five years from April 1, 2022, liable to retire by rotation <i>Period of directorship:</i> Since March 21, 2008 <i>DIN:</i> 00025480	56	Whole-Time Director
Dr. Abhinay Bollineni <i>Date of birth:</i> February 14, 1988 <i>Address:</i> 300A, Road No. 12, MLA Colony, Banjara Hills, Hyderabad 500 034, Telangana, India. <i>Occupation:</i> Doctor <i>Current term:</i> Five years from January 18, 2022, liable to retire by rotation <i>Period of directorship:</i> Since January 18, 2019 <i>DIN:</i> 01681273	38	Executive Director and Chief Executive Officer
Adwik Bollineni <i>Date of birth:</i> April 27, 1992 <i>Address:</i> 300A, Road No. 12, MLA Colony, Banjara Hills,	34	Executive Director*

Name, Address, Occupation, Current term, Period of Directorship and DIN	Age	Designation
Hyderabad 500 034, Telangana, India		
<i>Occupation:</i> Business		
<i>Term:</i> Five years from May 15, 2026, liable to retire by rotation		
<i>Period of directorship:</i> Since November 28, 2023		
<i>DIN:</i> 06549059		
Saumen Chakraborty	64	Independent Director
<i>Date of birth:</i> November 1, 1961		
<i>Address:</i> Survey No. 1009/P, Block 2B, F900, Beverly Hills, Lodha Belleza, KPHB Colony, near Hitech City, MMTS Railway Station, Kukatpally, Hyderabad 500 072, Telangana, India		
<i>Occupation:</i> Professional		
<i>Term:</i> Five years from January 8, 2024		
<i>Period of directorship:</i> Since January 8, 2021		
<i>DIN:</i> 06471520		
Prameela Rani Yalamanchili	72	Independent Director
<i>Date of birth:</i> August 1, 1953		
<i>Address:</i> 8-3-167/D/33/101, Akshara Enclave I, near central bank, Kalyan Nagar, Phase I, Hyderabad 500 038, Telangana, India		
<i>Occupation:</i> Professional		
<i>Current term:</i> Five years from May 19, 2025		
<i>Period of directorship:</i> Since May 19, 2022		
<i>DIN:</i> 03270909		
Ratna Kishore Kaza	73	Independent Director
<i>Date of birth:</i> April 14, 1953		
<i>Address:</i> Flat no. 105, 1st Floor, Emerald Block, Lumbini Rockdale, Somajiguda, beside Eenadu office, Kairathabad, Hyderabad 500 082, Telangana, India		
<i>Occupation:</i> Professional		
<i>Current term:</i> Five years from January 8, 2024		
<i>Period of directorship:</i> Since January 8, 2021		
<i>DIN:</i> 01152107		
Venkata Ramudu Jasthi	71	Independent Director
<i>Date of birth:</i> August 1, 1954		
<i>Address:</i> Villa No. 1018, Mallikarjuna krinss Villas, Near Future Kids School, Nanakramguda, Gandipet, Puppallaguda, KV Rangareddy, Hyderabad 500 089, Telangana, India		
<i>Occupation:</i> Professional		
<i>Term:</i> Five years from January 8, 2024		

Name, Address, Occupation, Current term, Period of Directorship and DIN	Age	Designation
<i>Period of directorship:</i> Since January 8, 2021		
<i>DIN:</i> 03055480		
Suresh Natwarlal Patel	68	Independent Director
<i>Date of birth:</i> December 25, 1957		
<i>Address:</i> House No. A-2, Aalay Apartment, opp. Pushpraj tower, Judges Bungalows Road, Bodakdev, Ahmedabad City 380 054, Gujarat, India		
<i>Occupation:</i> Professional		
<i>Current term:</i> Five years from January 4, 2025		
<i>Period of directorship:</i> Since January 4, 2025		
<i>DIN:</i> 07202263		
<i>*Subject to regularisation by way of shareholders resolution</i>		

Borrowing powers of our Board

Pursuant to our Articles of Association and applicable provisions of the Companies Act 2013 and rules therein, our Board is entitled to raise or borrow any sums of money for and on behalf of the Company from the members or from other persons, companies or banks. Our Board may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit.

Relationship between our Directors, Key Managerial Personnel and members of Senior Management

Except as stated below none of our Directors are related to each other or to the Key Managerial Personnel or Senior Management of our Company:

1. Dr. Bhaskara Rao Bollineni is the father of Dr. Abhinay Bollineni and Adwik Bollineni; and
2. Dr. Abhinay Bollineni and Adwik Bollineni are siblings.

Interest of our Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them as well as sitting fees, if any, payable to them for attending meetings of our Board or committees thereof and any commission payable to them. Our Directors may be interested to the extent of Equity Shares, if any, that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares.

No loans have been availed by our Directors from our Company which are currently outstanding.

Except for Dr. Bhaskara Rao Bollineni, Dr. Abhinay Bollineni, and Adwik Bollineni, who are also Promoters of our Company, none of our Directors have any interest in the promotion of our Company

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Related Party Transactions

Except as provided in “**Related Party Transactions**” on page 38, there have been no related party transactions between the Company and any of the Directors, Key Managerial Personnel and members of our Senior Management during the last three Fiscals immediately preceding the date of this Preliminary Placement Document. For further details in relation to the related party transactions entered by our Company during the aforesaid duration, see “**Related Party Transactions**” on page 38.

Remuneration of Directors

The Nomination and Remuneration Committee determines and recommends to our Board the compensation payable to our Directors. Our Board and/or the Shareholders, as the case may be, approves such compensation to Directors.

Sitting Fees

Pursuant to the resolution passed by our Board on May 12, 2025, our Independent Directors, namely, Prameela Rani Yalamanchili, Suresh Natwarlal Patel, Ratna Kishore Kaza, and Venkata Ramudu Jasthi are each entitled to a fixed remuneration of ₹ 2.00 million by way of commission. Pursuant to the resolution passed by our Board on November 28, 2023, one of our Independent Directors, namely, Saumen Chakraborty is entitled to a fixed remuneration of ₹ 3.00 million by way of commission.

The following tables set forth the details of managerial remuneration/ commission paid to our Directors, from April 1, 2026 till the date of this Preliminary Placement Document and the Fiscals 2026, 2025 and 2024.

(in ₹ million)					
Name	Designation	Remuneration paid from April 1, 2026 to June 13, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Dr. Bhaskara Rao Bollineni	Chairman and Managing Director	11	55	45	39
Dr. Abhinay Bollineni	Executive Director and Chief Executive Officer	5	36	21	22
Anitha Dandamudi	Whole-time Director	1	7	7	6
Adwik Bollineni	Executive Director	-	-	-	-
Saumen Chakraborty	Independent Director	-	3	4	4
Ratna Kishore Kaza	Independent Director	-	2	2	1
Venkata Ramudu Jasthi	Independent Director	-	2	2	1
Prameela Rani Yalamanchili	Independent Director	-	2	2	1
Suresh Natwarlal Patel	Independent Director	-	2	Negligible*	-

*Represents less than ₹1 million.

Shareholding of Directors

Except as disclosed below, none of our Directors hold Equity Shares in our Company, as on the date of this Preliminary Placement Document:

Name	Number of Equity Shares	Percentage of the issued and paid-up Equity Share capital (in %)
Dr. Bhaskara Rao Bollineni	105,099,645	26.27
Dr. Abhinay Bollineni	236,495	0.06
Adwik Bollineni	40,640	0.01
Anitha Dandamudi	270	Negligible

Terms of appointment of Executive Directors

Pursuant to a resolution passed by our Board dated May 15, 2026, our Executive Directors are each entitled to the remuneration set out in the following table:

S. No.	Name	Particulars
1.	Dr. Bhaskara Rao Bollineni	Designation: Chairman and Managing Director Tenure as Chairman and Managing Director: For a period of 5 years commencing from April 1, 2022 to March 31, 2027. Remuneration: Fixed pay - ₹ 60 million p.a.; Variable pay - ₹ 10 million p.a.
2.	Dr. Abhinay Bollineni	Designation: Executive Director and Chief Executive Officer Tenure as Executive Director and Chief Executive Officer: For a period of 5 years effective from January 18, 2022 to January 17, 2027.

S. No.	Name	Particulars
3.	Anitha Dandamudi	Remuneration: Fixed pay - ₹ 27.5 million p.a.; Variable pay - ₹ 15 million p.a.
		Designation: Whole-time Director
		Tenure as Whole-time Director: For a period of 5 years effective from April 1, 2022 to March 31, 2027.
4.	Adwik Bollineni	Remuneration: Fixed pay - ₹ 7.5 million p.a.; Variable pay - ₹ 1 million p.a.
		Designation: Executive Director
		Tenure as Executive Director: For a period of 5 years effective from May 15, 2026 to May 15, 2031.
		Remuneration: Fixed pay - ₹ 8.5 million p.a.; Variable pay - ₹ 4 million p.a.

Bonus or profit-sharing plan of the Directors

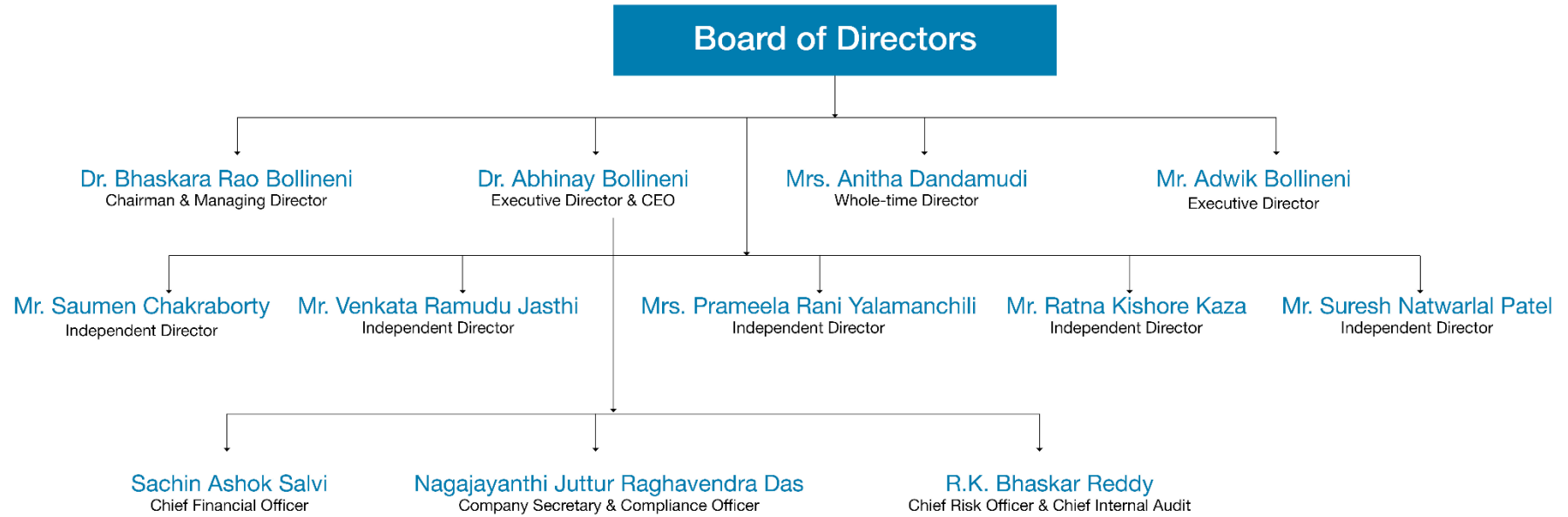
Our Company does not have any bonus or profit-sharing plan with our Directors.

Committees of our Board of Directors

Our Board has constituted committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee. The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No	Committee	Name and Designation of Members
1.	Audit Committee	Saumen Chakraborty - Independent Director (Chairperson) Ratna Kishore Kaza - Independent Director (Member) Prameela Rani Yalamanchili – Independent Director (Member)
2.	Nomination and Remuneration Committee	Ratna Kishore Kaza – Independent Director (Chairperson) Venkata Ramudu Jasthi – Independent Director (Member) Prameela Rani Yalamanchili – Independent Director (Member)
3.	Stakeholders' Relationship Committee	Ratna Kishore Kaza – Independent Director (Chairperson) Dr. Bhaskara Rao Bollineni – Chairman and Managing Director (Member) Adwik Bollineni – Executive Director (Member)
4.	Corporate Social Responsibility Committee	Dr. Bhaskara Rao Bollineni – Chairman and Managing Director (Chairperson) Anitha Dandamudi – Whole-time Director (Member) Ratna Kishore Kaza – Independent Director (Member)
5.	Risk Management Committee	Prameela Rani Yalamanchili – Independent Director (Chairperson) Saumen Chakraborty – Independent Director (Member) Dr. Abhinay Bollineni – Executive Director and Chief Executive Officer (Member) Anitha Dandamudi – Whole-time Director (Member)

Management Organization Chart



Key Managerial Personnel and members of our Senior Management

Key Managerial Personnel

In addition to Dr. Bhaskara Rao Bollineni, our Chairman and Managing Director, Anitha Dandamudi, our Whole-Time Director and Dr. Abhinay Bollineni, our Executive Director and Chief Executive Officer, the details of our other Key Managerial Personnel identified in terms of the Companies Act, 2013 and the SEBI ICDR Regulations, as on the date of this Preliminary Placement Document, are set out below:

Name	Designation
Sachin Ashok Salvi	Chief Financial Officer
Nagajayanthi Juttur Raghavendra Das	Company Secretary and Compliance Officer

Members of our Senior Management

In addition to Sachin Ashok Salvi, Chief Financial Officer and Nagajayanthi Juttur Raghavendra Das, Company Secretary and Compliance Officer, who are also Key Managerial Personnel and whose details are disclosed above, the details of our members of Senior Management, as on the date of this Preliminary Placement Document, are set out below:

Name	Designation
R.K. Bhaskar Reddy	Chief Risk Officer and Chief Internal Audit

All of our Key Managerial Personnel and members of Senior Management are permanent employees of our Company.

Shareholding of our Key Managerial Personnel and Senior Management

Except as disclosed below and in “– *Shareholding of Directors*” above, none of our Key Managerial Personnel and members of Senior Management hold Equity Shares in our Company, as on the date of this Preliminary Placement Document:

Name	Number of Equity Shares	Percentage of the issued and paid-up Equity Share capital (in %)
Sachin Ashok Salvi	690	Negligible
R.K. Bhaskar Reddy	869	Negligible

Interests of our Key Managerial Personnel and members of the Senior Management

Other than as disclosed under “– *Interest of our Directors*” and “– *Related Party Transactions*” above, our Key Managerial Personnel and members of the Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits or stock options to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. Our Key Managerial Personnel and members of Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

Other confirmations

None of the Directors, Promoters or Key Managerial Personnel or members of Senior Management of our Company has any financial or other material interest in the Issue, except to the extent of their shareholding directly or indirectly in our Company, and there is no effect of such interest in so far as it is different from the interests of other persons.

Our Promoter, Directors, Key Managerial Personnel and members of Senior Management do not intend to subscribe to and will not participate in the Issue.

Neither our Company, nor any of our Directors or Promoters have been declared as a Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013), or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the Reserve Bank of India as defined under SEBI ICDR Regulations.

Neither our Company, nor our Directors or Promoter are debarred from accessing capital markets under any order

or direction made by SEBI.

None of our Directors or Promoter have been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct namely the “*Code of Conduct for Prevention of Insider Trading of Krishna Institute of Medical Sciences Limited*” for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Nagajayanthi Juttur Raghavendra Das , Company Secretary and Compliance Officer, acts as the ‘compliance officer’ of our Company under the aforesaid code of conduct for the prevention of insider trading.

ORGANIZATIONAL STRUCTURE

Corporate History

Our Company was incorporated as ‘Jagjit Singh and Sons Private Limited’, a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai on July 26, 1973. Our Company changed the location of its registered office from the State of Maharashtra to the erstwhile State of Andhra Pradesh, pursuant to an order dated January 29, 2003 by the Company Law Board, Western Region Bench, Mumbai (“**Order**”) and the registration of the Order vide certificate of registration dated February 21, 2003 by the Registrar of Companies, Andhra Pradesh and Telangana (then the Registrar of Companies, Andhra Pradesh) (“**RoC**”). Subsequently, the name of our Company was changed to ‘Krishna Institute of Medical Sciences Private Limited’, pursuant to a letter of approval from the Central Government dated January 2, 2004 and a fresh certificate of incorporation issued by the RoC on January 2, 2004. Further, pursuant to the conversion of our Company to a public limited company, our name was changed to ‘Krishna Institute of Medical Sciences Limited’ and the RoC issued a fresh certificate of incorporation on January 29, 2004.

The Equity Shares have been listed on the BSE and NSE since June 28, 2021.

Our Company’s CIN is L55101TG1973PLC040558

Registered Office

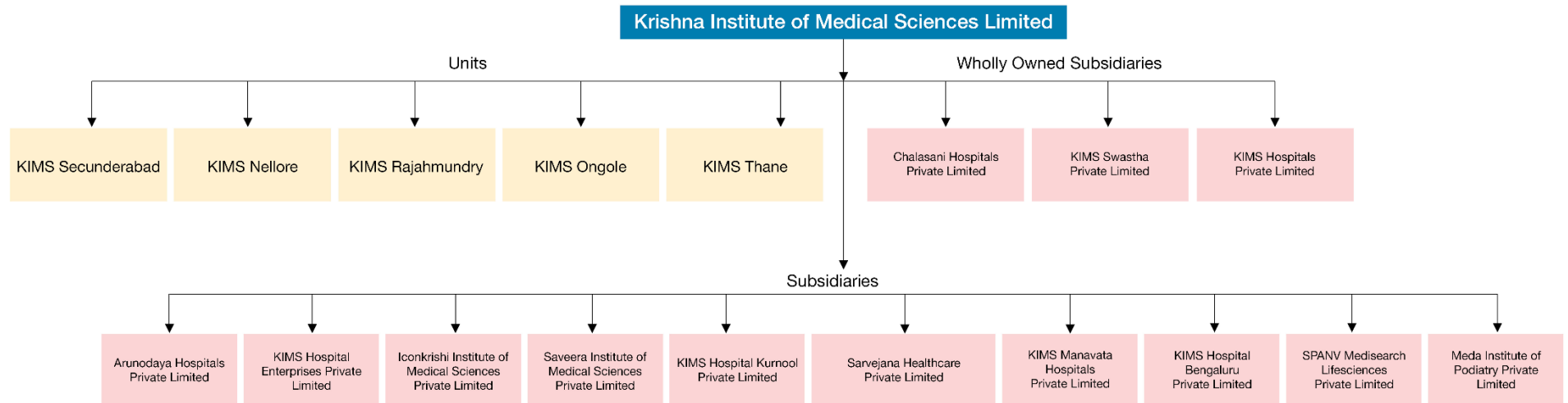
Our Registered Office is situated at D. No. 1-8-31/1, Minister’s Road, Secunderabad, Telangana 500 003, India.

Organisational structure

The organisational structure of our Company as on the date of this Preliminary Placement Document is as follows:

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Corporate Structure



Subsidiaries

As of the day of this Preliminary Placement Document, our Company has 13 subsidiaries, as set forth below:

Sr. No.	Name	Location	Business	Registered office address
1	Arunodaya Hospitals Private Limited	Srikakulam, Andhra Pradesh,	Hospitals and healthcare related activities	New Bridge Road, Near Datta Temple, PN Colony Junction, Srikakulam 532 001, Andhra Pradesh, India
2.	KIMS Hospital Enterprises Private Limited	Hyderabad, Telangana	Hospitals and healthcare related activities	Building No.1-112/86, Survey No.55/EE, Kondapur Village, Serilingampally Mandal, Hyderabad 500 084, Telangana, India
3.	Iconkrishi Institute of Medical Sciences Private Limited	Vishakhapatnam, Andhra Pradesh	Hospitals and healthcare related activities	D.No.32-11-02, Sheelanagar, BHPV Post, Vishakhapatnam 530 012, Andhra Pradesh, India
4.	Saveera Institute of Medical Sciences Private Limited	Anantapur, Andhra Pradesh	Hospitals and healthcare related activities	D.No:1-1348, Srinagar Colony Extension Opposite to Sakshi Office, Anantapur 515 004, Andhra Pradesh, India
5.	KIMS Hospital Kurnool Private Limited	Andhra Pradesh	Hospitals and healthcare related activities	Door No 69 213 K 9, Joharapuram Road, Kurnool, Kurnool, Kurnool 518 001, Andhra Pradesh, India
6.	Sarvejana Healthcare Private Limited	Hyderabad, Telangana	Hospitals and healthcare related activities	Survey No-194/11, H.No 1-8-411 to 415, Prakash Nagar Begumpet Metro Pillar No C1327, Begumpet, Hyderabad 500 016, Secunderabad, Telangana, India
7.	SPANV Medisearch Lifesciences Private Limited	Nagpur, Maharashtra	Hospitals and healthcare related activities	44, Parwana Bhawan, Kingsway, Nagpur, Nagpur 440 001, Maharashtra, India
8.	KIMS Hospitals Private Limited	Rajahmundry, Andhra Pradesh	Hospitals and healthcare related activities	78-7-15/1, SSR Plaza, Gandhipuram – 3, Near Sri Gowthami School, Danavaipet, Guntur, Rajahmundry 533 103, Andhra Pradesh, India
	KIMS Swastha Private Limited	Hyderabad, Telangana	Hospitals and healthcare related activities	Building No. 1-112/86, Survey No. 55/EE, Kondapur Village, Kondapur, K.V.Rangareddy, Serilingampally 500 084, Telangana, India
10.	KIMS Hospital Bengaluru Private Limited	Hyderabad, Telangana	Hospitals and healthcare related activities	Door No.1-111/55/E, Block-1, 1 st Floor, Kondapur, Serilingampally, Hyderabad 500 084, Telangana, India
11.	Chalasani Hospitals Private Limited	Vishakhapatnam, Andhra Pradesh	Hospitals and healthcare related activities	50-53-14, Gurudwara Lane Seethammadhara, Visakhapatnam 530 013, Andhra Pradesh, India
12.	Meda Institute of Podiatry Private Limited	Hyderabad, Telangana	Hospitals and healthcare related activities	H No 5-85/53/2, Plot No 53/2, Survey No 5/3, Raidurg, Panmaktha Village, Madhapur, Hyderabad 500 081, Shaikpet, Telangana, India
13.	KIMS Hospitals Manavata Private Limited	Nashik, Maharashtra	Hospitals and healthcare related activities	Survey no 571/1A/1, plot no 63 Mumbai Agra Highway, Nashik 422 001, Maharashtra, India

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on the date of filing of the Preliminary Placement Document, is set forth below:

Summary statement holding of specified securities

Sl. No. (I)	Category of the Shareholders (II)	No. of Share holders (III)	No. of fully Paid up equity share held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.) (X)	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	Shareholding %, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII) = (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XIII)^		Number of shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Number of Shares encumbered (XVII)=(XIV+XV+XVI)		Number of equity shares held in dematerialized form (XVIII)
								No of Class X	Voting Rights Class Y	Total	Total as a % of Total Voting rights (A+B+C)				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
A	Promoter & Promoter Group	6	136,489,330	-	0	136,489,330	34.11	136,489,330	-	136,489,330	34.11	-	136,489,330	34.11	-	-	14,000,000	10.26	NA	NA	NA	NA	14,000,000	10.26	136,489,330
B	Public	93,327	263,649,605	0	0	263,649,605	65.88	263,649,605	-	263,649,605	65.88	-	263,649,605	65.89	-	-	NA	NA	NA	NA	NA	NA	NA	NA	263,473,785
C	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-
	Total	93,333	400,138,935	0	0	400,138,935	100.00	400,138,935	-	400,138,935	100.00	-	400,138,935	100.00	-	-	14,000,000	3.50	NA	NA	NA	NA	14,000,000	3.50	399,963,115

Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Sl. No. (I)	Category of the Shareholders (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total no. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOPs etc.) (X)	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI) =(VII+X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XIII)	Total Number of Shares pledged or otherwise encumbered (XIV)		Number of equity shares held in dematerialized form (XV)	
								No of Voting Rights			Total as a % of Total Voting rights								
								Class X	Class Y	Total									
1	N.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Non-Promoter- Non Public Shareholding = (C)= (C)(I)+ (C) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Statement showing shareholding pattern of the Public shareholder

Sl. No. (I)	Category of the Shareholders (II)	Nos. of shareholder (III)	No. of fully paid up share s held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957, As a % of (A+B+C2) VIII	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc) (X)	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI) =(VII+X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII) = (VII)+(X) As a % of (A+B+C2)	Number of shares Locked in (XIII)	Number of shares pledged (XIV)	Non- Disposal Undertaking (XV)	Other encumbrances, if any (XVI)	Total Number of Shares pledged or otherwise encumbered (XVII)	Number of equity shares held in dematerialized form (XVIII)	Sub-categorization of shares																																																																																																																																																																									
								No of Voting Rights		Total as a % of Total Voting rights			No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % 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(a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b)	No. As a % (a) of total shares held (b

Sl. No. (I)	Category of the Shareholders (II)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957, As a % of (A+B+C2) VIII	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc) (X)	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	Total shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XIII)	Number of shares pledged (XIV)	Non- Disposal Undertaking (XV)	Other encumbrances, if any (XVI)	Total Number of Shares pledged or otherwise encumbered (XVII)		Number of equity shares held in dematerialized form (XVIII)	Sub-categorization of shares				
								No of Voting Rights										Total as a % of Total Voting rights	Sharedholdig (Nos. of shares) under						
								Class X	Class Y	Total									Sub- Category (i)		Sub- Category (ii)	Sub- Category (iii)			
																							(a)	(b)	(b)
F	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
G	Resident Individuals holding nominal share capital up to ₹ 2 lakhs	88,576	16,382,215	-	-	16,382,215	4.09	16,382,215	-	16,382,215	4.09	-	16,382,215	4.09	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	16319795
h	Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	58	31,006,160	-	-	31,006,160	7.75	31,006,160	-	31,006,160	7.75	-	31,006,160	7.75	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	30892760
i	Non Resident Indians (NRIs)	2,600	1230202	-	-	1,230,202	0.31	1,230,202	-	1,230,202	0.31	-	1,230,202	0.31	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	1,230,202
j	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
k	Foreign Companies	1	7,850,000	-	-	7,850,000	1.96	7,850,000	-	7,850,000	1.96	-	7,850,000	1.96	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	7,850,000
l	Bodies Corporate	439	888,652	-	-	888,652	0.22	888,652	-	888,652	0.22	-	888,652	0.22	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	888,652
m	Any Other (specify)	1,434	598,650	-	-	598,650	0.15	598,650	-	598,650	0.15	-	598,650	0.15	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	598,650
	Sub-Total (B)(4)	93,110	75,318,689	-	-	75,318,689	18.82	75,318,689	-	75,318,689	18.82	-	75,318,689	18.82	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	75,318,689
	(B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)	93,327	263,649,605	-	-	263,649,605	65.89	263,649,605	-	263,649,605	65.89	-	263,649,605	65.89	-	-NA	NA	NA	NA	NA	NA	NA	NA	NA	263473785

Statement showing shareholding pattern of the Promoter and Promoter Group

Sl. No. (I)	Category of the Shareholders (II)	No. of Share holders (III)	No. of fully Paid up equity share held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Sharehold- ing % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.) (X)	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII) = (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XIII)		Number of shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Number of Shares encumbered (XVII)=(XIV+XV+XVI)		Number of equity shares held in dematerialized form (XVIII)	
								No of Voting Rights						Total as a % of Total Voting rights	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class X	Class Y	Total															
1	Indian	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
a	Individuals/Hindu Undivided Family	5	112,286,020	-	-	112,286,020	28.06	112,286,020	-	112,286,020	28.06	-	112,286,020	28.06	-	-	14,000,000	12.47	-	-	-	-	14,000,000	12.47	112,286,020
b	Central Government/ State Government(s) Tamil Nadu Industrial Development Corporation Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
c	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
d	Any Other(specify)	1	24,203,310	-	-	24,203,310	6.05	24,203,310	-	24,203,310	6.05	-	24,203,310	6.05	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	6	136,489,330	-	-	136,489,330	34.11	136,489,330	-	136,489,330	34.11	-	136,489,330	34.11	-	-	14,000,000	10.26	-	-	-	-	14,000,000	10.26	136,489,330
2	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
a	Individuals (NonResident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
b	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
c	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
d	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
e	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total(A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	6	136,489,330	-	-	136,489,330	34.11	136,489,330	-	136,489,330	-	-	136,489,330	34.11	-	-	14,000,000	10.26	-	-	-	-	14,000,000	10.26	136,489,330

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the Bidding application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and Bidders are assumed to have apprised themselves of the same from our Company or the BRLMs.

*Our Company, the BRLMs and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLMs and their respective directors, officers, agents, employees, counsels, shareholders, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Also see, “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 185 and 193, respectively.*

Our Company, the BRLMs and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutional Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC and no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 and other applicable provisions of the Companies Act, 2013 and rules issued thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that certain conditions are met by such company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution through a postal ballot on April 15, 2026 approving the Issue. Such special resolution must *inter alia* specify that, (a) the allotment of Equity Shares is proposed to be made pursuant to the QIP; and (b) the Relevant Date;
- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue including the date of passing the board resolution, the kind of securities being offered, amount which our Company intends to raise by way of such securities and the material terms of such securities, proposed issue schedule, the purpose or objects of the Issue, the contribution made by our Promoter or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to its Shareholders for convening the meeting to pass the above-mentioned special resolution;

- the “Equity Shares of the same class” shall mean Equity Shares which rank *pari passu* in relation to rights as to the dividend, voting otherwise of our Company;
- invitation to apply in the Issue must be made through a private placement offer-cum-application form (i.e., this Preliminary Placement Document and an Application Form) serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the allotments with respect to any earlier offer or invitation made by our Company shall have been completed or our Company shall have withdrawn or abandoned such invitation or offer made, except as permitted under the Companies Act, 2013;
- in accordance with the SEBI ICDR Regulations, issuance and allotment of Equity Shares shall be made only in dematerialized form;
- our Company shall not make any subsequent qualified institutional placement until the expiry of two weeks from the date of this Issue;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document and Application Form), our Company shall prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by the Issuer prior to the invitation to subscribe;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;
- our Promoters and Directors have not been declared as “Wilful Defaulters” and “Fraudulent Borrowers” by the lending banks or financial institution or consortium, in terms of the RBI master circular dated July 15, 2024;
- our Promoters and Directors are not Fugitive Economic Offenders under section 12 of the Fugitive Economic Offenders Act, 2018; and
- the Equity Shares issued through the QIP shall be listed on the Stock Exchanges where the Equity Shares of our Company is listed and our Company shall seek approval under rule 19(7) of the SCRR, if applicable.

At least 10% of the Equity Shares issued pursuant to this Issue to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Bidders were required to make certain representations, warranties and undertakings in order to participate in the Issue. Bidders are deemed to have represented to us and the BRLMs in order to participate in the Issue that they are outside the United States and purchasing the Equity Shares in an “offshore transaction” as defined and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For details, see the sections “**Representations by Investors**”, “**Selling Restrictions**” and “**Purchaser Representations and Transfer Restrictions**” on pages 4, 185 and 193, respectively, of this Preliminary Placement Document.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of not more than 5% of the Floor Price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated March 11, 2026 and our Shareholders by way of postal ballot on April 15, 2026, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price. The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as per the provisions under Regulation 176(4) of the SEBI ICDR Regulations.

The “Relevant Date” referred to above means the date of the meeting in which the Board or the Finance and Investment Committee thereof decides to open the Issue and “Stock Exchange” means any of the recognised stock exchange in India on which the Equity Shares of the Issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares must be Allotted within 365 days from the date of passing of the Shareholders’ resolution (through postal ballot) approving the Issue, being April 15, 2026 and also within 60 days from the date of receipt of Application Amount from the Successful Bidders, failing which our Company shall refund the Application Amount in accordance with applicable laws. For details of refund of Application Amount, see “– **Refunds**” on page 180.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document, which shall contain all material information required under applicable laws including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchange and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchange or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

The minimum number of allottees for the QIP shall at least be:

- two, where the issue size is less than or equal to ₹2,500 million; and
- five, where the issue size is greater than ₹2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes “same group” or “common control”, see “**Issue Procedure – Bid Process – Application Form**” on page 175 .

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCF and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

Our Company has filed a draft of this Preliminary Placement Document with the Stock Exchanges and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

The Issue has been authorised and approved by our Board on March 11, 2026 and a special resolution passed by our Shareholders by way of a postal ballot on April 15, 2026.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state in the United States, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States, in “offshore transactions” as defined in and in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, see “Selling Restrictions**” on page**

185. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” on pages 185 and 193, respectively.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Bid/ Issue Opening Date, our Company in consultation with the BRLMs, shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to identified Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLMs, at their sole discretion. Our Company will make the requisite filings with the RoC within the stipulated time period as required under the Companies Act, 2013 and the PAS Rules.
2. **The list of Eligible QIBs to whom the serially numbered Application Form and serially numbered Preliminary Placement Document is delivered shall be determined by our Company in consultation with the BRLMs. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer or to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Application Amount and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLMs. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Bid/ Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.
4. Bidders will be required to indicate the following in the Application Form:
 - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;
 - number of Equity Shares Bid for;
 - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
 - details of the depository/ beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

- Equity Shares held by the Eligible QIB in our Company prior to the Issue; and
- it has agreed to certain other representations set forth in the Application Form and this Preliminary Placement Document.
- a representation that it is outside the United States and acquiring the Equity Shares in an “offshore transaction” as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made, and it has agreed to certain other representations set forth in “**Selling Restrictions**” on page 185 and “**Transfer Restrictions and Purchaser Representations**” on page 193 and certain other representations made in the Application Form.

NOTE: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids clearly indicate the scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

5. Eligible QIBs shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of “KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED - QIP - ESCROW A/C” with the Escrow Agent, within the Bid/ Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, Application Amounts received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank as mentioned above, and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Bid/ Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in “**Issue Procedure – Refunds**” on page 180.
6. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
7. Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, 2013, upon Allocation, our Company will disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
8. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account on or after the Bid/ Issue Closing Date, our Company shall, in consultation with BRLMs determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLMs, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Eligible QIBs who have been Allocated

the Equity Shares. The dispatch of a CAN and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be on the recommendations with the BRLMs.**

9. Upon determination of the Issue Price and the issuance of the CAN and before Allotment of Equity Shares to the Successful Bidders, the BRLMs, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.
11. After passing the resolution for the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to the Issue into the beneficiary accounts of the respective Allottees.
13. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund would not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund are treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.
14. Our Company will then apply for the final trading approvals from the Stock Exchanges.
15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.
16. As per applicable law, the Stock Exchange will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLMs shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the approvals from the Stock Exchanges or our Company or any loss for such delays or non-receipt.
17. The Bidder represents that it is outside the United States and is acquiring the Equity Shares in an “offshore transaction” as defined in, and in reliance on, Regulation S, and is not an affiliate of our Company or the BRLMs or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.
18. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in the Refund Intimation which will be dispatched to such Bidder.

Eligible QIBs

Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, will be considered as Eligible QIBs. However, with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- Eligible FPIs;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India.
- multilateral and bilateral development financial institutions eligible to invest in India;
- Mutual Funds, VCFs, AIFs, each registered with SEBI;
- pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions as defined under Section 2(72) of the Companies Act, 2013;
- scheduled commercial banks;
- state industrial development corporations;
- systemically important non-banking financial companies;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
- accredited investors as defined in clause (ab) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, for the limited purpose of their investment in Angel Funds registered with the Board, under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
- subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE THROUGH THE PORTFOLIO INVESTMENTS SCHEME UNDER SCHEDULE II OF FEMA RULES IN THE ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

Other eligible non-resident QIBs shall participate in the Issue under Schedule II of the FEMA Rules, subject to the limits prescribed under the SEBI FPI Regulations and the FEMA Rules. Further, AIFs or VCFs whose sponsor and manager are not Indian owned and controlled in terms of the FEMA Rules or FVCIs, are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control in the same investor group), is not permitted to 10% or more of the total paid-up equity share capital on a fully diluted basis of our Company. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of

Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates.

As per the circular issued by SEBI on May 30, 2024, these investment restrictions shall also apply to subscribers of P- Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges is then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

In accordance with the FEMA Rules and the extant FDI Policy, foreign direct investment in our Company is permitted up to 100% under the automatic route.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 185 and 193, respectively.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a Promoter, or any person related to, the Promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoter:

- rights under a shareholders’ agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board of our Company.

Provided, however, that an Eligible QIB which does not hold any Equity Shares and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company, the BRLMs and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10.00% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

***Note:** Affiliates or associates of the BRLMs who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

BID PROCESS

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the BRLMs in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/ Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, a Bidder will be deemed to have made all the representations, warranties, acknowledgments and agreements set forth in “**Notice to Investors**”, “**Representations by Investors**”, “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 1, 4, 185 and 193, respectively, including without limitation:

- The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in the Issue;
- The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or members of the Promoter Group or persons related to the Promoter;
- The Eligible QIB confirms that it has no rights under a shareholders’ agreement or voting agreement with the Promoter(s) or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter;
- The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
- The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

- The Eligible QIB confirms that if Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;
- The Eligible QIB confirms that the Bidder is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Bidder further confirms that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;
- The Eligible QIB confirms that in the event it is resident outside India, it is not an FVCI;
- The Eligible QIB confirms that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;
- The Eligible QIB agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Bid/ Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date;
- The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Bid/ Issue Period in terms of provisions of the Companies Act, 2013, our Company reserves the right to Allocate and Allot Equity Shares pursuant to the Issue on a discretionary basis in consultation with the BRLMs. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
- The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names as “proposed Allottees” and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as “proposed Allottees” in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;
- The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
 - (a) QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Bidder, its subsidiary(ies) or holding company and any other Bidder; and
 - (b) ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
- The bidder confirms that it will make payment of its Application Amount along with submission of the Application Form before the Issue Closing Date;
- The Eligible QIB acknowledges that no Allocation shall be made to them if the price at which it has Bid for in the Issue is lower than the Issue Price;
- The Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.
- Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group

(multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

- The Eligible QIB confirms that if it is outside the United States, it is purchasing the Equity Shares in an “offshore transaction” as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made, and is not an affiliate of the Company or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form; and
- An Eligible QIB confirms that it has agreed to certain other representations set forth in the sections “*Representations by Investors*” and “*Transfer Restrictions and Purchaser Representations*” on pages 4 and 193, respectively.

You are eligible to invest and hold the Equity Shares of our Company in accordance with press note no. 2 (2026 Series), dated March 15, 2026, issued by the DPIIT and the FDI Policy, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. You confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER (AS THE CASE MAY BE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLMS, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLMS TO EVIDENCE THEIR STATUS AS A “ELIGIBLE QIB” AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BRLMS, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form whether signed or not, and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the BRLMs) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLMs either through electronic form or through physical delivery at either of the following addresses:

Name	Address	Contact Person	Website and e-mail	Contact details
IIFL Capital Services Limited (formerly known as IIFL Securities Limited)	24 th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India	Mansi Sampat/Pawan Kumar Jain	Email: kims.qip@iiflcap.com Website: www.iiflcapital.com	+91 22 4646 4728
Jefferies India Private Limited	Level 16, Express Towers, Nariman Point, Mumbai 400 021, Maharashtra, India	Akshat Shah / Gaurav Ahirkar	Email: KIMS.QIP.2026@jefferies.com Website: www.jefferies.com	+91 22 4356 6000

The BRLMs shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

All Application Forms shall be duly completed, and Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Bid/ Issue Period.

Bank account for Payment of Bid Amount

Our Company has opened the Escrow Account in the name of “KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED - QIP - ESCROW A/C” with the Escrow Agent, in terms of the Escrow Agreement. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

If the payment is not made favouring the “KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED - QIP - ESCROW A/C” within the Issue Period stipulated in the Application Form, the Application Form of the Eligible QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in “KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED - QIP - ESCROW A/C” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in “*Issue Procedure – Refunds*” on page 180.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchange during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders by way of postal ballot on April 15, 2026 and in terms of Regulations 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLMs, shall determine the Issue Price, which shall be at or above the Floor Price.

The “Relevant Date” referred to above will be the date of the meeting in which the Board or Finance and Investment Committee decides to open the Issue and “stock exchange” means any of the recognized stock exchanges, on which the Equity Shares are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the Placement Document with the Stock Exchange.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the BRLMs. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the BRLMs.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLMs on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with BRLMs, has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BRLMS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLMS AND BIDDERS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLMS IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allocation Note (“CAN”)

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLMs, in their sole and absolute discretion, shall decide the Successful Bidders. Our Company will dispatch a serially numbered CAN to all the Bidders pursuant to which the details of the Equity Shares Allocated to them (if any), the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders’ account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board/its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in the section “*Notice to Investors*” on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchange.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion (in consultation with the BRLMs), reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.
5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals for the listing and trading of the Equity Shares issued pursuant to the Issue are received by our Company from the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act, 2013.
7. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within the timelines prescribed under the applicable laws, our Company shall repay the application monies within the timelines prescribed under the applicable laws, failing which our Company shall repay that monies with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.
8. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.
9. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form, in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN in the manner set out in the refund intimation which will be dispatched to the Bidder.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, or where our Company has Allotted the Equity Shares but final listing and trading approval is refused by the Stock Exchanges, our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion (in consultation with the BRLMs), reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until receipt of notice from the BRLMs, the final listing and trading approvals of the Stock Exchanges for the Equity Shares offered pursuant to the Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC, whichever is later.

Provided that upon receipt of the listing and trading approval from Stock Exchanges, our Company files the return of Allotment in connection with the Issue with the RoC, upon which, the Net Proceeds deposited in the Escrow Bank Account, shall be transferred to a separate bank account with a scheduled bank or any other account as may be mutually agreed between our Company and the Monitoring Agency.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted with our Company/ BRLMs as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Right to Reject Applications

Our Company, in consultation with the BRLMs, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLMs in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see “- **Bid Process**” and “- **Refunds**” on pages 175 and 180, respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in the Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the BRLMs shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT AND LOCK-UP

Placement Agreement

The BRLMs and our Company have entered into the Placement Agreement dated June 16, 2026 (“**Placement Agreement**”), pursuant to which the BRLMs have agreed, subject to certain conditions, to manage the Issue and to act as the placement agent in connection with the proposed Issue and to use their reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the BRLMs, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, see “**Selling Restrictions**” on page 185. See “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 185 and 193, respectively, for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Relationship with the BRLMs

In connection with the Issue, the BRLMs (or their respective affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the BRLMs may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the BRLMs may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See “**Offshore Derivative Instruments**” and “**Representations by Investors**” on pages 10 and 4, respectively.

From time to time, the BRLMs and their respective affiliates and associates may engage in transactions with and perform services for our Company or its affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking, investment banking and other banking transactions with our Company, its affiliates or shareholders, for which they have received compensation and may in the future receive compensation.

Lock-up

In terms of the Placement Agreement, our Company agrees, subject to the exceptions set out below, not to: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares; or (c) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 60 days after the Closing Date without the prior written consent of the BRLMs, however, the foregoing restriction shall not be applicable to the (i) the issuance of the Equity Shares pursuant to the Issue; (ii)

preferential issue of convertible warrants of our Company to any of the Promoters and/or Promoter Group entity; and (iii) any transaction required by law or an order of a court of law or a statutory authority.

Lock-up by Promoter

In terms of the Placement Agreement, our Promoters agree that they will not, commencing from the date hereof and for a period of 60 days from the Closing Date under the Issue, without the prior written consent of the BRLMs (“**Lock-up Period**”) directly or indirectly: (a) offer, pledge, sell, encumber, contract to sell, lend, purchase any option, grant or sell any option, right, contract or warrant to purchase, or otherwise transfer or dispose of any Equity Shares held by the Promoters as on the date of the Placement Agreement (“**Lock Up Shares**”) or any other securities of our Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Lock-up Shares, whether now owned or hereinafter acquired; (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; (c) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an offer, sale or deposit of the Shares in any depository receipt facility, and (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a) to (c) above is to be settled by delivery of Lock-up Shares, or such other securities, in cash or otherwise.

However, the foregoing restriction shall not be applicable to (i) any transaction undertaken by our Promoters for sale of the Lock Up Shares to comply solely with the minimum public shareholding requirements of our Company in accordance with the SEBI Listing Regulations and the Securities Contracts (Regulation) Rules, 1957; or (ii) any transaction required by law or an order of a court of law or a statutory authority; (iii) Preferential issue of convertible warrants of the Company to any of our Promoters and/or Promoter Group entities, or (iv) any bona fide pledge or non-disposal undertaking of any of the Lock-up Shares held by the undersigned as collateral for loans on normal commercial terms entered or to be entered into in the ordinary course of business of the undersigned, our Company or transfer of any of the Lock-up Shares to any third party pursuant to the invocation of any pledge in relation to the Lock-up Shares.

SELLING RESTRICTIONS

General

The Issue is being made only to Eligible QIBs. The distribution of this Preliminary Placement Document or any offering material and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and under “*Notice to Investors*”, “*Representations by Investors*” and “*Transfer Restrictions and Purchaser Representations*” on pages 1, 4 and 193, respectively.

Republic of India

The Issue will be made in compliance with the applicable provisions of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (“**Corporations Act**”) and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Preliminary Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a “sophisticated investor” or a “professional investor” and that not it is not a “retail client” within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of purchase of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

No financial product advice is provided in this Preliminary Placement Document and nothing in this Preliminary Placement Document should be taken to constitute a recommendation or statement of opinion that is intended to influence a person or persons in making a decision to invest in the Equity Shares offered in the Issue.

This Preliminary Placement Document does not take into account the objectives, financial situation or needs of any particular person. Before acting on the information contained in this Preliminary Placement Document, or making a decision to invest in the Equity Shares offered in the Issue, investors should seek professional advice as to whether investing in the Equity Shares is appropriate in light of their own circumstances.

Jefferies India Private Limited has an affiliate in Australia that is the holder of an Australian Financial Services Licence. IIFL Capital Services Limited (formerly known as IIFL Securities Limited) does not have an affiliate in Australia that is the holder of an Australian Financial Services Licence.

British Virgin Islands

This Preliminary Placement Document is not an offer to sell, or a solicitation or invitation to make offers to purchase or subscribe for, the Equity Shares offered in the Issue in the British Virgin Islands (the “**BVI**”). This Preliminary Placement Document may not be sent or distributed to persons in the BVI and the Equity Shares offered in the Issue are not available to, and no invitation or offer to subscribe, purchase or otherwise acquire the Equity Shares may be made to, persons in the BVI. However, the Equity Shares may be offered and sold to business companies incorporated in the BVI pursuant to the BVI Business Companies Act, international limited partnerships formed in the BVI pursuant to the Limited Partnership Act 1996 and limited partnerships formed in the BVI pursuant to the Limited Partnership Act, 2017 provided that any such offering and sale is made outside the BVI.

Cayman Islands

No offer or invitation to subscribe for the Equity Shares offered in the Issue may be made to the public in the Cayman Islands.

People’s Republic of China

This Preliminary Placement Document does not constitute an offer of the Equity Shares offered in the Issue, whether by way of sale or subscription, in the People’s Republic of China (the “**PRC**”). The Equity Shares are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to legal and regulatory requirements of the PRC, the Equity Shares may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

European Economic Area

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the BRLMs for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the BRLMs of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this section, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the BRLMs of such fact in writing and has received the consent of the BRLMs in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a “qualified investor” as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the BRLMs has been obtained to each such proposed offer or resale.

Our Company, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

This Preliminary Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Preliminary Placement Document has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (“**CO**”) nor has it been authorised by the Securities and Futures Commission (“**SFC**”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“**SFO**”). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Preliminary Placement Document, they should obtain independent professional advice.

This Preliminary Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. This Preliminary Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- (a) to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“**Professional Investors**”); or
- (b) in other circumstances which do not result in this Preliminary Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of this Preliminary Placement Document may issue, circulate or distribute this Preliminary Placement Document in Hong Kong or make or give a copy of this Preliminary Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Japan

No securities registration statement in relation to the solicitations of the Equity Shares offered in the Issue in Japan (the “**Solicitations**”) has been or will be filed pursuant to Article 4, Paragraph 1 of the Financial Instrument and Exchange Law of Japan (the “**FIEL**”). The Solicitations shall only be made (i) to Qualified Institutional Investors and (ii) to no more than 49 persons (excluding any Qualified Institutional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Any Qualified Institutional Investors who acquire Equity Shares in the Issue (a) may not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Equity Shares to any person in Japan or to or for the benefit of any resident of Japan, including any corporation or other entity organised under the laws of Japan, except to Qualified Institutional Investors; and (b) shall deliver a notification indicating (a) and (b) herein to any transferee of the Equity Shares.

Capitalized terms used in this sub-section and not defined in this Preliminary Placement Document have the meanings given to those terms in the FIEL.

Kuwait

This Preliminary Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait (“**Kuwait Securities Laws**”). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Preliminary Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Preliminary Placement Document does not constitute a public offering. This Preliminary Placement Document is for the exclusive use of the person to whom it has been given by one of the BRLMs and is a private concern between the sender and the recipient.

New Zealand

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “**FMA Act**”). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Oman

This Preliminary Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Preliminary Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Preliminary Placement Document has not been approved by the Capital Market Authority of Oman (the “**CMA**”) or any other regulatory body or authority in the Sultanate of Oman (“**Oman**”), nor have the BRLMs received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. Neither of the BRLMs is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. The BRLMs do not advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman.

Nothing contained in this Preliminary Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Preliminary Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of the Equity Shares in the State of Qatar.

By receiving this Preliminary Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the BRLMs are not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the BRLMs are not, by distributing this Preliminary Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre (“QFC”), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Singapore

This Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act 2021 of Singapore (“SFA”). Accordingly, the Equity Shares offered in the Issue may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an “institutional investor” within the meaning of Section 4A of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor (as defined in Section 4A of the SFA) or to a relevant person defined in Section 275(2) of the SFA; (2) for a trust, to any person pursuant to an offer that is made on terms that such rights or interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets (3) for a corporation, where that transfer arises from an offer referred to in Section 275(1A) of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Korea (Republic of Korea)

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea (“**South Korea**”) (the “**FISCMA**”)) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder (“**Professional Investors**”) and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

Switzerland

The offering of the Equity Shares offered in the Issue in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (“**FinSA**”) because such offering in Switzerland is directed only at investors classified as “professional clients” within the meaning of the FinSA and the Equity Shares offered in the Issue will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Issue.

No key information document under article 58 of the FinSA or article 59(2) of the FinSA in respect of the Issue has been prepared and published. Accordingly, the Equity Shares offered in the Issue may not be offered to “private clients” within the meaning of the FinSA in Switzerland.

Each person in Switzerland who acquires Equity Shares in the Issue shall be deemed to have represented to our Company and the BRLMs that it is a “professional client” within the meaning of the FinSA and that it has not opted-in to be treated as a “private client” on the basis of article 5(5) of the FinSA.

This document is not intended to constitute an advertising document within the meaning of article 68 of the FinSA and article 95 of the Swiss Federal Financial Services Ordinance.

The Equity Shares do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority (“**FINMA**”) thereunder. Accordingly, neither the Equity Shares nor the Shareholders benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by FINMA.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, “**Promotion**”) of this Preliminary Placement Document or the Equity Shares offered in the Issue may be made in the United Arab Emirates (the “**UAE**”) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the “**SCA**”) and is made in accordance with the laws and regulations of the UAE, including the SCA Board of Directors’ Decision No. (13/R.M) of 2021 (the “**Rulebook**”), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made only to Professional Investors (as such term is defined in the Rulebook); or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of this Preliminary Placement Document and the Equity Shares offered in the Issue has not been and will not be approved by the SCA and, as such, this Preliminary Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares offered in the Issue. Except where the Promotion of this Preliminary Placement Document and the Equity Shares offered in the Issue is carried out by

way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Preliminary Placement Document and the Equity Shares offered in the Issue in the UAE is being made only to Professional Investors (as such term is defined in the Rulebook).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Preliminary Placement Document and nor does any such entity accept any liability for the contents of this Preliminary Placement Document.

Dubai International Financial Centre

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the “**DFSA**”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. This Preliminary Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this Preliminary Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the BRLMs for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the BRLMs to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as “relevant persons”). This Preliminary Placement Document is directed only at relevant persons. Other persons should not act on this Preliminary Placement Document or any of its contents. This Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S. To help

ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in “***Transfer Restrictions and Purchaser Representations***” on page 193. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in “***Transfer Restrictions and Purchaser Representations***” on page 193.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares in the Issue or making any resale, pledge or transfer of Equity Shares purchased in the Issue.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the Stock Exchanges. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. The Equity Shares Allotted in the Issue are also subject to the resale restrictions in “***Selling Restrictions***” on page 185 and the following resale restrictions.

United States

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the BRLMs as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- It was outside the United States at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any “directed selling efforts” (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It agrees to indemnify and hold our Company and the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- It acknowledges that our Company, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Our Company, our representatives and our agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the BRLMs or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE Limited and National Stock Exchange of India Limited are the significant stock exchanges in India in terms of the number of listed companies, market capitalisation and trading activity. The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “**SCR (SECC) Regulations**”), which regulate *inter alia* the recognition, ownership and governance of the stock exchanges and clearing corporations in India together with providing for minimum net-worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchange and intermediaries in the capital markets, the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

National Stock Exchange of India Limited

The National Stock Exchange of India Limited provides nationwide on-line satellite-linked, screen-based trading facilities to market makers, to provide electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. After recognition as a stock exchange under the SCRA in April 1993, the NSE commenced operations in the wholesale debt market segment in June 1994 and operations in the derivatives segment in June 2000. NSE operates on a fully automated screen based trading system called National Exchange for Automated Trading (“**NEAT**”), which adopts the principle of an order driven market.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, the BSE was incorporated as a company under the Companies Act, 1956 on August 8, 2005. BSE was listed on NSE with effect from February 3, 2017

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchanges is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the Listing Agreements. The SCRA empowers the governing body of each recognised stock exchanges to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company’s obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchange in India, to overrule a stock exchange’s governing body and withdraw recognition of a recognized stock exchanges.

Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the “**Delisting Regulations**”). Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoter, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector companies) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold. However, every public sector listed company whose public shareholding falls below 25 % at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of three years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

However, in terms of Rule 19A (6) of the SCRR, the Central Government may, in public interest, exempt any listed entity in which the Central Government or State Government or public sector company, either individually or in any combination with other, hold directly or indirectly, majority of the shares or voting rights or control of such listed entity, from any or all of the provisions of this rule.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, 2013, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rule, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company’s registered office is situated. A company’s directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act, 2013, also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, 2013, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act’s disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, listed companies are required to publish unaudited financial results (subject to a limited review by the company’s auditors) on a quarterly basis and are required to inform the stock exchanges immediately regarding any unpublished price sensitive information.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations have been notified on January 15, 2015 and came into effect on May 15, 2015, by SEBI to amongst other things, prohibit and penalize insider trading in India and prohibit dealing in the securities of a listed company when in possession of unpublished price sensitive information (“UPSI”).

The SEBI Insider Trading Regulations also impose certain restriction on the communication of UPSI relating to a company or securities listed or proposed to be listed. In terms of the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regards to their shareholding in the company, and the changes therein. However, UPSI may be

communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations define the term “unpublished price sensitive information” to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, “generally available information” is defined as information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media. An “insider” means any person who is (i) a connected person; or (ii) in possession of or having access to unpublished price sensitive information. The term “connected person” means any person who is or has during the six months prior to the concerned act been associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holding any position, including a professional or business relationship, whether temporary or permanent, between himself and the company, that allows such person, directly or indirectly, to have access to unpublished price sensitive information or is reasonably expected to allow such access.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons; and (iii) a policy for procedures to be adopted by a company in case of any leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day’s closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the NIFTY 50 of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down, for all scrips in the compulsory rolling settlement. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday. Additionally, SEBI has introduced the beta version of T+0 rolling settlement cycle on optional basis in addition to existing T+1 settlement cycle for a limited set of 25 scrips and with a limited number of brokers.

Trading Hours

Trading on the Stock Exchanges occurs from Monday to Friday, between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. IST to 9:15 a.m. IST that has been introduced). The Stock Exchanges is closed on public holidays. The recognised stock exchanges has been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9:00 a.m. and 5:00 p.m.; and (ii) the stock exchanges have in place a risk management system and infrastructure commensurate to the trading hours.

Internet-based Securities Trading and Security Trading using Wireless Technology Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading systems. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable laws. National Stock Exchange of India Limited became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE online trading facility in 1995. This 100% automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new trading platform BOLT Plus. National Stock Exchange of India Limited has a fully automated trading system called NEAT, which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book-entry form. Further, SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under India law are governed by the specific regulations in relation to substantial acquisition of shares and takeover. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**SEBI Takeover Regulations**") provide specific regulations in relation to substantial acquisition of shares and takeovers. Once the equity shares of a company are listed on a stock exchanges in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding that a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on the part of the acquirer. Acquisition of shares or voting rights up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer for the shares of the target company.

The SEBI Takeover Regulations were amended on May 17, 2024 to exclude the effect on the price of the listed equity shares (i) of the target company and (ii) which are offered as consideration, due to material price movement and confirmation of reported event or information, as per the framework specified under the Regulation 30(11) of the SEBI Listing Regulations for determination of the price of such equity shares under the SEBI Takeover Regulations.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

If such buy-back constitutes more than 10% of the total paid-up equity capital and free reserves of the company, it shall require the approval of shareholders of the company by way of a special resolution. A company buying back its securities is required to extinguish and physically destroy the securities that are bought back within seven days of the last date of completion of the buy-back. The company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of shares or specified securities (including in a rights issue) for six months from the buy-back except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

The above information is given for the benefit of investors in the Issue. Our Company, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Investors are advised to make their independent investigations and ensure that they are eligible to subscribe to, purchase or otherwise acquire the Equity Shares they Bid for under Indian laws or regulations.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE DIRECT TAX LAWS APPLICABLE IN INDIA

To,
The Board of Directors
Krishna Institute of Medical Sciences Limited
D. No. 1-8-31/1, Minister's Road, Secunderabad
Hyderabad -500 003 Telangana, India

Dear Sirs / Madams,

Statement of Possible Tax Benefits available to Krishna Institute of Medical Sciences Limited, its shareholders and its Material Subsidiaries under the direct tax laws in India

We hereby confirm that the enclosed Annexure, prepared by Krishna Institute of Medical Sciences Limited, (hereinafter referred as the 'Company'), provides the possible tax benefits available to the Company and its shareholders and its Material Subsidiaries under the Income-tax Act, 2025 (the "Act") as amended by the Finance Act, 2026, i.e. applicable for the tax year 2026-27, presently in force in India:

1. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Act, each investor is advised to consult his or her own tax consultant with respect to the specific direct tax implications arising out of their participation in proposed qualified institutions placement of equity shares of face value of ₹ 2 each of the Company, under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("Proposed Issue").

Several of these benefits are dependent on the Company and its shareholders or its Material Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders and its Material Subsidiaries to derive the possible tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company and its shareholders or its Material Subsidiaries may or may not choose to fulfil.

2. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders and its material subsidiaries will continue to obtain these benefits in future;
 - ii) the conditions prescribed for availing the benefits have been / would be met with; and
 - iii) the revenue authorities/courts will concur with the views expressed herein.
3. The contents of the enclosed Annexure is based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. This Annexure is issued solely for inclusion in the Preliminary Placement Document and Placement Document in connection with the Proposed Issue to be filed by the Company with the National Stock Exchange of India Limited and BSE Limited, and is not to be used, referred to or distributed for any other purpose.

S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 26102328NQYPDZ3923

Place of Signature: Hyderabad

Date: June 16, 2026

ANNEXURE

THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED ('THE COMPANY' or 'KIMS'), ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE DIRECT TAX LAWS APPLICABLE IN INDIA

The information provided below sets out the possible tax benefits available to the Company, its shareholders and its material subsidiaries under the Income-tax Act, 2025 ('the Act') as amended by Finance Act, 2026 i.e. applicable for the tax year 2026-2027. Please note that the same is not a detailed analysis or listing of all potential tax benefits, under the Act (presently in force in India). Further, please note that these possible tax benefits may be dependent on the Company, its shareholders and its material subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability to derive the tax benefits may be dependent upon fulfilling such conditions, which, based on business/commercial imperatives. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

1. Possible direct tax benefits available to the Company

1.1. Lower corporate tax rate under section 200 of the Act

Section 200 grants an option to a domestic company to opt to pay corporate tax at a reduced rate of 25.168% (i.e., tax at 22% plus applicable surcharge at 10% plus education cess at 4%). Section 200 further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their book profits under section 206 of the Act.

The said company will, however, no longer be eligible to avail inter-alia the following deductions under the Act:

- Section 144: Tax holiday available to newly established units in a Special Economic Zone
- Section 33(8): Additional depreciation
- Section 45(2)/ 45(3): Expenditure on scientific research
- Section 46: Capital expenditure of specified businesses
- Section 47(1)(a)/ 47(1)(b): Expenditure on agricultural extension project/skill development project
- Section 48/49: Tea, coffee, rubber development expenses/site restoration fund
- Chapter VIII except for the provisions of section 146 and section 148

The company will also need to comply with the other conditions specified in section 200(1)(b) and 200(1)(c) for computing total income. Hence, it shall not be allowed to claim set-off of any brought forward loss or depreciation pertaining to earlier tax years attributable to any of the deductions referred 279 to above.

Additionally, where a company opts for taxation under Section 200 for a tax year beginning on or after the April 1, 2026, such company may utilise MAT credit brought forward in terms of section 115JAA of the Income-tax Act, 1961 up to 25% of their tax liability as per the other provisions of the Act for that tax year and the remaining credit shall be carried forward to the subsequent tax year for being set-off not beyond the fifteenth tax year immediately succeeding the tax year in which the tax credit first became allowable under section 115JAA of the Income-tax Act, 1961.

1.2. Deduction in respect of inter-corporate dividends under section 148 of the Act

The section provides that where the gross total income of a domestic company in any tax year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust which does not exceed the

amount of dividend distributed by it on or before the due date. The 'due date' means the date one month prior to the due date for furnishing the return of income under section 263(1) of the Act.

However, it may be pertinent to note that deductions under section 148 cannot be in excess of the gross total income of the Company. Since the company has investments in India, it can claim the above-mentioned deduction as per the provisions of section 148 of the Act.

1.3. Deduction in respect of employment of new employees under section 146 of the Act

As per the provisions of section 146 of the Act, a company subject to tax audit under section 63 of the Act and whose gross total income includes any profit and gains derived from business shall be entitled to claim a deduction of an amount equal to thirty percent of additional employee cost incurred in the course of such business in the tax year, for three consecutive tax years including the tax year in which such employment is provided.

Deduction is available in respect of cost incurred on any employee whose total emoluments are less than or equal to ₹ 25,000 per month and where the minimum number of days of employment in a tax year is 240 days. However, it may be pertinent to note that deductions under section 146 cannot be in excess of the gross total income of the Company.

2. Possible direct tax benefits available to the material subsidiaries

The Material Subsidiaries are Sarvejana Healthcare Private Limited and KIMS Hospital Enterprises Private Limited. These material subsidiaries are in the business of healthcare services and have opted the concessional tax rate under section 200 of the Act. Hence, the benefits mentioned in 1.1 to 1.3 will also be available to the said material subsidiaries subject to the fulfilment of the prescribed conditions as stated under the relevant provisions of the Act.

3. Possible tax benefits available to the shareholders

A Benefits available to resident shareholders

- a) Section 2(101) of the Act provides that securities listed in a recognized stock exchange in India that are held for not more than 12 months immediately preceding the date of its transfer, shall constitute short term capital assets.
- b) As per the provisions of section 196 of the Act, short-term capital gains arising from transfer of listed equity shares in the Company through a recognized stock exchange and subject to STT shall be taxable at a rate of 20% (plus applicable surcharge and cess).
- c) Further, as per Section 198 of the Act, long-term capital gains exceeding ₹ 1,25,000 arising from the transfer of equity shares transacted through a recognized stock exchange on which STT has been paid on acquisition (except in certain situations) and on transfer, shall be chargeable to tax at the rate of 12.5% (plus applicable surcharge and cess) without applying the benefit under section 72(2) and 72(6) of the Act.

It may be pertinent to note that in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial judicial person, maximum rate of surcharge on capital gains is capped at 15%.

- d) Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under section 148 of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend.
- e) Further, dividend income received by resident shareholders would be subject to tax deduction at source by the Company under section 393(1) of the Act @ 10%.
- f) As per Sr.No. 20 and 21 of schedule VII of the Act, income earned / accrued / received by shareholders that are Mutual Funds registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorised by the

Reserve Bank of India and as may be notified by the Central Government would be exempt from income-tax.

C. Benefits available to non-resident shareholders

- a) In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the country in which the non-resident shareholder has fiscal domicile.
- b) Further, any income by way of capital gains/ dividends may be subject to withholding tax per the provisions of the Act or under the relevant DTAA, whichever is beneficial to such non-resident. However, where such non-residents have obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate.

Notes:

- 1. The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.
- 2. The possible direct tax benefits enumerated above are as per the Act as amended by the Finance Act, 2026. Several of these benefits are dependent on the Company or its equity shareholders fulfilling the conditions prescribed under the relevant tax laws.
- 3. The Government has enacted the New Income-tax Act, 2025, a landmark reform aimed at modernizing and simplifying India’s income-tax framework. The same received the Presidential assent on 21 August 2025 and has come into effect from 1 April 2026. It has replaced the earlier Income-tax Act, 1961 with effect from the said date and the continuity of tax-benefits under the earlier provisions is preserved where the new Income-tax Act, 2025 contains a parallel or mapped provision. However, if the Income-tax Act, 2025 does not have a parallel provision, the earlier option cannot independently survive beyond the scope preserved by the saving clause.
- 4. This statement does not discuss any tax consequences in a country outside India of an investment in the equity shares of the Company. The investors in the country outside India are advised to consult their own professional advisors regarding the possible tax consequences that may apply to them in such country outside India.
- 5. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the equity shares of the Company.
- 6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. We do not assume responsibility to update the views consequent to such changes.

For **Krishna Institute of Medical Sciences Limited**

Authorised Signatory

Date: June 16, 2026

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the share capital of our Company, including a brief summary of certain provisions of our Company's Memorandum and Articles of Association and the Companies Act, 2013 and certain related legislations of India, all as currently in effect. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorised share capital of our Company as of the date of this Preliminary Placement Document is ₹ 950,000,000 comprising into 475,000,000 Equity Shares of ₹ 2 each. Our issued, subscribed and paid-up share capital as of the date of this Preliminary Placement Document is ₹ 800,277,870 comprising of 400,138,935 Equity Shares of ₹ 2 each. For further details, please see “**Capital Structure**” on page 92.

Dividends and Capitalization of Reserves

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders at the AGM held each Fiscal. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

According to our Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board. Subject to the provisions of the Companies Act, 2013, our Board may from time to time pay to the Shareholders such interim as appears to our Board to be justified by the profits of our Company.

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Further, they may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a Shareholder, or is entitled to transfer, until such person becomes a Shareholder.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividends accordingly. Further, no Shareholder shall be entitled to receive payment of any interest or dividend or bonus, whilst any money may be due or owing from him to the Company in respect of such shares or otherwise, and the Board may deduct from the interest or dividend payable to any Shareholder for all such sums of money so due to the Company. No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

Issue of Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares. Further, as per the Companies Act,

2013, the bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets.

Pre-Emptive Rights and Alteration of Share Capital

A company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. Subject to the provisions of Section 61, the company may, by ordinary resolution, in general meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may: (a) increase its share capital by such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the National Company Law Tribunal on an application made in the prescribed manner; (c) convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination; (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

Under Section 62(1)(a) of the Companies Act, 2013, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorised to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

General meetings of Shareholders

There are two types of general meetings of the Shareholders:

- (i) Annual General Meeting; and
- (ii) Extraordinary General Meeting.

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the registrar of companies at its request for any special reason for a period not exceeding three months. Our Company shall, in addition to any other meetings, hold a general meeting which shall be styled as an Annual General Meeting at intervals and in accordance with the following provisions: (a) our Company shall hold its Annual General Meetings within such intervals as are specified in Section 96 read with Section 129 of the Companies Act, 2013 and subject to the provisions of Section 96(2) of the Companies Act, 2013 at such times and places as may be determined by our Board.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting. Further, our Board may call an Extraordinary General Meeting on requisition in compliance with the provisions of Section 100 of the Companies Act, 2013.

Whenever our Company proposes to undertake any action that statutorily requires the approval of the Shareholders of our Company, our Company shall call for an Annual or Extraordinary General Meeting in accordance with the provisions of the Companies Act, 2013 by serving not less than clear 21 days' written notice or through electronic mode to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the Extraordinary General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof).

Our Company may also pass resolutions by means of postal ballot and/or other ways as may be prescribed under Section 110 of the Companies Act, 2013 and/or other applicable provisions, if any, and any future amendments or re-enactments, in respect of any business that can be transacted by our Company in a general meeting, instead of transacting the business therein. Further, in the case of resolutions relating to such business as the Government of India may prescribe, to be conducted only by postal ballot and/or other ways as may be prescribed, our Company shall get such resolutions passed only by postal ballot and/or other ways as may be prescribed, instead of transacting the business in a general meeting of our Company.

Voting rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either in person or by proxy, and in the case of a body corporate, a duly authorised representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of our Company.

Save as provided in the Companies Act, 2013, on a poll the voting rights of a holder of Equity Shares shall be in the same proportion to the shares as in the paid-up equity share capital of our Company, as specified in Section 47 of the Act. Any Person entitled to transfer any shares of our Company may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to transfer such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Subject to the provision of the Companies Act, 2013, the chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll. Our Company shall also provide e-voting facility to the Shareholders of our Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to our Company.

Transfer and Transmission of Equity Shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchange on which such equity shares are sold). Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

The executor or administrator of a deceased member shall be the only person recognized in the name of such member, who has obtained a probate or letter of administration, as the case may be from a court of competent jurisdiction and shall include a holder of a succession certificate authorizing the holder thereof to negotiate or transfer the shares under section 31 of the Administrator General Act, 1963.

If any person becoming entitled to Equity Shares in consequence of the death or insolvency of a Shareholder, elects to be registered as holder of the equity share himself, he shall deliver or send to our Company, a notice signed by him stating that he so elects.

Any person becoming entitled to Equity Shares by reason of the death, or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

Acquisition by our Company of its own Equity Shares

Our Company may purchase its own shares or other specified securities in accordance with the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (including any future amendments or re-enactments) and as per the rules and procedures prescribed therein and in compliance with the prevailing regulatory provisions and guidelines.

Winding up

As per the provisions of our Articles of Association, our Company may be wound up in accordance with the provisions of the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable), subject to Chapter XX of the Companies Act, 2013.

If the Company winds up, the liquidator may, through a special resolution, divide amongst Shareholders, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. Further, the liquidator may set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out between the Shareholders or different classes of Shareholders. Alternatively, the assets, in whole or any part, may be vested in trustees upon such trusts for the benefit of the contributories if the liquidator considers it necessary, so that no Shareholder shall be compelled to accept any shares or other securities through which they accrue any liability.

Buy-back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 or any other law for the time being in force.

LEGAL PROCEEDINGS AND OTHER INFORMATION

As on date of this Preliminary Placement Document, except as disclosed below, there are no outstanding legal proceedings which have been considered material in accordance with our “Policy on criteria for determining materiality for an event/ information” adopted by our Board, as amended from time to time in accordance with Regulation 30 of the SEBI Listing Regulations.

Additionally, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section involving our Company in accordance with the materiality policy approved by our ‘Finance and Investment Committee’ in their meeting held on June 16, 2026. Except as disclosed below, there are no:

- (i) outstanding criminal proceedings (including matters which are at first information report stage where no/some cognizance has been taken by the court or judicial authority) involving the Company;*
- (ii) all outstanding actions (including notices received) initiated by any regulatory and/or statutory authorities alleging material violations of applicable law, involving the Company;*
- (iii) economic offences where proceedings have been initiated against the Company;*
- (iv) outstanding civil proceedings involving the Company, wherein the amount involved in such proceeding is equal to or exceeds the Materiality Amount (defined below), which is determined to be material as per the Company’s ‘Policy for Determination of Materiality of Events or Information’ framed in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
- (v) outstanding claims related to direct and indirect tax matters (including show cause notices) involving our Company (disclosed in a consolidated manner);*
- (vi) any other outstanding civil litigation involving our Company, wherein the amount involved cannot be determined or is below the Materiality Amount, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the business, operations, performance, prospects, financial position or reputation of our Company.*

*For the purpose of (iv) and (vi) above, all outstanding litigation involving the Company shall be disclosed, wherein the amount involved in such proceeding is in excess of the lower of (i) 2% of turnover of last audited financial statements, i.e., ₹ 351.62 million; or (ii) 2% of net worth of last audited financial statements, i.e., ₹ 485.74 million; or (iii) 5 % of the average of absolute value of profit or loss after tax based on the last three audited financial statements of the Company, i.e., ₹ 133.16 million. Accordingly, based on the above, the lowest of the three thresholds, i.e., ₹ 133.16 million shall be the materiality amount (“**Materiality Threshold**”)*

Further, except as disclosed in this section, there are no:

- a) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, as amended, or any previous companies law, in the last three years immediately preceding the year of issue of the Preliminary Placement Document/ Placement Document, against the Company and our Subsidiaries; and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of issue of the Preliminary Placement Document/ Placement Document for the Company and our Subsidiaries;*
- b) material frauds committed against the Company in the last three years immediately preceding the year of issue of the Preliminary Placement Document/ Placement Document, and if so, the action taken by the Company;*
- c) significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations;*
- d) default, by the Company, including therein the amount involved, duration of default and present status, (on a consolidated basis) in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon;*

- e) default in annual filing of the Company under the Companies Act, 2013, as amended or the rules made thereunder;
- f) reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of the Issue (i.e. Fiscals, 2022, 2023, 2024, 2025 and 2026 and till the date of this Preliminary Placement Document) and their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remarks; and
- g) all litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of the Company during the last three years immediately preceding the year of the issue of the Preliminary Placement Document (i.e. 2024, 2025, 2026 and till the date of the Preliminary Placement Document/placement document) and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the purposes of the above, pre-litigation notices (including first information reports) received by the Company from third parties (excluding notices from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be considered as litigation till such time that the Company, are impleaded as parties in any such proceedings before any judicial/ arbitral forum or is notified by any governmental, statutory, or regulatory authority of any such proceeding that may be commenced.

Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in that particular litigation only.

Summary of the outstanding material legal proceedings

Particulars	Number of Cases	Amount involved (in ₹ million)
Legal proceedings involving criminal liability	Nil	Nil
Legal proceedings involving material violations of statutory regulations	1	10.00
Legal proceedings exceeding the Materiality Amount	1	145.01
Tax proceedings exceeding the Materiality Amount	Nil	Nil

Litigation involving our Company

A. Criminal litigation involving our Company

Criminal litigation initiated against our Company

Nil

Criminal litigation initiated against our Company

Nil

B. Material civil proceedings involving our Company

Material civil proceedings initiated against our Company

Dr. Masram Ranjana (wife of the deceased) along with other family members (collectively, the “**Complainants**”) filed consumer complaint dated February 4, 2019, before the National Consumer Disputes Redressal Commission, New Delhi, under Section 21(a)(1) of the Consumer Protection Act, 1986, against (i) our Company and one of our neurosurgeon Dr. Sujit Kumar Vidiyala, (ii) Venus Hospital, Hyderabad, (iii) Yashoda Hospitals, Hyderabad and its doctors, and (iv) Apollo Health City, Hyderabad and the State of Telangana (collectively, “**Respondents**”), alleging medical negligence and deficiency of service in the treatment of the deceased Dr. Masaram Vijaya Kumar. The deceased developed a headache on October 8, 2017, was initially treated at Venus Hospital where tests were found normal, and was admitted to Yashoda Hospital on October 17, 2017, where allegedly improper shock treatment was administered without adequate medical supervision leading to brain death. The Complainants further alleged that on October 20, 2017, the family of the deceased visited our Company and consulted Dr. Sujit Kumar Vidiyala, who allegedly provided a pre-determined opinion regarding the patient’s condition without physically examining the patient. The

deceased was thereafter shifted to Apollo Hospital on October 23, 2017, on assurances of surgical intervention but was allegedly kept in the ICU without treatment until his death was declared on October 30, 2017. The Complainants issued a legal notice dated February 5, 2018 to the Respondents seeking compensation of ₹145 million with interest at 18% per annum towards loss of future earnings, treatment costs, emotional distress, and funeral expenses. Our Company and Dr. Sujit Kumar Vidiyala have filed written statements on July 9, 2019 and July 1, 2019, respectively, denying all allegations, contending that the deceased was never brought to our hospital for treatment or examination or prescribed any medication, that Dr. Vidiyala only reviewed medical records brought by the family, counselled them regarding the critical condition of the patient, and never suggested shifting the patient to our hospital, and that in the absence of any doctor-patient relationship or treatment rendered, no negligence or deficiency of service can be attributed to our Company or Dr. Sujit Kumar Vidiyala. The matter is currently pending.

Material civil proceedings initiated by our Company

Nil

C. Outstanding actions (including notices received) by regulatory and/ or statutory authorities alleging material violations of applicable law against our Company

Sri V. Balaraju, on behalf of V. Padma Reddy, wife of the deceased Vasala Devdas (the “**Complainant**”), filed a complaint petition dated February 23, 2023, before the Telangana State Medical Council, Hyderabad (“**TSMC**”), under the Telangana State Medical Practitioners Registration Act, 1968, against our Company and Dr. Manas Kumar Panigrahi, Senior Consultant Neurosurgeon (collectively, the “**Respondents**”), alleging medical negligence, lack of informed consent, unethical promotional practices, and non-compliance with National Human Rights Commission (“**NHRC**”) norms in connection with the treatment and death of the deceased. The Complainant alleges that the deceased consulted Dr. Panigrahi relying upon credentials portrayed on the hospital’s online portal, which allegedly exaggerated Dr. Panigrahi’s qualifications in violation of Rule 6 of Chapter 6 of the Medical Ethics Code. The deceased was diagnosed with cervical disc prolapse with compressive myelopathy, admitted to our hospital on January 3, 2023, and underwent surgery on January 6, 2023, allegedly without valid informed consent as required under NHRC norms. Post-operative complications developed immediately, including weakness of the right upper limb and inability to speak, with MRI subsequently revealing multiple small acute infarcts. The patient was discharged against medical advice on January 13, 2023, and died on January 14, 2023. The Complainant further alleges that the Respondents collected ₹0.74 million towards medical bills without providing itemized bills and explanation to the bills in violation of NHRC regulations, and seeks compensation of ₹10.00 million. The Respondents have filed reply affidavits dated April 26, 2023, denying all allegations and contending *inter alia* that the Complainant lacks locus standi, that valid consent was obtained, that the surgery was uneventful and post-operative complications arose due to comorbid illnesses, that the patient was a CGHS beneficiary with no improper charges, and that the hospital website content was true, and complied with statutory requirements under the Telangana Allopathic Private Medical Care Establishments Act, 2002 and Telangana Allopathic Private Medical Care Rules, 2007. The matter is currently pending before the TSMC.

D. Economic offences where proceedings have been initiated against our Company

Nil

E. Tax Proceedings

As on the date of this Preliminary Placement Document, there are no tax proceedings involving our Company. We have set out below all claims relating to direct and indirect taxes involving our Subsidiaries in a consolidated manner, as on the date of this Preliminary Placement Document, giving details of total number of cases and total amount involving in such claims:

Nature of case	Number of cases	Amount involved (in ₹ million)*
Direct tax	3	354
Indirect tax	1	124
Total	4	478

* To the extent quantifiable.

I. Any other outstanding litigation involving our Company, wherein the amount involved cannot be determined or is below the Materiality Amount, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company

As on the date of this Preliminary Placement Document, there are no outstanding litigation involving our Company, wherein the amount involved cannot be determined or is below the Materiality Amount, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company.

II. Inquiries, inspections, or investigations initiated or conducted under the Companies Act, 2013, as amended, or any previous companies laws, in the last three years immediately preceding the year of this Preliminary Placement Document against our Company and our Subsidiaries; and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of issue of this Preliminary Placement Document/ Placement Document for the Company and our Subsidiaries.

Except as disclosed below, there have been no inquiries, inspections or investigations initiated or conducted against our Company and our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Preliminary Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company and our Subsidiaries:

1. One of our subsidiaries, Chalasani Hospitals Private Limited (the “**Hospital**”) was subject to the following instances of non-compliance under the Companies Act, 2013:
 - a) The Hospital had raised funds through a preferential allotment in a manner that was not in compliance with Section 42(10) of the Companies Act, 2013, on account of procedural lapses, including, *inter alia* issuance of the private placement offer letter prior to filing the relevant special resolution and delay in filing the return of allotment within the prescribed timeline. The matter was adjudicated by the Registrar of Companies, Vijayawada, under Section 454 of the Companies Act, 2013, vide order dated January 10, 2025. The Hospital and the directors concerned had subsequently paid imposed penalties, and the matter stands disposed of.
 - b) The Hospital had failed to file Form MGT-14 with the Registrar of Companies, Vijayawada, within the prescribed timeline in respect of shareholder resolutions approving (i) reclassification of authorized share capital, (ii) insertion of a new clause in the Articles of Association enabling issuance of shares with differential voting rights, and (iii) authorization to issue shares by way of private placement, resulting in a delay of 787 days in contravention of Section 117 of the Companies Act, 2013. The matter was adjudicated by the Registrar of Companies, Vijayawada, under Section 454 of the Companies Act, 2013, vide order dated January 10, 2025. The Hospital had subsequently paid imposed penalties and fines, filed the requisite forms and the matters stand disposed of.
2. One of our subsidiaries, Sarvejana Healthcare Private Limited (the “**Hospital**”), received six compounding orders from the regional director, pursuant to voluntary compounding applications filed by our Company, in respect of certain procedural lapses and non-compliances under the applicable provisions of the Companies Act, 2013 and the Companies Act, 1956. The said compounding orders were passed in connection with the following matters:
 - a) The Hospital has received a compounding order dated May 9, 2023 in relation to the failure to appoint a cost auditor for a period of 565 days, in contravention of Section 148(2) of the Companies Act, 2013. The Hospital had subsequently paid imposed penalties and fines, filed the requisite forms with the relevant authorities and the matter stand disposed of;
 - b) Further, the Hospital also received a compounding order dated May 9, 2023 in relation to the failure to appoint a whole-time company secretary, in contravention of Section 203 of the Companies Act, 2013. The Hospital had subsequently paid imposed penalties and fines, filed the requisite forms with the relevant authorities and the matter stand disposed of; and

- c) The Hospital received four compounding orders dated May 31, 2023 for entering into related party transactions for the purchase of certain products from related parties without requisite approvals, in contravention of Section 297 of the Companies Act, 1956. The Hospital had subsequently paid imposed penalties and fines, filed the requisite forms with the relevant authorities and the matters stand disposed of.

III. Material frauds committed against our Company in the last three years, immediately preceding the year of Issue of this Preliminary Placement Document, and if so, the action taken by our Company

There have been no material frauds committed against our Company in the last three years preceding the date of this Preliminary Placement Document.

IV. Significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

As on the date of this Preliminary Placement Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

V. Defaults by the Company including the amount involved, duration of default and present status, in repayment of: (a) statutory dues, (b) debentures and interest thereon; (c) deposits and interest thereon, or (d) loan from any bank or financial institution and interest thereon

There are no defaults in the payment of statutory dues (including provident fund, employees' state insurance, income-tax, custom duty and goods and service tax), repayment of debentures and interest thereon, repayment of deposit and interest thereon and repayment of loan from any bank or financial institution and interest thereon by our Company, as on date of this Preliminary Placement Document.

VI. Defaults in annual filings of our Company under the Companies Act, 2013, as amended or the rules made thereunder

As on the date of this Preliminary Placement Document, our Company has not defaulted in any annual filing under the Companies Act, 2013, as amended, or the rules made thereunder.

VII. Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this Preliminary Placement Document (i.e. 2024, 2025, 2026 and till date of the Preliminary Placement Document), and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any

There is no litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of circulation of this Preliminary Placement Document.

VIII. Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of this Issue (i.e. 2022, 2023, 2024, 2025 and 2026) and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

Except as disclosed below and in *“Risk Factors - Our audit reports have qualifications under Companies (Audit and Auditors) Rules, 2014 with respect to the modifications in the accounting software forming part of the books of account”* on page 67, there are no reservations, qualifications or adverse remarks of our Auditors in last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document.

Sr. No.	Period	Nature of remarks	Reporting	Remarks
1.	Consolidated Financial Statements of the Company for Fiscal 2024	Modification	Report under other legal and regulatory requirements - Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014	Audit report for fiscal 2024 has qualifications under other legal and regulatory requirements for modification, where the audit trail feature was not enabled for changes made if any, using privileged/ administrative rights for one accounting software forming part of books of account.
2.	Consolidated Financial Statements of the Company for Fiscal 2025	Modification	Report under other legal and regulatory requirements - Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014	Audit report for fiscal 2025 has qualifications under other legal and regulatory requirements for modification, where the audit trail feature is not enabled for direct changes to data when using certain access rights from April 1, 2024 to March 25, 2025 of one accounting software forming part of books of account.

OUR STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013, S.R. Batliboi & Associates LLP, Chartered Accountants, were appointed as our Company's Statutory Auditors.

The Audited Consolidated Financial Statements as at and for the fiscals ended 2026, 2025, and 2024 of our Company as included in this Preliminary Placement Document, have been audited by our Statutory Auditors, as stated in their reports appearing herein.

The peer review certificate of our Statutory Auditors is valid as of the date of this Preliminary Placement Document.

GENERAL INFORMATION

1. Our Company was originally incorporated as Jagjit Singh and Sons Private Limited as a private limited company under the Companies Act, 1956 and a certificate of incorporation dated July 26, 1973 was issued by, Registrar of Companies, Maharashtra at Mumbai. Our Company changed the location of its registered office from the State of Maharashtra to the erstwhile State of Andhra Pradesh, pursuant to an order dated January 29, 2003 by the Company Law Board, Western Region Bench, Mumbai (“**Order**”) and the registration of the Order vide certificate of registration dated February 21, 2003 by the Registrar of Companies, Andhra Pradesh and Telangana (then the Registrar of Companies, Andhra Pradesh) (“**RoC**”). Subsequently, the name of our Company was changed to ‘Krishna Institute of Medical Sciences Private Limited’, pursuant to a letter of approval from the Central Government dated January 2, 2004 and a fresh certificate of incorporation issued by the RoC on January 2, 2004. Further, pursuant to the conversion of our Company to a public limited company, our name was changed to ‘Krishna Institute of Medical Sciences Limited’ and the RoC issued a fresh certificate of incorporation on January 29, 2004.
2. Our Company’s Registered Office is located at D. No. 1-8-31/1, Minister’s Road, Secunderabad – 3, Telangana 500 003, India.
3. The CIN of our Company is L55101TG1973PLC040558.
4. The LEI of the Company is 254900JA6LS4UY2ZCR81.
5. The website of our Company is www.kimshospitals.com.
6. The authorised share capital of our Company as of the date of this Preliminary Placement Document is ₹ 950,000,000 divided into 475,000,000 Equity Shares of ₹2 each. The issued, subscribed and paid-up share capital of our Company is ₹ 800,277,870 divided into 400,138,935 Equity Shares of face value of ₹2 each.
7. The Issue was authorised and approved by our Board of Directors on March 11, 2026 and approved by our Shareholders (through postal ballot) on April 15, 2026.
8. Our Company has received in-principle approval under Regulation 28(1)(a) of the SEBI Listing Regulations to list the Equity Shares, issued pursuant to the Issue, on the BSE Limited and National Stock Exchange of India dated June 16, 2026. Our Company will make an application to the Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.
9. Copies of the Memorandum and Articles of Association will be available for inspection during usual business hours between 9:30 A.M. to 5:30 P.M. any weekday (except Saturdays and public holidays) during Bid/ Issue Period at our Registered Office.
10. Our Equity Shares are listed only on the BSE and NSE.
11. The Issue will not result in a change in control of our Company.
12. Our Company has made necessary intimations and obtained necessary consents, approvals and authorizations required in connection with the Issue.
13. Except as disclosed in this Preliminary Placement Documents, there has been no material change in financial or trading position of our Company since the date of the latest financial statements prepared and included herein.
14. There have been no defaults in the annual filings of our Company under the Companies Act, 2013 or the rules made thereunder.
15. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see “**Legal Proceedings and other Information**” on page 208.

16. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.
17. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.
18. The Floor Price for the Issue is ₹ 771.73 per Equity Share, calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board resolution dated March 11, 2026 and the shareholders of our Company accorded through a special resolution passed by way of a postal ballot dated April 15, 2026 and Regulation 176(1) of the SEBI ICDR Regulations.
19. Our Company and the BRLMs accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including the websites of our Company, or any other website linked (directly or indirectly) to the websites of our Company, would be doing it at his or her own risk.
20. The Company Secretary and Compliance Officer of our Company is Nagajayanthi Juttur Raghavendra Das Her contact details are as follows:

Address: D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana 500 003, India

Tel: +91 40 4418 6000

E-mail: cs@kimshospitals.com

FINANCIAL INFORMATION

Certain financial metrics derived from the Audited Consolidated Financial Statements

The accounting ratios derived from the Audited Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below. The tables below should be read in conjunction with the sections titled **“Summary of our Business - Selected financial information”** and **“Risk Factors”** on pages 142 and 39, respectively.

A summary of the financial information of the Company for Fiscals 2026, 2025 and 2024 is as follows:

Particulars	Fiscals as of March 31		
	2026	2025	2024
Total income	39,308	30,670	25,143
Profit before tax and exceptional items	3,451	5,473	4,595
Profit for the year	2,420	4,148	3,359
Equity share capital	800	800	800
Other equity	21,674	20,578	17,482
Cash & Cash Equivalents ⁽¹⁾	554	560	469
Total Assets	77,587	57,360	38,517
Net Worth ⁽²⁾⁽¹²⁾	22,895	21,492	18,350
Basic earnings per equity share (₹) ^{(3)^}	6.03	9.61	7.75
Diluted earnings per equity share (₹) ^{(4)^}	6.03	9.61	7.75
Return on Net Worth (%) ^{(5)(12)^}	10.57%	19.30%	18.31%
Net Asset Value Per Equity Share(₹) ^{(6)(12)^}	57.22	53.71	45.86
EBITDA ⁽⁷⁾⁽¹²⁾	8,196	8,256	6,530
Adjusted EBITDA ⁽⁸⁾⁽¹²⁾	8,282	8,148	6,533
Adjusted EBITDA Margin (%) ⁽⁹⁾⁽¹²⁾	21.07%	26.57%	25.98%
PBT Margin (%) ⁽¹⁰⁾⁽¹²⁾	8.49%	18.20%	18.28%
PAT Margin (%) ⁽¹¹⁾⁽¹²⁾	6.16%	13.52%	13.36%

⁽¹⁾ “Cash & Cash Equivalents” includes cash on hand, balances with current accounts and deposit accounts.

⁽²⁾ “Net Worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations. Accordingly, Net Worth has been calculated as aggregate value of the paid-up share capital, securities premium account and retained earnings.

⁽³⁾ “Basic earnings per equity share” means profit for the year attributable to equity shareholders / weighted average number of shares outstanding as at the end of the year, in accordance with Ind AS 33 ‘Earnings per Share’. Basic earnings per equity share for Fiscal 2024 is calculated post taking impact of split of face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each).

⁽⁴⁾ “Diluted earnings per equity share” means profit for the year attributable to equity shareholders / weighted average number shares outstanding as at the end of the year on fully diluted basis, in accordance with Ind AS 33 ‘Earnings per Share’. Diluted earnings per equity share for Fiscal 2024 is calculated post taking impact of split of face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each).

⁽⁵⁾ “Return on Net Worth” is computed as profit for the year attributable to equity shareholders divided by the net worth at the end of the year.

⁽⁶⁾ Net Asset Value Per Equity Share” is computed as net worth divided by the number of equity shares outstanding as at the end of the year. Net asset value for fiscal 2024 is calculated post taking impact of split of face value of ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 2 each).

⁽⁷⁾ “EBITDA” is calculated as profit for the year, plus total tax expenses, finance costs and depreciation and amortization expenses.

⁽⁸⁾ “Adjusted EBITDA” is calculated as profit for the year, plus total tax expenses, finance costs and depreciation and amortization expenses less exceptional items ((loss)/gain on fair valuation of call option (net) and statutory impact of new labour codes) & share of profit/(loss) from associate, (net of taxes).

⁽⁹⁾ “Adjusted EBITDA Margin” is the percentage of adjusted EBITDA divided by total income.

⁽¹⁰⁾ “PBT Margin” is the percentage of Profit before tax divided by total income.

⁽¹¹⁾ “PAT Margin” is the percentage of Profit for the year divided by total income.

⁽¹²⁾ EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Net Worth, PAT Margin, PBT Margin, Net Asset Value Per Equity Share, and Return on Net Worth are non-GAAP measures of our Company. These non-GAAP measures are not meant to be considered in isolation or as a substitute for our profit before tax, profit for the year or any other financial measure prepared in accordance with Ind AS. The non-GAAP measures presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure. For information on how these non-GAAP measures are calculated and a reconciliation to our most directly comparable GAAP measures, see section titled **“Financial Information”** on page 217. For further details, see sections titled **“Summary of our Business – Selected Financial Information”** on page 142 and **“Risk Factors – This Preliminary Placement Document contains certain Non-GAAP measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry and therefore may not be comparable with financial or industry-related statistical information of similar nomenclature computed and presented by other companies.”** on page 67.

[^]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 ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 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 ₹ 10 have been sub-divided into 5 equity shares of ₹ 2 each w.e.f. September 13, 2024.

Non-GAAP financial measures

This section includes certain Non-GAAP financial measures relating to our financial performance (together, "Non-GAAP financial measures" and each a "Non-GAAP financial measure"), as presented below. These Non-GAAP financial measures are not required by or presented in accordance with Indian GAAP. EDITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Net Worth, PAT Margin, PBT Margin, Net Asset Value per Equity Share, Return on Net Worth, Ind AS 116, and Adjusted EBITDA Pre IND AS are non-GAAP measures of our Company. These non-GAAP measures are not meant to be considered in isolation or as a substitute for our Profit before tax expense, Profit after tax or any other financial measure prepared in accordance with Ind AS. The non-GAAP measures presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure. For further details, see sections titled "**Summary of our Business**" on page 141 and "**Risk Factors – This Preliminary Placement Document contains certain Non-GAAP measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry and therefore may not be comparable with financial or industry-related statistical information of similar nomenclature computed and presented by other companies**" on page 67.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Preliminary Placement Document, i.e., EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, PAT Margin, PBT Margin, Net Asset Value per Equity Share, Net Worth and Return on Net Worth are given below:

1) Reconciliation of net worth and return on net worth

(₹ in million, unless otherwise stated)

Particulars	As at and for the year ended March 31, 2026	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024
Equity share capital (I)	800	800	800
Securities premium account (II)	10,340	10,340	10,340
Retained earnings (III)	11,755	10,352	7,210
Net worth (IV) = (I+II+III)	22,895	21,492	18,350
Profit for the year (V)	2,420	4,148	3,359
Return on net worth (VI= V/IV)(in %)	10.57%	19.30%	18.31%

2) Reconciliation of Net Asset Value per Equity Share

(₹ in million, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Equity share capital (I)	800	800	800
Securities premium account (II)	10,340	10,340	10,340
Retained earnings (III)	11,755	10,352	7,210
Net worth (IV) = (I+II+III)	22,895	21,492	18,350
Number of equity shares outstanding as at the end of the year (in number) (V)	400,138,935	400,138,935	400,138,935
Net Asset Value per Equity Share (in ₹)(VI= IV/V*10 ^{^6})	57.22	53.71	45.86

Note - 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 ₹ 10 each to face value of ₹ 2 each (i.e. split of 1 equity share of ₹ 10 each into 5 equity shares of ₹ 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 ₹ 10 have been sub-divided into 5 equity shares of ₹ 2 each w.e.f. September 13, 2024. Net Asset value per Equity Share has been calculated after giving effect to such sub-division.

3) Reconciliation from profit for the year to EBITDA and Adjusted EBITDA

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit for the year (I)	2,420	4,148	3,359
Add:			
Finance costs (II)	2,025	903	470
Total tax expense (III)	919	1,433	1,236
Depreciation and amortization expense (IV)	2,832	1,772	1,465
EBITDA (V=I+II+III+IV)	8,196	8,256	6,530
Less:			
Share of profit/(loss) from associate, net of tax (VI)	26	-	(3)
Exceptional items:			
(Loss)/gain on fair valuation of call option (net) (VII)	(38)	108	-
Statutory impact of new labour codes (VIII)	(74)	-	-
Adjusted EBITDA (IX = V-VI-VII-VIII)	8,282	8,148	6,533

4) Reconciliation of Adjusted EBITDA margin

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Adjusted EBITDA (I)	8,282	8,148	6,533
Total income (II)	39,308	30,670	25,143
Adjusted EBITDA Margin (I/II)(in %)	21.07%	26.57%	25.98%

5) Reconciliation of PBT margin

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before Tax (I)	3,339	5,581	4,595
Total income (II)	39,308	30,670	25,143
PBT Margin (I/II)(in %)	8.49%	18.20%	18.28%

6) Reconciliation of PAT margin

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit for the year (I)	2,420	4,148	3,359
Total income (II)	39,308	30,670	25,143
PAT Margin (I/II)(in %)	6.16%	13.52%	13.36%

For cash flow statements of our Company for Fiscals 2026, 2025 and 2024, see “**Selected Financial Information – Summary of consolidated statement of cash flows**” on page 36. We have included the following financial statements in this Preliminary Placement Document:

Financial Statement	Page Number
Fiscal 2026 Audited Consolidated Financial Statements and audit reports thereon	220
Fiscal 2025 Audited Consolidated Financial Statements and audit reports thereon	300
Fiscal 2024 Audited Consolidated Financial Statements and audit reports thereon	379

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, 2026, 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, 2026, 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, 2026. 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
<u>Impairment assessment of Goodwill on consolidation pertaining to acquisition of subsidiaries</u> <i>(as described in Note 2.40 of the consolidated financial statements)</i>	
As at March 31, 2026, the Group has goodwill on consolidation pertaining to acquisitions of subsidiaries. These goodwill balances 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; - Stable long-term growth rates beyond explicit forecast period and in perpetuity; and -Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax). The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing of goodwill pertaining to these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Financial Statements as a whole.	Our audit procedures included the following: •We tested the design, implementation and operative effectiveness of management’s key internal controls over impairment assessments; •We gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, we also evaluated the competence and professional qualification of the Company’s personnel involved in the process. •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; •With the assistance of our specialists for select impairment assessments, we assessed the assumptions on the key drivers of the cash flow forecasts including discount rates and terminal growth rates used in consideration of the current and estimated future economic conditions. •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 Management discussion and analysis, corporate governance and Board’s report included in the Annual report, which we obtained prior to the date of this auditor’s report, and the Corporate overview and letter from Chairman included in the Annual report , which is expected to be made available to us after that date. The other information does not include the Standalone financial statements, 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to 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 Board of 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, 2026 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 3 subsidiaries, whose financial statements include total assets of Rs 4,045 million as at March 31, 2026, and total revenues of Rs 1,112 million and net cash outflow of Rs 41 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 26 million for the year ended March 31, 2026, 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.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India 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(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (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, 2026 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, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to 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, 2026 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) 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, 2026;
 - 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, 2026;
 - 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. Further, during the course of 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. Additionally, the audit trail of prior years 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
Membership Number: 102328
UDIN: 26102328AACYXB4596
Place of Signature: Hyderabad
Date: May 15, 2026

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: 26102328AACYXB4596

Place of Signature: Hyderabad

Date: May 15, 2026

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, 2026, 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, 2026, 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 3 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 26102328AACYXB4596

Place of Signature: Hyderabad

Date: May 15, 2026

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated Balance Sheet as at 31 March 2026

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

	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	41,862	21,988
Capital work-in-progress	2.1(b)	6,062	12,138
Goodwill	2.40	3,386	3,386
Other intangible assets	2.1 (c)	570	677
Right-of-use assets	2.25	11,283	7,434
Investments accounted for using equity method	2.2 (a)	875	765
Financial assets			
(i) Investments	2.2 (a)	6	6
(ii) Loans	2.3(a)	134	55
(iii) Other financial assets	2.4(a)	778	601
Deferred tax assets (net)	2.38	1,274	599
Non-current tax assets (net)	2.9	550	438
Other non-current assets	2.5(a)	1,433	2,300
Total non-current assets		68,213	50,387
Current assets			
Inventories	2.6	969	640
Financial assets			
(i) Investments	2.2 (b)	151	220
(ii) Trade receivables	2.7	5,542	3,954
(iii) Cash and cash equivalents	2.8(a)	554	560
(iv) Bank balances other than (iii) above	2.8(b)	193	245
(v) Loans	2.3(b)	722	492
(vi) Other financial assets	2.4(b)	675	485
Other current assets	2.5(b)	568	377
Total current assets		9,374	6,973
Total assets		77,587	57,360
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10 (a)	800	800
Other equity	2.10 (b)	21,674	20,578
Total equity attributable to owners of the Company		22,474	21,378
Non-controlling interests	2.10 (c)	3,111	2,810
Total Equity		25,585	24,188
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (a)	26,726	16,542
(ii) Lease liabilities	2.25	9,648	6,331
(iii) Other financial liabilities	2.12(a)	1,494	777
Provisions	2.13	457	335
Deferred tax liabilities (net)	2.38	680	468
Other non-current liabilities	2.16(a)	608	357
Total non-current liabilities		39,613	24,810
Current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (b)	5,714	2,567
(ii) Lease liabilities	2.25	441	176
(iii) Trade payables	2.14		
(a) Total outstanding dues of micro enterprises and small enterprises; and		534	150
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,694	2,541
(iv) Other financial liabilities	2.12(b)	1,900	2,110
Other current liabilities	2.16(b)	780	538
Provisions	2.15	326	264
Current tax liabilities (net)		-	16
Total current liabilities		12,389	8,362
Total equity and liabilities		77,587	57,360
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

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

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

J R Nagajayanthi
Company Secretary
Membership no: FCS7

Place: Hyderabad
Date: 15 May 2026

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated Statement of Profit and Loss for the year ended 31 March 2026

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

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	2.17	39,046	30,351
Other income	2.18	262	319
Total income		39,308	30,670
Expenses			
Purchase of medical consumables, drugs and surgical instruments		8,418	6,404
Increase in inventories of medical consumables, drugs and surgical instruments	2.19	(329)	(135)
Employee benefits expense	2.20	6,817	4,995
Finance costs	2.21	2,025	903
Depreciation and amortisation expense	2.22	2,832	1,772
Other expenses	2.23	16,120	11,258
Total expenses		35,883	25,197
Profit before share of profit from associate and exceptional items		3,425	5,473
Share of profit from associate, net of tax	2.35	26	-
Profit before tax and exceptional items		3,451	5,473
Exceptional Items			
(Loss)/gain on fair valuation of Call option (net)	2.33	(38)	108
Statutory impact of new Labour Codes	2.26	(74)	-
Profit before tax		3,339	5,581
Tax expense			
- Current tax	2.38	1,362	1,495
- Deferred tax credit	2.38	(463)	(47)
- Adjustment of tax relating to earlier years	2.38	20	(15)
Total tax expense		919	1,433
Profit for the year (A)		2,420	4,148
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to statement of profit and loss			
- Re-measurement loss/(gain) of defined benefit plans		2	(31)
- Income tax effect		-	8
Other comprehensive income/(loss) for the year, net of tax (B)		2	(23)
Total comprehensive income for the year (A+B)		2,422	4,125
Profit for the year attributable to:			
Owners of the Company		2,414	3,845
Non-controlling interests		6	303
Profit for the year		2,420	4,148
Other comprehensive income/(loss) for the year attributable to:			
Owners of the Company		1	(20)
Non-controlling interests		1	(3)
Other comprehensive income/(loss) for the year		2	(23)
Total comprehensive income for the year attributable to:			
Owners of the Company		2,415	3,825
Non-controlling interests		7	300
Total comprehensive income for the year		2,422	4,125
Earnings per equity share attributable to owners of the Company (face value of share Rs. 2 each)			
- Basic (Rs.)	2.28	6.03	9.61
- Diluted (Rs.)	2.28	6.03	9.61

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

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

 per **Navneet Rai Kabra**

Partner

Membership no.: 102328

Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

Place: Hyderabad

Date: 15 May 2026

Place: Hyderabad

Date: 15 May 2026

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Consolidated statement of Cash Flows for the year ended 31 March 2026

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
I Cash flows from operating activities		
Profit before tax for the year	3,339	5,581
Adjustments for:		
Depreciation and amortisation expense	2,832	1,772
Finance costs	2,025	903
Provision of expected credit loss for trade receivables (including bad debts)	97	130
Interest income	(121)	(102)
Deferred Government grants income	(35)	-
Loss/(profit) on sale of property, plant and equipment (net)	5	(109)
Liabilities no longer required written back	(10)	(6)
Gain on mutual funds	(5)	(48)
Rental income	(16)	(7)
Loss/(gain) on fair valuation of Call option (net)	38	(108)
Income on termination of lease	-	(5)
Share of profit from an associate	(26)	-
Operating cash flows before working capital changes	8,123	8,001
Adjustments for:		
Increase in trade receivables	(1,685)	(934)
Increase in inventories	(329)	(133)
Increase in other financial assets and other assets	(465)	(322)
Increase in trade payables, other financial liabilities, provisions and other liabilities	974	620
Cash generated from operations	6,618	7,232
Income taxes paid, net of refunds	(1,510)	(1,414)
Net cash flows generated from operating activities (1)	5,108	5,818
II Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets, including capital work-in-progress and capital advances	(14,279)	(10,089)
Proceeds from sale of property, plant and equipment	150	472
Investment in associate	(84)	(27)
Acquisition of subsidiaries	-	(1,123)
Acquisition of business	-	(634)
Investment in mutual funds	(1,990)	(3,500)
Proceeds from sale of mutual funds	2,064	4,157
Loans given	(864)	(272)
Loans repayment received	555	-
Redemption of bank deposits (having original maturity of more than three months)	105	117
Investment in bank deposits (having original maturity of more than three months)	(287)	(349)
Rental income received	16	7
Interest received	97	79
Net cash flows used in investing activities (2)	(14,517)	(11,162)
III Cash flows from financing activities		
Proceeds from long-term borrowings	13,423	8,487
Repayment of long-term borrowings	(2,095)	(837)
Proceeds from short-term borrowings (net)	1,962	288
Issue of preference shares to non-controlling interest	192	64
Issue of shares to non-controlling interest	288	-
Acquisition of non-controlling interest	(1,505)	(942)
Share application money received from non-controlling interest	8	-
Advance paid for acquisition of non-controlling interest	(54)	-
Payment of principal of lease liability	(685)	(131)
Payment of interest on lease liability	(59)	(269)
Interest paid	(2,072)	(1,229)
Net cash flows generated from financing activities (3)	9,403	5,431
Net (decrease)/increase in cash and cash equivalents (1+2+3)	(6)	87
Cash and cash equivalents acquired through business combination	-	4
Cash and cash equivalents at the beginning of the year	560	469
Cash and cash equivalents at the end of the year	554	560

Note:

a) The consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind AS 7) - Statement of cash flows:

b) Cash and cash equivalents comprises of:

	As at 31 March 2026	As at 31 March 2025
Cash on hand	29	32
Balances with banks		
- On current accounts	391	461
- In deposit accounts (with original maturity of 3 months or less)	134	67
Total	554	560

c) Refer note 2.8 (c) for changes in liabilities arising from financing activities

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

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited
per Navneet Rai Kabra

Partner

Membership no.: 102328

Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

Place: Hyderabad

Date: 15 May 2026

Place: Hyderabad

Date: 15 May 2026

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated statement of changes in equity for year ended 31 March 2026
(All amounts are in millions of Indian Rupees, except share data or unless otherwise stated)

a) Equity share capital

Equity shares of Rs.2 each (31 March 2025: Rs.2 each) issued, subscribed and fully paid	No. of shares	Amount
At 1 April 2024	80,027,787	800
Add: Increase in shares on account of split*	320,111,148	-
Add: Shares issued during the year	-	-
At 31 March 2025	400,138,935	800
Add: Shares issued during the year	-	-
At 31 March 2026	400,138,935	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.

b) Other equity

Particulars	Other equity attributable to the owners of the Company					Total other equity	Non-controlling interest (Refer note 2.10 (c))	Total (Includes equity share capital as per (a) above)
	Reserve and surplus							
	Securities premium account	Adjustment reserve	Capital contribution	Put option reserve	Retained earnings			
Balance as at 01 April 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	-	-	(46)	-	-	(46)	46	-
Other comprehensive loss 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
Profit for the year	-	-	-	-	2,414	2,414	6	2,420
Acquisition of non-controlling interests	-	-	-	-	(1,120)	(1,120)	(385)	(1,505)
Issue of equity shares to non-controlling interests	-	-	-	-	108	108	180	288
Issue of preference shares to non-controlling interests	-	-	-	-	-	-	192	192
Other equity	-	-	(34)	-	-	(34)	34	-
Contribution to equity from non-controlling interests	-	-	-	-	-	-	583	583
Recognition of put liability held by non-controlling interests	-	-	-	(273)	-	(273)	(310)	(583)
Other comprehensive income for the year	-	-	-	-	1	1	1	2
Balance as at 31 March 2026	10,340	58	(206)	(273)	11,755	21,674	3,111	25,585

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

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

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 15 May 2026

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2026****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 2026. 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 – 500 003.

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 15 May 2026.

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. “0” represents less Rs. 1 million.

b) Basis of measurement:

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value or refer accounting policy regarding financial instruments
Net defined benefit (asset)/ liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

The Group’s consolidated financial statements are presented in Indian rupee (INR), which is also the parent company’s functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. 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 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

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

e) Significant accounting judgement, estimates and assumptions:

The preparation of 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 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 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.

Assessment of present ownership interest in NCI stake

The share subscription and shareholder agreements entered into by the Group with a subsidiary's minority shareholders includes a put option that give the minority shareholders a right to sell the minority equity interest (NCI share) of the subsidiary as per the agreed pricing terms of the options.

The Group exercise judgment to determine if such option provides a present ownership interest to the Group over NCI stake of the subsidiary. Since the pricing of the NCI put is based on forecasted EBIDTA, the present ownership remains with the NCI. Accordingly, the management concludes that this option does not provide the Group with a present access to returns associated with an ownership interest over the shares held by NCI.

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 2026. 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:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2026**

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 2026 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 2026	31 March 2025
Arunodaya Hospitals Private Limited ('AHPL')	Subsidiary	India	65.95	70.67
KIMS Hospital Enterprises Private Limited ('KHEPL')	Subsidiary	India	90.97	90.93
Iconkrishi Institute of Medical Sciences Private Limited ('ICON')	Subsidiary	India	51.00	51.00
Saveera Intitute of Medical Sciences Private Limited ('SIMS')	Subsidiary	India	74.57	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	79.94	100.00
KIMS Hospital Kurnool Private Limited ('KHKPL')	Subsidiary	India	55.00	55.00
Sarvejana Healthcare Private Limited ('SHPL')	Subsidiary	India	76.24	69.35
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 ('KHL')	Associate	India	40.51	38.50
Meda Institute of Podiatry Private Limited ('MEDA')	Subsidiary	India	51.00	51.00
Chalasani Hospitals Private Limited (QNRI)	Subsidiary	India	100.00	100.00

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 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:

- i. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

D. Fair value measurement:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Group's Chief Financial officer analyses the movements in the values of assets and liabilities which are required to be re measured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.33 – financial instruments.

E. Revenue from contract with customers

The Group's revenue from medical and healthcare services comprises of revenue 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.

Revenue 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 is subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other Income

Interest on deposits, loans and debt instruments are measured at amortized cost. Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the consolidated statement of profit and loss.

F. Income-tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in consolidated statement of profit and loss except to the extent that 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 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 is 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	2-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 for the following :

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is in the nature of perpetual lease without any limited useful life 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.

Research and development costs

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, availability of resources to complete the asset is established, the Company has intention and ability to complete and use the asset and the costs are reliably measured, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

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

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, 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.

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 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

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

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 future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined liability (assets) for the year by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes to the defined benefit liability (asset) as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss. The Group recognises gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in the consolidated statement of profit and loss on the earlier of amendment or curtailment.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g, under short term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated absences

As per the leave encashment policy of the Group, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of consolidated profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

N. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with 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
- 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 financials assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

For trade receivables and 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 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.

NCI Put option liability

Where a put option has been granted to NCI, the Group de-recognises the NCI and recognises a financial liability at each reporting date for the present value of the expected redemption amount.

The difference between the derecognised NCI and the recognised financial liability towards put option is recorded directly in equity, and no separate interest expense is recognised for the unwinding of discount. Upon exercise of the option, the liability is extinguished by payment of the exercise price. If the option expires unexercised, the liability is reversed and the NCI reinstated as if the option had never existed.

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.

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.

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.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

(All amounts are in millions 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)	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 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
Balance as at 1 April 2025	2,842	152	711	10,875	9,693	845	225	1,407	571	869	187	28,377
Additions	607	-	3,436	7,518	7,583	253	186	1,516	546	558	51	22,254
Disposals	-	-	(62)	(1)	(598)	(20)	(5)	(56)	(24)	(8)	(6)	(780)
Balance as at 31 March 2026	3,449	152	4,085	18,392	16,678	1,078	406	2,867	1,093	1,419	232	49,851
Accumulated depreciation												
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
Balance as at 1 April 2025	-	-	391	921	3,269	242	112	551	379	447	77	6,389
Depreciation charge for the year	-	-	97	384	1,123	61	43	221	157	116	23	2,225
Disposals	-	-	(22)	-	(502)	(16)	(3)	(53)	(22)	(3)	(4)	(625)
Balance as at 31 March 2026	-	-	466	1,305	3,890	287	152	719	514	560	96	7,989
Net block value												
At 31 March 2025	2,842	152	320	9,954	6,424	603	113	856	192	422	110	21,988
At 31 March 2026	3,449	152	3,619	17,087	12,788	791	254	2,148	579	859	136	41,862

1. Buildings amounting to gross block Rs. 257 (31 March 2025: Rs. 254) and net block Rs. 209 (31 March 2025: Rs. 212) 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 Group.

2. Refer note 2.11 for details of assets pledged as security.

3. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease considering Group has option to renew the lease at a nominal price.

4. The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.

5. The Group has not revalued any of its Property, Plant and Equipment during the year.

2.1(b) Capital Work in Progress

	As at 31 March 2026	As at 31 March 2025
Gross Carrying amount		
Balance as at beginning of the year	12,138	6,001
Additions	10,686	8,899
Capitalised during the year	(16,762)	(2,762)
Balance as at end of the year	6,062	12,138

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

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	4,443	1,178	266	175	6,062
-Projects temporarily suspended	-	-	-	-	-
Total	4,443	1,178	266	175	6,062

ii) 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

There are no capital work in progress projects, whose completion is overdue or has exceed its cost compared to its original plan as at 31 March 2026 and 31 March 2025.

The amount of finance costs capitalised during the year ended 31 March 2026 was Rs. 782 (31 March 2025 was Rs. 749). The rates used to determine the amount of borrowing costs eligible for capitalisation are ranging between 7.70% to 8.55% which is the effective interest rate of these specific borrowings.

The amount of salary costs capitalised during the year ended 31 March 2026 was Rs. 167 (31 March 2025 was Rs. 178).

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 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
Balance as at 1 April 2025	492	530	28	100	188	1,338
Additions	87	-	-	-	-	87
Balance as at 31 March 2026	579	530	28	100	188	1,425
Accumulated amortisation						
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
Balance as at 1 April 2025	246	343	28	1	43	661
Amortisation charge for the year	74	109	-	5	6	194
Balance as at 31 March 2026	320	452	28	6	49	855
Net book value						
At 31 March 2025	246	187	-	99	145	677
At 31 March 2026	259	78	-	94	139	570

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

	As at 31 March 2026	As at 31 March 2025
2.2 Investments		
Investment - valued at cost		
(a) Non current investments		
(Unquoted)		
Investment in associate valued using equity method		
80,758,500 (31 March 2025: 76,758,500) equity shares of Rs. 10 each fully paid up held in Kondapur Healthcare Limited (Refer note 2.35)	875	765
Investment carried at fair value through other comprehensive income		
596,700 (31 March 2025: 596,700) equity shares of Rs. 10 each fully paid up held in MSPL Unit 4 Limited	6	6
Total	881	771
Aggregate book value of unquoted investments	881	771
Aggregate provision for impairment in value of investments	-	-
(b) Current investments		
(Quoted investments, fair value through profit or loss)		
Investment in mutual funds		
319,055 units (31 March 2025: 5,15,416 units) - ICICI prudential Liquid fund direct plan growth	130	197
Nil units (31 March 2025: 231,744 units) - ICICI prudential Ultra short term fund direct plan growth	-	7
1,421 units (31 March 2025: 14,175,223 units) - ICICI prudential Money market fund direct plan growth	1	16
13,784 units (31 March 2025: 291 units) - ICICI prudential Overnight fund direct plan growth	20	0
Total	151	220
Aggregate book value of quoted investments	151	220
Aggregate market value of quoted investments	151	220
Aggregate provision for impairment in value of investments	-	-
2.3 Loans (at amortised cost)		
(Unsecured, considered good)		
(a) Non-current		
-To parties other than related parties		
Loans to others	134	55
Total	134	55
(b) Current		
-To parties other than related parties		
Loans to others	34	29
-To related parties (Refer note 2.27)		
Loans to related parties	688	463
Total	722	492

The loan to associate has been granted for setting up of a new multi speciality hospital and the loan to others have been granted for general corporate purposes. The loans are carrying an interest rate of 12% (31 March 2025: 9%-12%). The Group has no loans which are either repayable on demand or are without specifying any terms or period of repayment. Include interest accrued but not due of Rs.12 (31 March 2025: Rs.15) reclassified to loans for better presentation.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

	As at 31 March 2026	As at 31 March 2025
2.4 Other financial assets (Unsecured, Considered good)		
(a) Non-current		
At amortised cost		
Deposits with remaining maturity more than 12 months*	330	95
Security deposits	324	398
Advance for purchase of shares	54	-
At fair value through profit and loss		
Call option asset (Refer note 2.33)	70	108
Total	778	601
*Includes Rs 330 (31 March 2025: Rs. 95) deposits placed which are restrictive in nature as they pertain to bank guarantee. These guarantees are maturing after 12 months of the reporting date. Includes interest accrued but not due of Rs 5 (31 March 2025: Rs. 4) reclassified to deposits for better presentation.		
(b) Current (at amortised cost)		
Unbilled revenue (Refer note 2.31)	525	371
Other advances	17	16
Security deposits	133	98
Total	675	485
2.5 Other assets (Unsecured, considered good)		
(a) Non-current		
Capital advances	1,334	2,163
Balance with government authorities	22	51
Prepaid expenses	77	86
Total	1,433	2,300
(b) Current		
Advance to suppliers	408	252
Prepaid expenses	81	92
Staff advances	44	28
Other receivables	35	5
Total	568	377
2.6 Inventories (Valued at lower of cost or net realisable value)		
Medical consumables, drugs and surgical instruments	969	640
Total	969	640

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.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

2.7 Trade receivables (at amortised cost)

(Unsecured)

Trade receivables - Considered good - Unsecured*

Less: Allowance for expected credit loss

Trade receivables - credit impaired - unsecured

Less: Allowance for credit impairment

Total

	As at 31 March 2026	As at 31 March 2025
	6,173	4,529
	(631)	(575)
	5,542	3,954
	-	-
	-	-
	5,542	3,954

* 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.

Trade Receivables ageing schedule as on 31 March 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables-considered good	2,018	2,170	1,005	621	182	177	6,173
(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							6,173
Less : Allowance for expected credit loss							(631)
Balance at the end of the year							5,542

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

Total

550	438
550	438

2.10 (a) Equity share capital

Authorised share capital

475,000,000 equity shares of Rs. 2 each (31 March 2025: 475,000,000 equity shares of Rs. 2 each)*

Issued, subscribed and paid-up

400,138,935 equity shares of Rs. 2 each fully paid-up (31 March 2025: 400,138,935 equity shares of Rs. 2 each fully paid-up)*

	As at 31 March 2026	As at 31 March 2025
Authorised share capital		
475,000,000 equity shares of Rs. 2 each (31 March 2025: 475,000,000 equity shares of Rs. 2 each)*	950	950
	950	950
Issued, subscribed and paid-up		
400,138,935 equity shares of Rs. 2 each fully paid-up (31 March 2025: 400,138,935 equity shares of Rs. 2 each fully paid-up)*	800	800
	800	800

(i) Reconciliation of number of equity shares of Rs. 2 each (31 March 2025; Rs.2 each), fully paid up outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	400,138,935	800	80,027,787	800
Add: Increase in shares on account of split*	-	-	320,111,148	-
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	400,138,935	800	400,138,935	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 2025: Rs 2/- 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 2025: Rs 2/- each), fully paid up

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskar Rao	105,099,645	26%	105,099,645	26%
SBI Mutual Fund	23,556,375	6%	25,264,693	6%
Bluebridge Capital Private Limited	24,203,310	6%	24,203,310	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 2026

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	105,099,645	-	-	105,099,645	26%	0%
2	Bluebridge Capital Private Limited	24,203,310	-	-	24,203,310	6%	0%
3	Mrs. Rajyasri Bollineni	6,870,015	-	-	6,870,015	2%	0%
4	Dr. Abhinay Bollineni	236,495	-	-	236,495	0%	0%
5	Mr. Adwik Bollineni	40,640	-	-	40,640	0%	0%
Total		136,450,105	-	-	136,450,105	34%	0%

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	21,019,929	84,079,716	-	105,099,645	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	4,840,662	19,362,648	(24,203,310)	-	0%	-100%
3	Bluebridge Capital Private Limited	-	-	24,203,310	24,203,310	6%	100%
4	Mrs. Rajyasri Bollineni	1,374,003	5,496,012	-	6,870,015	2%	0%
5	Dr. Abhinay Bollineni	47,299	189,196	-	236,495	0%	0%
6	Mr. Adwik Bollineni	8,128	32,512	-	40,640	0%	0%
Total		27,290,021	109,160,084	-	136,450,105	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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

	As at 31 March 2026	As at 31 March 2025
2.10 (b) Other equity		
(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	(172)	(126)
Additions	(34)	(46)
Closing balance	(206)	(172)
(iv) Put option reserve (refer below note 4)		
Balance as per last financial statements		
Add: Adjustment on account of derecognition of equity and recognition of financial liability	(273)	-
Closing balance	(273)	-
(v) Retained earnings (refer below note 5)		
Balance as per last financial statements	10,352	7,210
Acquisition of non-controlling interests (Refer note 2.34)	(1,120)	(683)
Issue of equity shares to non-controlling interests	108	-
Issue of preference shares to non-controlling interests	-	-
Profit for the year	2,414	3,845
Other comprehensive income/(loss) for the year	1	(20)
Closing balance	11,755	10,352
	21,674	20,578

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

Pertains to concessional land lease agreement of 99 years entered with the NCI shareholders of a subsidiary Company.

4. Put option reserve

Difference between fair value of Put option liability for NCI shareholders and carrying value of NCI has been transferred to put option reserve.

5. 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) Non controlling interest (NCI)

Balance at the beginning of the year	2,810	2,649
Add: Profit for the year	6	303
Add: Other comprehensive income/(loss) for the year	1	(3)
Add: Acquisition of interest	180	10
Add: Acquisition of preference shares (Refer note 2.10(d))	192	64
Add: Other equity (Refer note 2.10(b))	34	46
Add: Contribution to equity	583	-
Less: Dilution of interest	(385)	(259)
Less: Transfer to Liability for put option	(310)	-
Balance at the end of the year	3,111	2,810

2.10 (d) Issuance of preference shares to Non controlling interests

During the previous 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.

Considering the conversion ratio of fixed number of equity shares against preference shares, these have been considered as Equity and disclosed as Non controlling interests.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

2.11 Borrowings (at amortised cost)

	As at 31 March 2026	As at 31 March 2025
(a) Non-current borrowings		
Secured		
Term loans from banks	26,593	16,277
Term loans from financial institutions	-	105
Unsecured		
Loan from others	133	160
Total non-current borrowings	26,726	16,542
(b) Current borrowings*		
Secured		
Working capital loans	3,264	1,293
Current maturity of long-term borrowings	2,444	1,265
Unsecured		
Loan from others	6	9
Total current borrowings	5,714	2,567

*Includes interest accrued but not due of Rs. 92 (31 March 2025: Rs. 49) reclassified to borrowings for better presentation.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

Secured/Unsecured borrowing facilities from banks and others

Particulars	Installments/Loan term	Nature of Security	Effective interest rate (31 March 2026)	Effective interest rate (31 March 2025)	As at 31 March 2026	As at 31 March 2025
Axis Bank	Monthly/120 months availed in 2023-2024/last instalment payable in March 2036	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	3,785	2,952
Axis Bank	Monthly/72 months availed in 2023-2024/last instalment payable in October 2030	First pari passu 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	456	556
Federal Bank	Monthly/60 months for each tranche availed in 2024-2025/last instalment payable in October 2030	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	Repo rate + 2.10% p.a	911	721
IndusInd Bank	Monthly/78 months availed in 2024-2025/last instalment payable in March 2031	First pari passu 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	Repo rate + 2.25% p.a	1,145	1,381
Kotak Bank	Monthly/60 months availed in 2024-2025/last instalment payable in January 2032	First pari passu 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	Repo rate + 2.10% p.a	370	370
Kotak Bank	Monthly/60 months availed in 2025-2026/last instalment payable in January 2032	First pari passu 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	173	-
Kotak Bank	Monthly/60 months availed in 2025-2026/last instalment payable in November 2030	First pari passu charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Secunderabad and Nellore hospital both present and future and mortgage of leasehold rights of Secunderabad hospital and exclusive charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Ongole hospital both present and future.	1 Month MCLR rate + 0.10% p.a	Nil	920	-
Kotak Bank	Monthly/60 months availed in 2025-2026/last instalment payable in March 2031	First pari passu charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Secunderabad and Nellore hospital both present and future and mortgage of leasehold rights of Secunderabad hospital and exclusive charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Ongole hospital both present and future.	1 Month MCLR rate + 0.10% p.a	Nil	301	-
Kotak Bank	Monthly/84 months availed in 2025-2026/last instalment payable in August 2035	First pari passu charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Secunderabad and Nellore hospital both present and future and mortgage of leasehold rights of Secunderabad hospital and exclusive charge on immovable and movable fixed assets (excluding vehicle/equipment financed under hire purchase) of Ongole hospital both present and future.	1 Month MCLR rate + 0.10% p.a	Nil	1,007	-
Axis Bank	Quarterly/48 quarters availed in 2024-2025/last instalment payable in March 2037	First pari passu 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	Repo rate + 2.20% p.a	538	286
Union Bank of India	Quarterly/40 quarters availed in 2025-2026/last instalment payable in December 2035	First pari passu charge on leasehold right of entire land admeasuring 5 acres 27 guntas situated at Sy.No 83(old), Sy. No 52 and 53 (new), Door No :1-8-31/1, Minister road, Secunderabad-500003 including hospital building (3 cellars +Groud+15 upper floors) there upon with a total build-up area of 65,550.82 Sq.mtrs and parking area of 26,437.70 Sq.mtrs and other fixed assets of hospital building on pari passu charge basis along with other lenders and 2nd charge on entire current assets of the Company (both present and future) including stocks and receivables	1 Month MCLR + 0.05% p.a	Nil	2,567	-
Federal Bank	Monthly/72 months availed in 2022-2023/ The Term loan is closed during the year ended 31 March 2026	First charge on the medical equipment, furniture & fixtures, second charge on entire current assets of ICON & charge on plot no MIG 165 & 166 located at Visakhapatnam.	Nil	Repo Rate + 2.60% p.a		
Federal Bank	Monthly/60 months availed in 2023-2024/ The Term loan is closed during the year ended 31 March 2026	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.	Nil	Repo Rate + 3.25% p.a	152	162

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

Secured/Unsecured borrowing facilities from banks and others

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2026)	Effective interest rate (31 March 2025)	As at 31 March 2026	As at 31 March 2025
Federal Bank	Monthly/72 months availed in 2024-2025/ The Term loan is closed during the year ended 31 March 2026	First charge on medical equipment purchased out of loan & Second charge on entire current assets of ICON.	Nil	Repo Rate + 2.15% p.a		
Federal Bank	Quarterly/20 quarters availed in 2024-25/last instalment payable in March 2028	First charge on the medical equipment purchased out of term loan and second charge on entire current assets of the ICON.	Repo Rate + 2.30% p.a	Repo Rate + 2.30% p.a		
HDFC Bank	Monthly/120 months availed in 2021-2022/last instalment payable in September 2031	First and exclusive charge on movable fixed assets and current assets of SIMS (both present and future) and equitable mortgage on the land and building owned by SIMS 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	Repo rate + 1.72% p.a	1,598	920
HDFC Bank	Monthly/96 months availed in 2023-2024/last instalment payable in July 2034	First and exclusive charge on the entire fixed assets and current assets of the SIMS (both present and future) and Extension of mortgage on land and building owned by SIMS 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	Repo rate + 2.10% p.a		
HDFC Bank	Monthly/93 months availed in 2024-2025/last instalment payable in December 2035	Exclusive charge on current assets, charge on fixed assets, charge on the hospital land and building owned by SIMS situated at Anantapur and a vacant piece of land adjacent to the existing hospital.	Repo rate + 2.10% p.a	Repo rate + 2.10% p.a		
HDFC Bank	Monthly/120 months availed in 2021-2022/last instalment payable in September 2031	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	638	659
HDFC Bank	Monthly/96 months availed in 2024-2025/last instalment payable in June 2032	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	3 month T-Bill + 2.09% p.a		
HDFC Bank	Monthly/120 months availed in 2023-2024/last instalment payable in February 2033	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	1,592	1,828
HDFC Bank	Quarterly/36 quarters availed in 2022-2023/last instalment payable in March 2033	First mortgage and charge on all immovable properties, present and future, pertaining to the SPANV 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	1,742	1,625
HDFC Bank	Quarterly/28 quarters availed in 2024-2025/last instalment payable in March 2033	Exclusive charge on all immovable properties (owned and/or leased) of SPANV, 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	Repo rate + 2.35% p.a		

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

Secured/Unsecured borrowing facilities from banks and others

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2026)	Effective interest rate (31 March 2025)	As at 31 March 2026	As at 31 March 2025
HDFC Bank	Monthly/96 months availed in 2024-2025/last instalment payable in September 2035	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	3 month T-Bill + 1.77% p.a	1,781	204
HDFC Bank	Monthly/90 months availed in 2023-2024/last instalment payable in January 20233	First charge on entire fixed assets of KMHPL 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	1,293	1,053
HDFC Bank	Monthly/84 months availed in 2024-2025/last instalment payable in March 2033	Charge on equipments of the KSPL which HDFC funded and Exclusive charge on current and fixed asset of the Company. DSRA of Rs 10 Mn to be created and lien marked in 12 Months timeline.	Repo rate + 2.15% p.a	Repo rate + 2.15% p.a	18	10
HDFC Bank	Monthly/84 months availed in 2025-2026/last instalment payable in October 2032	Charge on equipments of the KSPL which HDFC funded and Exclusive charge on current and fixed asset of the Company DSRA of Rs 12Mn to be created and lien marked in 6 Months timeline.	Repo rate + 2.60% p.a	Nil	240	
Federal Bank	Quarterly/24 quarters availed in 2025-2026/last instalment payable in Mar 2031	First and exclusive charge on Assets of the company created out of the sanctioned facility.	Repo rate + 2.40% p.a	Nil	241	-
HDFC Bank	Monthly/84 months availed in 2024-2025/last instalment payable in Aug 2031	Exclusive charge on fixed assets and current assets of MEDA.	3 month T-Bill + 2.74% p.a	3 month T-Bill + 2.74% p.a	51	34
IndusInd Bank	Monthly/48 months availed in 2023-2024/last instalment payable in July 2032	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	689	599
IndusInd Bank	Monthly/84 months availed in 2025-2026/last instalment payable in May 2032	First and exclusive charge on movable and immovable fixed Assets / immovable properties of the company created out of the sanctioned facility and exclusive charge on current assets of the Company.	Repo+ 3.0% P.a	Nil		
ICICI Bank	Quarterly/30 quarters availed in 2022-2023/last instalment payable in December 2033	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 Mahadevapura unit.	1 Year MCLR + 0.15% p.a	1 Year MCLR + 0.15% p.a	2,273	3,190
SBI Bank	Quarterly/32 quarters availed in 2024-2025/The Term loan is closed during the year ended 31 March 2026	Exclusive charge on entire fixed assets of the Electronic City 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.	Nil	3M MCLR+ 0.25% pa	-	189
Axis Bank	Quarterly/30 quarters availed in 2025-2026/last instalment payable in December 2033	Exclusive charge by way of equitable mortgage over the immovable fixed assets located at Mahadevapura unit, lease hold rights on immovable fixed assets, movable fixed assets and current assets of the Mahadevapura unit (both present and future). Further, the loan is secured by personal guarantee of Dr. Bhaskara Rao Bollineni	1Y MCLR+ 0.15% per annum	Nil	2,632	-
Kotak Mahindra Bank	Quarterly/32 quarters availed in 2023-2024/last instalment payable in March 2035	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	652	253
Bandhan Bank	Monthly/132 months availed in 2024-2025/last instalment payable in January 2039	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	Repo rate + 2.00% p.a	1,270	481
IndusInd Bank*	Monthly/72 months availed in 2021-2022/The Term loan is closed during the year ended 31 March 2026	Hypothecation of medical equipment of QNRI.	Nil	EBLR + 1.00% p.a	-	6
Axis Bank*	Monthly/60 months availed in 2021-2022/last instalment payable in October 2026	First charge on the medical equipment of QNRI availed out of the loan.	Repo Rate + 4.00% p.a	Repo Rate + 4.00% p.a	2	5
Bajaj Finance limited*	Monthly/180 months availed in 2023-2024/ The Term loan is closed during the year ended 31 March 2026	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.	Nil	Repo rate + 3.00% p.a	-	99
Federal Bank	On demand	First pari passu charge on current assets of the company.	Repo + 2.25% p.a	Repo rate + 1.72% p.a	149	64
Axis Bank	On demand	First pari passu charge on current assets of the company.	3 months MCLR	Nil	6	-
Axis Bank	On demand	First pari passu charge on current assets of the company.	Repo + 2.25% p.a	Repo + 2.25% p.a	550	750
ICICI Bank	On demand	First pari passu charge on current assets of the company.	6 months MCLR	Nil	1,150	-
Kotak Bank	On demand	First pari passu charge on current assets of the company.	Repo rate + 1.90%	Nil	500	-
IndusInd Bank	On demand	First and exclusive charge on movable and immovable fixed Assets / immovable properties of AHPL created out of the sanctioned facility.	Repo rate + 2.50%	Repo rate + 2.50%	55	43

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

Secured/Unsecured borrowing facilities from banks and others

Particulars	Instalments/Loan term	Nature of Security	Effective interest rate (31 March 2026)	Effective interest rate (31 March 2025)	As at 31 March 2026	As at 31 March 2025
HDFC Bank	On demand	Exclusive charge on plant and Machinery and Current Assets, with personal Guarantee of Mr Bollineni Abhinay and Mr. Bhaskara Rao Bollineni.	3 Month T bill	Nil	41	-
Axis Bank	On demand	First pari passu charge on all movable and immovable fixed assets of the Company both present and future pertaining to Mahadevapura unit. Further, the loan is secured by personal guarantee of Dr. Bhaskara Rao Bollineni.	3 Months MCLR	Nil	250	-
Axis Bank	On demand	Exclusive charge over entire current assets of the Company both present and future, pertaining to Electronic City unit. Further, the loan is secured by personal guarantee of Dr. Bhaskara Rao Bollineni.	3 Months MCLR	NIL	200	-
Federal Bank	On demand	Exclusive charge on entire current assets of ICON and second charge on medical equipment	Repo rate + 2.5% p.a	Repo rate + 2.5% p.a	1	24
HDFC Bank	On demand	First and exclusive charge on moveable and immovable assets, current assets and equitable mortgage on the property owned by SIMS 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	66	63
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	34	27
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 SPANV, wherever maintained and account(s) in substitution thereof.	3 month T-Bill + 1.60% p.a	3 month T-Bill + 1.60% p.a	44	121
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	Repo rate + 2.15% p.a	46	14
Federal Bank	On demand	First charge on current assets of the company ranking pari-passu with HDFC Bank.	Repo rate + 3.25% p.a	Nil	48	-
HDFC Bank	On demand	First charge on entire fixed assets of KMHPL 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	Repo rate + 2.00% p.a	45	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	3 month T-Bill + 2.74% p.a	3	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	Repo rate + 2.00% p.a	76	136
Spark Mall and Parking Solutions Private Limited	Full repayment after 5 years availed in 2022-2023	None	Nil	Bank floating rate currently 8.11% p.a	-	49
Raj Vasantrao Nagarkar	Monthly/60 months availed in 2024-2025	None	12%	12%	117	100
Narendranadh Meda	Monthly/60 months availed in 2024-2025	None	12%	12%	17	10
Splendid Hospitals Private Limited	Full repayment by 30 September 2026 availed in 2022-2023	None	12%	Nil	6	-
Kosaraju Manpower Services Private Limited	Full repayment by 31 March 2026 availed in 2022-2023 The loan is closed during the year ended 31 March 2026	None	Nil	9%	-	9

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 in the previous year.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

2.12 Other financial liabilities**(a) Non-current****At amortised cost**

Capital creditors*

330

189

At fair value through equity

Put option liability (Refer note 2.33)

583

-

At fair value through profit and loss

Liability on business combination (Refer note 2.33)

581

588

Total**1,494****777**

*Includes retention money of Rs. 172 (31 March 2025: Rs 111)

(b) Current (at amortised cost)

Capital creditors

1,680

1,906

Employee related payables

165

160

Security and caution deposit

47

44

Share application money pending allotment

8

-

Total**1,900****2,110**

* Includes retention money of Rs. 104 (31 March 2025: Rs. Nil)

2.13 Non-current provisions**Provision for employee benefits**

Gratuity (Refer Note 2.26)

457

335

Total**457****335**

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

2.14 Trade payables (at amortized cost)

Trade payables

- total outstanding dues of micro enterprises and small enterprises (Refer Note 2.30)

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

Total

	As at 31 March 2026	As at 31 March 2025
	534	150
	2,694	2,541
Total	3,228	2,691

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 2026

Particulars	Current but not due including accrued expense	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	26	508	-	-	-	534
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,265	1,296	88	38	7	2,694
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						3,228

Trade Payable ageing Schedule as on 31 March 2025

Particulars	Current but not due including accrued expense	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
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						2,691

2.15 Current provisions
Provision for employee benefits

Gratuity (Refer note 2.26)

Compensated absences

Total

	80	49
	246	215
Total	326	264

2.16 Other current liabilities
(a) Non-current

Deferred Government grants*

Total

	608	357
Total	608	357

(b) Current

Statutory dues payable

Contract liabilities (refer note 2.31)

Staff reimbursement liabilities

Total

	269	205
	506	324
	5	9
Total	780	538

*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)

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

	For the year ended 31 March 2026	For the year ended 31 March 2025
2.17 Revenue from operations		
A Revenue from contract with customers		
Revenue from medical and healthcare services (Refer note 2.31)		
Income from hospital services	26,531	20,703
Income from pharmacy	12,023	9,319
Total	38,554	30,022
B Other operating income		
Income from academic courses	38	49
Income from sale of food and beverages	264	212
Medical Service fees	167	13
Other hospital income from corporates	23	55
Total	492	329
Total Revenue from operations (A+B)	39,046	30,351
2.18 Other income		
Interest income on:		
- fixed deposits	22	18
- income tax refunds	19	16
- security deposits	23	16
- loans to related parties (Refer note 2.27)	39	50
- Loans to others	18	2
Other non operating income:		
- Gain on mutual funds	5	48
- Rental income	16	7
- Liabilities no longer required written back	10	6
- Deferred Government grants income	35	-
- Profit on sale of property, plant and equipment (net)	-	109
- Income on termination of lease	-	5
- Miscellaneous income	75	42
Total	262	319

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

	For the year ended 31 March 2026	For the year ended 31 March 2025
2.19 Increase in inventories of medical consumables, drugs and surgical instruments		
Opening stock	640	494
Addition on acquisition of subsidiaries	-	11
Less: Closing stock	969	640
Total	(329)	(135)
2.20 Employee benefits expense		
Salaries, wages and bonus	6,342	4,642
Contribution to provident and other funds (Refer Note 2.26)	407	301
Staff welfare expenses	68	52
Total	6,817	4,995
2.21 Finance costs		
Interest to banks and financial institutions		
- term loans	1,584	660
- other loans	32	95
Interest expense on lease liabilities (Refer Note 2.25)	351	132
Others including processing fee on working capital facilities	58	16
Total	2,025	903
2.22 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer Note 2.1(a))	2,225	1,365
Amortisation of intangible assets (Refer Note 2.1(c))	194	184
Amortisation of Right-of-use assets (Refer Note 2.25)	413	223
Total	2,832	1,772
2.23 Other expenses		
Consultancy charges	10,072	6,838
House keeping expenses	1,527	948
Power and fuel	754	522
Catering and patient welfare expenses	436	339
Rent (Refer Note 2.25)	246	148
Fair value loss on liability on business combination	-	30
Repairs and maintenance:		
- Medical equipment	534	449
- Hospital building and others	475	415
Printing and stationery	171	131
Audit fee (refer note A below)	24	20
Legal and professional charges	196	126
Rates and taxes	126	155
Travelling and conveyance	256	219
Advertisement and publicity	629	329
Expected credit loss for trade receivables (including bad debts)	97	130
Insurance	44	27
Contribution towards corporate social responsibility expenditure (Refer Note 2.39)	106	102
Loss on sale of property, plant and equipment (net)	5	-
Bank charges	126	101
Commission to Directors (Refer Note 2.27)	16	13
Miscellaneous Expenses	280	216
Total	16,120	11,258

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Audit fee	23	19
Out of pocket expenses	1	1

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

2.24 Contingent liabilities and commitments**(a) Contingent liabilities**

Particulars	As at 31 March 2026	As at 31 March 2025
i) Good and Service tax matters in dispute (Refer note (a) below)	-	7
ii) Medical and other claims (gross, excluding interest/costs) (Refer note (a) below)	457	467
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 2025: 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	354	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 2026, the benefit availed under EPCG scheme amounts to Rs. 643 (31 March 2025: 357), 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 2026	As at 31 March 2025
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	11,502	12,635

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

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.

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 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
Additions	880	3,597	-	4,477
Depreciation expense charged to P&L	(16)	(353)	(44)	(413)
Depreciation expense included in CWIP	(35)	(180)	-	(215)
As at 31 March 2026	1,847	9,109	327	11,283

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at 31 March 2026	As at 31 March 2025
Opening Balance	6,507	3,092
Additions	3,634	2,649
Acquisition through Business Combination (Refer note 2.34)	-	790
Deletion	-	(34)
Accretion of interest charged to P&L	351	132
Accretion of interest included in CWIP	341	279
Payments	(744)	(401)
Closing Balance	10,089	6,507
Current	441	176
Non-current	9,648	6,331

The effective interest rate for lease liabilities ranges between 8% to 10.5%, with maturity between 2026-2054 (31 March 2025: 8% to 10.5%, with maturity between 2025-2053)

The following are the amounts recognised in the statement of profit or loss:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation expense of right-of-use assets	413	223
Interest expense on lease liabilities	351	132
Expense relating to short-term leases and low-value assets (included in other expenses)	246	148
Total amount recognised in profit or loss	1,010	503

The Group had total cash outflows for leases of Rs. 990 in 31 March 2026 (31 March 2025: Rs. 549).

Set out below are the undiscounted potential future rental payments relating to periods included in the lease term:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Within less than one year	1,018	630
Between one and five years	4,127	2,558
After more than five years	17,919	13,509
Total	23,064	16,697

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 16 (31 March 2025: Rs. 7).

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 2026	As at 31 March 2025
Present value of defined benefit obligation	583	449
Fair value of plan assets	46	65
Total employee benefit liability	537	384
Non-current	457	335
Current	80	49

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation, plan assets and its components.

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit obligation as at beginning of the year	449	355
Addition on acquisition of subsidiaries	-	13
Benefits paid	(46)	(36)
Current service cost	82	62
Past service cost	74	-
Interest cost	27	24
Liabilities settled	(2)	(0)
Actuarial (gains)/losses recognised in other comprehensive income due to:		
- Changes in financial assumptions	(28)	11
- Changes in demographic assumptions	-	4
- experience changes	27	16
Defined benefit obligation as at the end of the year	583	449

ii) Reconciliation to fair value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Plan assets at beginning of the year	65	69
Contributions paid into the plan	16	28
Interest income	4	3
Benefits paid	(40)	(36)
Return on plan assets	1	1
Plan assets at end of the year	46	65

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	82	62
Past service cost	74	-
Interest on defined benefit obligation / plan assets (net)	23	21
Net gratuity cost, included in 'employee benefits expense'	179	83

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial (gain) / loss on net defined benefit obligation	(1)	31
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 2026	As at 31 March 2025
Fund managed by Insurer	46	65

Krishna Institute of Medical Sciences Limited
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

2.26 Employee benefits (continued)
(i) Defined benefit plan (continued)
E Defined benefit obligation
i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 2026	As at 31 March 2025
Attrition rate	Medical - 8% to 38% Non-medical - 12% to 46%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	6.65%	6.55%
Salary escalation rate	7.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

F Maturity profile of defined benefit obligation

The following payments are expected contributions to the defined benefit plan in future years

Particulars	As at 31 March 2026	As at 31 March 2025
1st following year	127	97
Year 2 to 5	339	251
Year 6 to 9	171	132
Year 10 and above	212	171

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 4.53 years (31 March 2025: 5 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 2026		For the year ended 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(25)	27	(50)	23
Salary escalation rate (1% movement)	27	(24)	21	(49)

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 2026	For the year ended 31 March 2025
Amount recognised in the consolidated statement of profit and loss towards		
i) Provident fund	251	171
ii) Employee state insurance	51	47

Effective 21 November 2025, the Government of India consolidated multiple existing labour laws into a unified framework comprising four Labour Codes, collectively referred to as the "New Labour Codes". In accordance with Ind AS 19 - Employee Benefits, the impact of such legislative changes is treated as a plan amendment requiring immediate recognition of the resultant past service cost in the consolidated statement of profit and loss. The Group has assessed the impact of the changes in line with the Labour Codes draft rules and FAQs. Based on this assessment, the Group has recognised a one-time increase in employee benefit provisions amounting to Rs 74 Mn, which has been presented as an "exceptional item" in the consolidated statement of profit and loss for the quarter and year ended 31 March 2026. The Group continues to monitor the finalisation of Central and State rules, as well as Government clarifications on other aspects of the New Labour Codes and will incorporate appropriate accounting treatment based on these developments as required.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

(All amounts are in millions 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 Shankar Mantha - Company Secretary (Resigned w.e.f 17 December 2024) Mrs. J R Nagajayanthi - Company Secretary (Joined w.e.f 04 January 2025) Mr. Sachin Ashok Salvi - Chief Financial Officer Mrs. Dandamudi Anitha -Whole-time Director
Directors	Mr. Saumen Chakraborty Mr. Venkata Ramudu Jasthi Mr. Kaza Ratna Kishore Mrs. Y.Prameela Rani Mr Suresh Natwarlal Patel (Joined w.e.f 04 January 2025) Mr. Adwik Bollineni
Enterprises under control or joint control of KMP and other relative (where transaction exists)	Sri Viswa Medicare Limited KIMS Foundation and Research Centre Krishnaiah Projects Private Limited
Associate	Kondapur Healthcare Limited

(b) Transactions with related parties

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
i. Professional fee to KMP		
Dr. B Bhaskara Rao	2	11
ii Rent to KMP		
Dr. B Bhaskara Rao	0	0
iii. Managerial remuneration*		
Short-term employee benefits		
Dr. B Bhaskara Rao	55	45
Mrs. Dandamudi Anitha	7	7
Dr. B Abhinay	36	21
Mr. Sachin Ashok Salvi	17	15
Mrs. J R Nagajayanthi	6	1
Mr. Uma Shankar Mantha	-	5
iv. Expenditure towards CSR		
KIMS Foundation and Research Centre	106	102
v. Advance towards CSR		
KIMS Foundation and Research Centre	-	19
vi. Commission to Directors		
Mr. Saumen Chakraborty	3	4
Mr. Kaza Ratna Kishore	2	2
Mr. Venkata Ramudu Jasthi	2	2
Mrs. Y.Prameela Rani	2	2
Mr Suresh Natwarlal Patel	2	-
vii. Loans given		
Kondapur Healthcare Limited	664	570
viii. Loans repayment		
Kondapur Healthcare Limited	425	381
ix. Interest income earned on loans given		
Kondapur Healthcare Limited	39	50
x. Interest received		
Kondapur Healthcare Limited	49	34
xi. Investment in Associate		
Kondapur Healthcare Limited	84	27
xii. Share of profit from associate, net of tax		
Kondapur Healthcare Limited	26	-
xiii. Sale of land		
Krishnaiah Projects Private Limited	-	450

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

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

Particulars	As at 31 March 2026	As at 31 March 2025
i. Trade receivables		
Sri Viswa Medicare Limited	2	2
ii. Trade payables		
Dr. B Bhaskara Rao	0	0
iii. Commission payable to Directors		
Mr. Saumen Chakraborty	-	1
Mr. Kaza Ratna Kishore	-	0
Mr. Venkata Ramudu Jasthi	-	0
Mrs. Y.Prameela Rani	-	0
iv. Loans		
Kondapur Healthcare Limited	688	449
v. Interest accrued on loans		
Kondapur Healthcare Limited	-	14

For certain loans availed by the Group, few Directors of the Group have given personal guarantee. Refer note 2.11 for details.

Terms and conditions:

(i) During the previous year, the group has sold land to one of its 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.

(iii) The Group has given loan to its 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 12% (31 March 2025: 9.5%-12%). For the year ended 31 March 2026, the Group has not recorded any impairment on loans due from the associate (31 March 2025: 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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

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 previous 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 previous 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 2026	For the year ended 31 March 2025
Earnings		
Profit for the year attributable to equity shareholders (A)	2,414	3,845
Shares		
Number of shares at the beginning of the year	400,138,935	400,138,935
Add: Equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	400,138,935	400,138,935
Weighted average number of equity shares outstanding during the year - Basic and Diluted (B)	400,138,935	400,138,935
Earnings per equity share of par value Rs. 2 - Basic and Diluted (Rs.) (A) / (B)	6.03	9.61

2.29 Segment information

The Managing Director of the Group takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Group's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the Consolidated Financial Statements. Presently, the Group's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Group's total revenue.

2.30 Due to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at 31 March 2026 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 2026	As at 31 March 2025
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	534	150
- 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 2026	For the year ended 31 March 2025
Income from hospital services	26,531	20,703
Income from pharmacy	12,023	9,319
Total revenue from contracts with customers	38,554	30,022
India	38,554	30,022
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	26,531	20,703
Goods transferred at a point of time	12,023	9,319
Total revenue from contracts with customers	38,554	30,022
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	41,267	31,749
Less: Discounts and disallowances	(2,713)	(1,727)
Total revenue from contracts with customers	38,554	30,022

Contract balances

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Trade receivables	5,542	3,954	2,944
Unbilled revenue	525	371	260
Contract liabilities	506	324	242

Contract liabilities: During the financial year ended 31 March 2026, the Group has recognised revenue of Rs. 324 from advance received from patients outstanding as on 31 March 2025. 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. It expects similarly to recognise revenue in year ended 31 March 2027 from the closing balance of advance from customers as at 31 March 2026.

Unbilled revenue: During the financial year ended 31 March 2026, the Group has transferred Rs. 371 of unbilled revenue as at 31 March 2025 to trade receivables on completion of performance obligation. 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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2026**

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

2.32 Capital management

The Group's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the 'net debt' to 'total equity' ratio.

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

Particulars*	As at	As at
	31 March 2026	31 March 2025
Total borrowings	32,440	19,109
Less: Cash and cash equivalents	(554)	(560)
Net debt	31,886	18,549
Total equity	22,622	21,492
Net debt to equity ratio - Gearing ratio	141%	86%

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

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in financial covenants of any interest-bearing loans and borrowing in the current year 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.

2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2026			Fair value level
	Carrying value	Fair value	
Financial assets at amortised cost (Refer note below)			NA
Trade receivables	5,542	5,542	
Cash and cash equivalents	554	554	
Bank balances other than above	193	193	
Other financial assets	1,383	1,383	
Loans	856	856	
Total	8,528	8,528	
Financial asset at fair value through profit or loss (Refer note below)			Level 3
Call option asset	70	70	
Total	70	70	
Financial asset at fair value through other comprehensive income (Refer note below)			Level 3
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)	151	151	
Total	151	151	
Financial liabilities at amortised cost (Refer note below)			NA
Long-term borrowings (including current maturities)	29,170	29,170	
Lease liabilities	10,089	10,089	
Current borrowings	3,270	3,270	
Trade payables	3,228	3,228	
Other financial liabilities	2,230	2,230	
Total	47,987	47,987	
Other financial liabilities at fair value through equity (Refer note below)			Level 3
Put option liability	583	583	
Total	583	583	
Other financial liabilities at fair value through profit or loss (Refer note below)			Level 3
Liability on business combination	581	581	
Total	1,164	1,164	

As at 31 March 2025			Fair value level
	Carrying value	Fair value	
Financial assets at amortised cost (Refer note below)			NA
Trade receivables	3,954	3,954	
Cash and cash equivalents	560	560	
Bank balances other than above	245	245	
Other financial assets	978	978	
Loans	547	547	
Total	6,284	6,284	
Financial asset at fair value through profit or loss (Refer note below)			Level 3
Call option asset	108	108	
Total	108	108	
Financial asset at fair value through other comprehensive income (Refer note below)			Level 3
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)			NA
Long-term borrowings (including current maturities)	17,807	17,807	
Lease liabilities	6,507	6,507	
Current borrowings	1,302	1,302	
Trade payables	2,691	2,691	
Other financial liabilities	2,299	2,299	
Total	30,606	30,606	
Other financial liabilities at fair value through profit or loss (Refer note below)			Level 3
Liability on business combination	588	588	
Total	588	588	

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 values for loans were calculated based on cash flows discounted using a current lending rate.
- The values of long term borrowings and lease liabilities are based on discounted cash flows using a current borrowing rate.
- 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 and put options is determined using Monte Carlo simulation. The significant unobservable inputs used in the fair value measurement are volatility and annual drift rate.
- The fair value of business combination liability is measured by discounting the estimated amount payable to the previous owners on achievement of certain financial targets applying the discounted cash flow approach. The significant unobservable inputs used for the estimation of fair values is weighted average cost of capital (WACC) .

Call Option

During the previous 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 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Sensitivity				
1% Movement in volatility and annual drift rate	12	(11)	4	(6)

Put option liability

Liability for put option issued to non-controlling interests which do not grant present access to ownership interest to the Group is recognized at the present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to the put option is derecognized and the difference between the amount derecognized and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction.

For the fair values of put 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 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Sensitivity				
0.25% Movement in volatility and annual drift rate	(10)	10	-	-

Liability on business combination

During the previous 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"). The fair value of the purchase consideration of comprised of a contingent consideration (liability on business combination) payable subject to the satisfaction of certain conditions. The fair value of the contingent consideration, is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets applying the discounted cash flow approach.

For the fair values of liability on business combination, 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 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Sensitivity				
1% Movement in WACC	45	(50)	45	(50)

(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.

2.33 Financial instruments : Fair value and risk management (continued)**(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. 6,698 as on 31 March 2026 (31 March 2025 : Rs. 4,900). 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 2026	As at 31 March 2025
Opening balance	575	540
Credit loss provided	56	35
Closing Balance	631	575
Trade receivable write off not routed through the above movement	41	95

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 1% to 16% and beyond one year ranging between 14% 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 2026	2,543	2,170	1,985	6,698
For the year ended 31 March 2025	1,779	1,844	1,277	4,900

Customer Concentration

No single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2026 and 31 March 2025. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

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

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2026:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	29,170	2,468	15,374	11,371	29,213
Lease liabilities	10,089	1,018	4,127	17,919	23,064
Current borrowings	3,270	3,270	-	-	3,270
Trade payables	3,228	3,228	-	-	3,228
Other financial liabilities	2,811	1,931	671	2,091	4,693
Put option liability	583	-	-	1,016	1,016
Total	49,151	11,915	20,172	32,397	64,484

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)	17,807	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	2,887	2,119	524	2,071	4,714
Total	31,194	7,970	11,862	23,393	43,225

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.

The current liability of the Group exceeds its current assets. Based on projected cashflows of the Group, the management is confident of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

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 2026	As at 31 March 2025
Variable rate long term borrowings and short term borrowings	32,307	19,009
Total borrowings	32,307	19,009

(i) Sensitivity

Particulars	Impact on profit or loss		Impact on equity, net of tax	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Sensitivity				
1% increase in interest rate	(323)	(190)	(242)	(142)
1% decrease in interest rate	323	190	242	142

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

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 2026 and 31 March 2025:

	As at 31 March 2026	As at 31 March 2025
Assets		
Trade receivables	413	101
Liabilities		
Trade payables/Capital creditors	619	352

Sensitivity Analysis:

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

Impact on Profit / (loss) before tax and equity before tax due to 5% change in foreign currency rates				
Particulars	31 March 2026		31 March 2025	
	Strengthening	Weakening	Strengthening	Weakening
USD	(10)	10	(13)	13

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

2.34 Business combinations and acquisition of non-controlling interests**Acquisition of additional interests / dilution of stake to NCI during the year ended 31 March 2026**

(i) The Group has increased its stake in KIMS Hospital Enterprises Private Limited from 90.93% to 90.97% through secondary purchase of 10,200 equity shares from existing shareholders for a total amount of Rs. 5. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 1 and Rs. 4 respectively.

(ii) The Group has increased its stake in Sarvejana Healthcare Private Limited from 69.35% to 76.24% through purchase of 2,513,454 equity shares fully paid up from existing shareholders for a total amount of Rs. 1,500. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 384 and Rs. 1,116 respectively.

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.

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

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

B) Acquisition of additional interests during the year ended 31 March 2025

(i) 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.

(ii) 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.

(iii) 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.

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.

C) Hospital Operation & Management Agreement

During the previous 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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

2.35 Investment in associate

The Group has a 40.51% (31 March 2025: 38.5%) 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 2026	31 March 2025
Current assets	29	65
Non-current assets	5,472	4,851
Current liabilities	89	41
Non-current liabilities	3,279	2,783
Equity	2,133	2,092
Group's share in equity - 40.51% (31 March 2025: 38.5%)	864	805
Consolidation adjustment	(11)	40
Group's carrying amount of the investment	875	765

	For the year ended 31 March 2026	For the year ended 31 March 2025
Total Income	158	10
Total Expenses	(88)	(9)
Profit before tax	70	1
Income tax expense	-	-
Profit for the year	70	1
Group's share of profit for the year	28	0
Less: Consolidation adjustments	(2)	(0)
Group's share of profit for the year	26	-

The Group has given unsecured loans to the associate:

	31 March 2026	31 March 2025
Opening balance	449	260
Given during the year	664	570
Repaid during the year	425	381
Closing balance	688	449
Maximum amount outstanding during the year	715	705

* Outstanding balance disclosed above excludes interest accrued of Rs.Nil (31 March 2025: Rs.14)

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs 742 (31 March 2025: Rs. 628)

The associate has no contingent liabilities as at 31 March 2026 and 31 March 2025.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

(All amounts are in millions 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 2026	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	KIMS Hospital Bengaluru Private Limited
NCI Percentage	34%	49%	9%	24%	45%	24%	49%	31%	49%	20%
Non-current assets	1,340	482	8,254	2,644	724	7,757	2,365	3,581	136	15,500
Current assets	238	390	1,240	401	214	1,031	212	472	2	531
Non-current liabilities	(743)	(129)	(4,980)	(1,653)	(635)	(2,054)	(1,367)	(1,541)	(128)	(13,840)
Current liabilities	(407)	(122)	(970)	(536)	(242)	(927)	(447)	(695)	(20)	(1,506)
Net Assets	428	621	3,544	856	61	5,807	763	1,817	(11)	685
Net Assets attributable to NCI (before adjustments)	146	304	320	201	27	1,380	374	558	(5)	137
Business combination and other adjustment on consolidation	15	2	19	(67)	(16)	(13)	-	(125)	(8)	(137)
Net Assets attributable to NCI	161	306	339	134	11	1,367	374	433	(13)	-
Total Income	577	1,596	4,037	1,108	1,173	6,823	741	2,665	47	1,024
Profit	(88)	202	794	54	120	792	(463)	282	(16)	(1,365)
Other comprehensive income/(loss) ('OCI')	2	-	(1)	1	-	1	-	1	-	(1)
Total comprehensive income	(86)	202	793	55	120	793	(463)	283	(16)	(1,366)
Profit allocated to NCI	(31)	99	72	13	53	224	(226)	88	(8)	(274)
OCI allocated to NCI	1	-	-	-	-	-	-	-	-	-
Business combination and other adjustment on consolidation	13	(2)	-	-	(1)	(35)	-	10	-	-
Total comprehensive income allocated to NCI	(17)	97	72	13	52	189	(226)	98	(8)	(274)
Cash flows										
Cash flow from operating activities	63	162	975	152	238	1,448	(269)	512	(4)	(977)
Cash flow from investing activities	(68)	(210)	(2,304)	(933)	(114)	(844)	(335)	(150)	(5)	(4,498)
Cash flow from financing activities	13	46	1,302	780	(125)	(526)	592	(363)	9	5,459
Net increase / (decrease) in cash and cash equivalents	8	(2)	(27)	(1)	(1)	78	(12)	(1)	0	(16)
Cash flows attributable to NCI	3	(1)	(2)	(0)	(0)	18	(6)	(0)	0	(3)

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

2.36 Non-controlling interest (continued)
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)
Total Income	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)

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2026

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

2.37 Disclosure of additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013:
31 March 2026

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	95%	24,287	108%	2,607	0%	-	108%	2,607
Subsidiary								
Arunodaya Hospitals Private Limited	2%	428	-2%	(59)	50%	1	-2%	(58)
KIMS Hospitals Private Limited	2%	415	0%	(5)	0%	-	0%	(5)
KIMS Swastha Private Limited	-1%	(362)	-9%	(213)	0%	-	-9%	(213)
KIMS Hospital Bengaluru Private Limited	3%	685	-45%	(1,091)	-50%	(1)	-45%	(1,092)
KIMS Hospital Enterprises Private Limited	14%	3,544	30%	724	-100%	(2)	30%	722
Iconkrishi Institute of Medical Sciences Private Limited	2%	621	4%	103	0%	-	4%	103
Saveera Institute of Medical Sciences Private Limited	3%	856	2%	42	50%	1	2%	43
KIMS Hospitals Kumool Private Limited	0%	61	3%	65	0%	-	3%	65
Sarvejana Healthcare Private Limited	23%	5,807	23%	568	0%	-	23%	568
KIMS Manavata Hospital Private Limited	3%	763	-10%	(235)	0%	-	-10%	(235)
SPANV Medisearch Lifesciences Private Limited	7%	1,817	8%	199	0%	-	8%	199
Chalasani Hospitals Private Limited	-2%	(557)	-8%	(194)	50%	1	-8%	(193)
Meda Institute of Podiatry Private Limited	0%	(11)	0%	(8)	0%	-	0%	(8)
Associate								
Kondapur Healthcare Limited	NA	NA	1%	26	NA	NA	1%	26
Non-controlling interests in all subsidiaries	12%	3,111	0%	6	50%	1	0%	7
Eliminations	-62%	(15,880)	-5%	(115)	50%	1	-5%	(114)
Total	100%	25,585	100%	2,420	100%	2	100%	2,422

31 March 2025

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 Kumool 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

2.38 Income tax

a. Amount recognised in the statement of profit and loss

	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	1,362	1,495
Deferred tax attributable to temporary differences	(463)	(47)
Adjustment of tax relating to earlier years	20	(15)
Tax expenses for the year	919	1,433

b. Amount recognised in other comprehensive income

	For the year ended 31 March 2026			For the year ended 31 March 2025		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement of defined benefit plans	2	-	2	(31)	8	(23)

c. Reconciliation of effective tax rate

	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	3,339	5,581
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	840	1,405
Adjustment of tax relating to earlier years	20	(15)
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	44	42
Deferred tax asset not recognised on various items (net)	15	-
Others	-	1
Total	919	1,433
Effective tax rates	27.52%	25.68%

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax asset		
Expected credit loss for trade receivables	225	220
Provision for employee benefits	225	168
Property, Plant and Equipment	4	3
Carry forward of tax losses (including unabsorbed depreciation)	1,260	208
Fair valuation of net assets on business combination	273	228
Others	163	138
Total deferred tax asset	2,150	965
Deferred tax liability		
Property, Plant and Equipment (including intangible assets)	1,542	799
Others	14	35
Total deferred tax liability	1,556	834
Deferred tax assets	594	131
Net deferred tax liabilities	(680)	(468)
Net deferred tax asset	1,274	599

(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 2024	117	25	225	131	97	1	(736)	(3)	(143)
Addition on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
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
Recognised in profit or loss during the year *	5	1,052	45	57	25	1	(743)	21	463
Recognised in OCI during the year	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	225	1,260	273	225	163	4	(1,542)	(14)	594

* Includes adjustment of deferred taxes for earlier years amounting to Rs. Nil (31 March 2025: Rs. 15).

Tax loss carry-forward for which no deferred tax assets were recorded with expiry date:

	As at 31 March 2026	As at 31 March 2025
Expiry within 1-5 years	-	-
Expiry within 6-8 years	465	-
Indefinite	-	-
Total	465	-

Amount of deferred tax asset that has not been recorded as at year end:

	As at 31 March 2026	As at 31 March 2025
Tax rate	25.17%	25.17%
Deferred tax asset not recorded as at year end	117	-

2.39 Consequent to the requirements of Section 135 of the Companies Act 2013, the Group 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 2026	For the year ended 31 March 2025				
a) Gross amount required to be spent by the Group during the year	106	102				
b) Amount approved by the Board to be spent during the year	106	102				
c) Amount spent during the year ending on 31 March 2026:						
i) Construction/acquisition of any asset	-	-				
ii) On purposes other than (i) above	99	7				
		106				
d) Amount spent during the year ending on 31 March 2025:						
i) Construction/acquisition of any asset	-	-				
ii) On purposes other than (i) above	121	-				
		121				
	As at 31 March 2026	As at 31 March 2025				
e) Details related to spent / unspent obligations:						
i) Contribution to Public Trust	-	-				
ii) Contribution to Charitable Trust	99	102				
iii) Unspent amount in relation to:	-	-				
- Ongoing project	7	-				
- Other than ongoing project	-	-				
	106	102				
f) Details of ongoing project as at 31 March 2026*						
In case of S. 135 (6) (Ongoing Project)						
Opening Balance as at 01 April 2025		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at 31 March 2026	
With the Group/(Excess carried forward)	In Separate CSR Unspent A/c		From Group's bank A/c	From Separate CSR Unspent A/c	With the Group/(Excess carried forward)	In Separate CSR Unspent A/c
(19)	-	106	80	-	7	-
Details of ongoing project as at 31 March 2025						
In case of S. 135 (6) (Ongoing Project)						
Opening Balance as at 01 April 2024		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at 31 March 2025	
With the Group/(Excess carried forward)	In Separate CSR Unspent A/c		From Group's bank A/c	From Separate CSR Unspent A/c	With the Group/(Excess carried forward)	In Separate CSR Unspent A/c
-	-	102	121	-	(19)	-

*All amounts that are unspent under sub-section (5) of section 135 of Companies Act, pursuant to any ongoing project, have been transferred to special account in compliance with provisions of sub section (6) of section 135 of the said Act subsequent to the year end.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

2.40 Goodwill

	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	3,386	3,080
Goodwill on business combination (refer note 2.34)	-	306
Impairment of goodwill	-	-
Balance at the end of the year	3,386	3,386
	As at 31 March 2026	As at 31 March 2025
Goodwill on consolidation	3,386	3,386

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 2026 and 31 March 2025.

Medical and Health care Services CGU

The recoverable amount of the CGU, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five 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 five-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 2026	As at 31 March 2025
Discount rate	14%	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.

The Group has performed sensitivity analysis around the base assumptions and has concluded that no reasonable change in key assumptions would result in the recoverable amount of the CGU to be less than the carrying value. Accordingly, no impairment charges were recognised for the year ended 31 March 2026.

- 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 software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the Holding Company, subsidiaries and associate did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Holding Company, subsidiaries and associate as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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

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 current and previous 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,
- (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: 15 May 2026

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

Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

Place: Hyderabad

Date: 15 May 2026

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

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
<u>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</u> (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. 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	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; • 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(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 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

Membership Number: 102328

UDIN: 25102328BMOPZN3613

Place of Signature: Hyderabad

Date: May 12, 2025

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

Membership Number: 102328

UDIN: 25102328BMOPZN3613

Place of Signature: Hyderabad

Date: May 12, 2025

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558

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

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

per Navneet Rai Kabra

Partner

Membership no.: 102328

Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

Place: Hyderabad

Date: 12 May 2025

Place: Hyderabad

Date: 12 May 2025

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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

for and on behalf of the Board of Directors of

Krishna Institute of Medical Sciences Limited
per Navneet Rai Kabra

Partner

Membership no.: 102328

Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi
 Chief Financial Officer

J R Nagajayanthi
 Company Secretary
 Membership no: FCS7148

 Place: Hyderabad
 Date: 12 May 2025

 Place: Hyderabad
 Date: 12 May 2025

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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)

Particulars	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)
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:

a) The consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind AS 7) - Statement of cash flows:

b) Cash and cash equivalents comprises of:

	As at 31 March 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

for and on behalf of the Board of Directors of
Krishna Institute of Medical Sciences Limited
per Navneet Rai Kabra
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 12 May 2025

Place: Hyderabad
Date: 12 May 2025

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated statement of changes in equity for 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	80,027,787	800
Add: Shares issued during the year	-	-
At 31 March 2024	80,027,787	800
Add: Increase in shares on account of split*	320,111,148	-
Add: Shares issued during the year	-	-
At 31 March 2025	400,138,935	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)
	Reserve and surplus						
	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

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

per **Navneet Rai Kabra**
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 12 May 2025

Place: Hyderabad
Date: 12 May 2025

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2025****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 2025. 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
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 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 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:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements as at and for the year ended 31 March 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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2025**

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.

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 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:

- i. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

D. Fair value measurement:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Group's Chief Financial officer analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.33 – financial instruments.

E. Revenue from contract with customer

The Group's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items. 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).

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 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 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

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, 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.

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 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 future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined liability (assets) for the year by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes to the defined benefit liability (asset) as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss. The Group recognises gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in the consolidated statement of profit and loss on the earlier of amendment or curtailment.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g, under short term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated absences

As per the leave encashment policy of the Group, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of consolidated profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

N. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised

cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with 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
- 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 financials assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

For trade receivables and 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 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.

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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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 block 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

1. 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.

2. Refer note 2.11 for details of assets pledged as security.

3. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.

4. The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.

5. The Group has not revalued any of its Property, Plant and Equipment during the year.

6. The amount of borrowing costs capitalised to 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
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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

	As at 31 March 2025	As at 31 March 2024
2.2 Investments		
(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)		
(a) Non-current		
-To parties other than related parties		
Loans to others	55	-
-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.

	As at 31 March 2025	As at 31 March 2024
2.4 Other financial assets (at amortised cost) (Unsecured, Considered good)		
(a) Non-current		
-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		
(b) Current		
-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
2.5 Other assets (Unsecured, considered good)		
(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)		
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.

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)
(Unsecured)

Trade receivables - Considered good - Unsecured*
Less: Allowance for expected credit loss

Trade receivables - credit impaired - unsecured
Less: Allowance for credit impairment

Total

As at 31 March 2025	As at 31 March 2024
4,529	3,484
(575)	(540)
3,954	2,944
-	-
-	-
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.

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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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
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

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:
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)

Advance tax (net of provision for taxation)	438	455
Total	438	455

2.10 (a) Equity share capital

Authorised share capital

475,000,000 equity shares of Rs. 2 each (31 March 2024: 95,000,000 equity shares of Rs. 10 each)*

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)*

	As at 31 March 2025	As at 31 March 2024
Authorised share capital	950	950
Issued, subscribed and paid-up	800	800
	800	800

(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	80,027,787	800	80,027,787	800
Add: Increase in shares on account of split*	320,111,148	-	-	-
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	400,138,935	800	80,027,787	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 Bhaskar Rao	105,099,645	26%	21,019,929	26%
SBI Mutual Fund	36,761,700	9%	5,763,084	7%
Bluebridge Capital Private Limited	24,203,310	6%	-	0
Bollineni Ramanaiah Memorial Hospitals Private Limited	-	0%	4,840,662	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	21,019,929	84,079,716	-	105,099,645	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	4,840,662	19,362,648	(24,203,310)	-	0%	-100%
3	Bluebridge Capital Private Limited	-	-	24,203,310	24,203,310	6%	100%
4	Mrs. Rajyasri Bollineni	1,374,003	5,496,012	-	6,870,015	2%	0%
5	Dr. Abhinay Bollineni	47,299	189,196	-	236,495	0%	0%
6	Mr. Adwik Bollineni	8,128	32,512	-	40,640	0%	0%
Total		27,290,021	109,160,084	-	136,450,105	34%	0%

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	21,019,929	-	-	21,019,929	26%	0%
2	Bollineni Ramanaiah Memorial Hospitals Private Limited	4,840,662	-	-	4,840,662	6%	0%
3	Mrs. Rajyasri Bollineni	1,374,003	-	-	1,374,003	2%	0%
4	Dr. Abhinay Bollineni	47,299	-	-	47,299	0%	0%
5	Mr. Adwik Bollineni	8,128	-	-	8,128	0%	0%
Total		27,290,021	-	-	27,290,021	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

(i) **Securities premium (refer below note 1)**

Balance as per last financial statements
Shares issued during the year
Closing balance

(ii) **Adjustment reserve (refer below note 2)**

Balance as per last financial statements
Movement during the year
Closing balance

(iii) **Capital contribution (refer below note 3)**

Balance as per last financial statements
Additions
Closing balance

(iv) **Retained earnings (refer below note 4)**

Balance as per last financial statements
Acquisition of non-controlling interests (Refer note 2.34)
Profit for the year
Other comprehensive income for the year
Closing balance

	As at 31 March 2025	As at 31 March 2024
	10,340	10,340
	-	-
	10,340	10,340
	58	58
	-	-
	58	58
	(126)	114
	(46)	(240)
	(172)	(126)
	7,210	5,383
	(683)	(1,276)
	3,845	3,100
	(20)	3
	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 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, 0.01% Optionally convertible redeemable preference shares (OCRPS) were issued to promoter shareholders of KMHPL. OCRPS carry a dividend rate of 0.01% 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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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)

	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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

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 for 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
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		

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

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 Gurantee 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
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 Gurantee 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 KHMPL 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	-
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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

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
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, Kumool 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
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
Raj Vasanthrao 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

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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 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.

CIN: L55101TG1973PLC040558

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

(a) Non-current

* Includes retention money of Rs. 111 (31 March 2024: Rs. 32)

(b) Current

* Includes retention money of Rs. Nil (31 March 2024: Rs. 27)

Provision for employee benefits

352

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

Trade payables

- total outstanding dues of micro enterprises and small enterprises (Refer Note 2.30)

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

Total

	As at 31 March 2025	As at 31 March 2024
	150	125
	2,541	1,842
	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
(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
Provision for employee benefits

Gratuity (Refer note 2.26)

Compensated absences

Total

	49	12
	215	174
	264	186

2.16 Other current liabilities
(a) Non-current

Deferred Government grants*

Total

	357	-
	357	-

(b) Current

Statutory dues payable

Contract liabilities (refer note 2.31)

Staff reimbursement liabilities

Total

	205	206
	324	242
	9	16
	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)

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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**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

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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

	For the year ended 31 March 2025	For the year ended 31 March 2024
2.19 Increase in inventories of medical consumables, drugs and surgical instruments		
Opening stock	494	429
Addition on acquisition of subsidiaries	11	-
Less: Closing stock	640	494
Total	(135)	(65)
2.20 Employee benefits expense		
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
2.21 Finance costs		
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		
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		
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	-

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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
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.

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:

	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).

Set out below are the undiscounted potential future rental payments relating to periods included in the lease term:

	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

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

2.26 Employee benefits (continued)

(i) Defined benefit plan (continued)

E Defined benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 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

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.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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 KMP and other relative (where transaction exists)	Sri Viswa Medicare Limited 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	-
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	-

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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)

(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.

(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	400,138,935	400,138,935
Add: Equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	400,138,935	400,138,935
Weighted average number of equity shares outstanding during the year - Basic (B)	400,138,935	400,138,935
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)	400,138,935	400,138,935
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.

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	
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	
Contract balances			
	As at	As at	As at
Particulars	31 March 2025	31 March 2024	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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****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)

2.32 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	As at
	31 March 2025	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 borrowing 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.

2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2025			Fair value level
	Carrying value	Fair value	
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)			Level 1
Other investments in equity shares (unquoted)	6	6	
	6	6	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds (quoted)	220	220	Level 1
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			Fair value level
	Carrying value	Fair value	
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	
	6	6	
Financial asset at fair value through profit or loss (Refer note below)			Level 1
Investment in mutual funds (quoted)	829	829	
Total	829	829	Level 3
Financial liabilities at amortised cost (Refer note below)			
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	

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.

2.33 Financial instruments : Fair value and risk management (continued)**(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.

2.33 Financial instruments : Fair value and risk management (continued)**(iii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

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

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

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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**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.

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

(i) 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.

(ii) 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.

(iii) 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.

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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

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
	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.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

2.36 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)

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
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)

2.36 Non-controlling interest (continued)
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)

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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)

2.37 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 2025

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

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

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

(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

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
c) Amount spent during the year ending on 31 March 2025:		
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:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	92	92
e) Details related to spent / unspent obligations:		
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 :		
Opening Balance	-	-
Amount required to be spent during the year	(102)	92
Amount spent during the year	121	(92)
Closing Balance	19	-

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

	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

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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

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

- (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,
- (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

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

Place: Hyderabad

Date: 12 May 2025

J R Nagajayanthi

Company Secretary

Membership no: FCS7148

INDEPENDENT AUDITOR'S REPORT

To the Members of Krishna Institute of Medical Sciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Krishna Institute of Medical Sciences Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (Sas), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<u>Impairment assessment of Goodwill on consolidation pertaining to acquisition of Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited (as described in Note 2.40 of the consolidated financial statements)</u>	
As at March 31, 2024, the Group has goodwill of Rs. 2,116.70 million and Rs. 115.61 million on consolidation pertaining to acquisitions of Sarvejana Healthcare Private Limited and Spanv Medisearch Lifesciences Private Limited respectively. These goodwill balances are tested annually for impairment using discounted cash-flow models by which recoverable value is compared to the carrying value of the assets. A deficit between the recoverable value and carrying value would result in impairment. The inputs to the impairment testing model include: - Projected revenue growth, operating margins, operating cash-flows and capex during the periods related to explicit forecast; - Stable long-term growth rates beyond explicit forecast period and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax). The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing of goodwill pertaining to these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Financial Statements as a whole.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over impairment assessments; • We gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process; • With the assistance of specialists, we evaluated the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions; and tested the arithmetical accuracy of model; • We tested budgeting procedures upon which the cash flow forecasts were based. We have also compared the actual past performances with the budgeted figures; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We assessed the adequacy of the related disclosures in notes to the Consolidated Financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose financial statements include total assets of Rs. 137.36 million as at March 31, 2024, and total revenues of Rs. Nil and net cash inflows of Rs. 8.75 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of Rs. 2.71 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 2.24 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate, incorporated in India during the year ended March 31, 2024.
 - iv. a) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and associate company, incorporated in India.
- vi) The Holding Company and 8 of its subsidiaries have migrated to new accounting software from legacy accounting software during the year. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, subsidiaries and associate have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that, in respect of new accounting software audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative rights as discussed in note 2.42 to the financial statements. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and associate did not come across any instance of audit trail feature being tampered in respect of the accounting softwares used.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra
Partner
Membership Number: 102328
UDIN: 24102328BKEZMC3658
Place of Signature: Hyderabad
Date: May 16, 2024

ANNEXURE ‘1’ REFERRED TO IN PARAGRAPH UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED (“THE HOLDING COMPANY”)

In terms of the information and explanations sought by us and given by the Holding Company and to the best of our knowledge and belief, we state that:

- 3(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 24102328BKEZMC3658

Place of Signature: Hyderabad

Date: May 16, 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Krishna Institute of Medical Sciences Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 24102328BKEZMC3658

Place of Signature: Hyderabad

Date: May 16, 2024

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558

Consolidated Balance Sheet as at 31 March 2024

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

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	17,300.49	12,100.19
Capital work-in-progress	2.1(b)	6,000.93	4,769.34
Goodwill	2.40	3,080.07	3,080.07
Other intangible assets	2.1 (c)	646.49	777.35
Right-of-use assets	2.25	3,312.02	1,705.60
Financial assets			
(i) Investments	2.2 (a)	744.34	-
(ii) Loans	2.3	260.00	-
(iii) Other financial assets	2.4(a)	349.65	566.92
Deferred tax assets (net)	2.38	319.22	401.94
Non-current tax assets (net)	2.9	455.09	237.67
Other non-current assets	2.5(a)	577.52	997.57
Total non-current assets		33,045.82	24,636.65
Current assets			
Inventories	2.6	494.44	428.65
Financial assets			
(i) Investments	2.2 (b)	829.74	678.88
(ii) Trade receivables	2.7	2,943.99	2,526.53
(iii) Cash and cash equivalents	2.8(a)	468.91	616.11
(iv) Bank balances other than (iii) above	2.8(b)	21.17	47.59
(v) Other financial assets	2.4(b)	358.41	363.96
Other current assets	2.5(b)	357.71	114.66
Total current assets		5,474.37	4,776.38
Total assets		38,520.19	29,413.03
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10 (a)	800.28	800.28
Other equity	2.10 (b)	17,483.29	15,895.10
Total equity attributable to owners of the Company		18,283.57	16,695.38
Non-controlling interests		2,648.82	2,684.24
Total Equity		20,932.39	19,379.62
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (a)	9,276.43	4,974.41
(ii) Lease liabilities	2.25	2,986.54	1,361.54
(iii) Other financial liabilities	2.12(a)	64.95	4.25
Provisions	2.13	274.20	236.25
Deferred tax liabilities (net)	2.38	462.83	492.24
Total non-current liabilities		13,064.95	7,068.69
Current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (b)	1,185.95	357.75
(ii) Lease liabilities	2.25	104.36	88.04
(iii) Trade payables	2.14		
(a) Total outstanding dues of micro enterprises and small enterprises; and		125.03	108.98
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,846.47	1,633.57
(iv) Other financial liabilities	2.12(b)	611.38	304.55
Other current liabilities	2.16	463.58	331.18
Provisions	2.15	186.08	140.65
Total current liabilities		4,522.85	2,964.72
Total equity and liabilities		38,520.19	29,413.03
Material accounting policies	1.3		

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

As per our report of even date attached

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

Chartered Accountants

ICAI Firm Registration no.: 101049W/ E300004

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

per Navneet Rai Kabra

Partner

Membership no.: 102328

Dr. B Bhaskara Rao

Managing Director

DIN: 00008985

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

Uma Shankar Mantha

Company Secretary

Membership no:A21035

Place: Hyderabad

Date:16 May 2024

Place: Hyderabad

Date:16 May 2024

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Income from operations	2.17	24,981.44	21,976.78
Other income	2.18	130.56	258.72
Total income		25,112.00	22,235.50
Expenses			
Purchase of medical consumables, drugs and surgical instruments		5,368.71	4,744.87
(Increase)/ Decrease in inventories of medical consumables, drugs and surgical instruments	2.19	(65.79)	61.60
Employee benefits expense	2.20	4,223.66	3,464.36
Finance costs	2.21	470.26	305.45
Depreciation and amortisation expense	2.22	1,465.48	1,292.60
Other expenses	2.23	9,050.60	7,665.84
Total expenses		20,512.92	17,534.72
Profit before share of loss from associate		4,599.08	4,700.78
Share of loss from associate, net of tax	2.35	(2.71)	-
Profit before tax and exceptional items		4,596.37	4,700.78
Exceptional Items			
Fair value gain on acquisition of control	2.34	-	148.29
Profit before tax		4,596.37	4,849.07
Tax expense			
- Current tax	2.38	1,161.82	1,183.91
- Deferred tax charge	2.38	40.25	24.84
- Adjustment of tax relating to earlier years	2.38	34.23	(17.81)
Total tax expense		1,236.30	1,190.94
Profit for the year (A)		3,360.07	3,658.13
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit and loss			
- Re-measurement gain of defined benefit plans		4.36	11.63
- Income tax effect		(1.10)	(3.12)
Other comprehensive income, net of tax (B)		3.26	8.51
Total comprehensive income for the year (A+B)		3,363.33	3,666.64
Profit attributable to:			
Owners of the Company		3,101.47	3,363.22
Non-controlling interests		258.60	294.91
Profit for the year		3,360.07	3,658.13
Other comprehensive income attributable to:			
Owners of the Company		2.66	8.03
Non-controlling interests		0.60	0.48
Other comprehensive income for the year		3.26	8.51
Total comprehensive income attributable to:			
Owners of the Company		3,104.13	3,371.25
Non-controlling interests		259.20	295.39
Total comprehensive income for the year		3,363.33	3,666.64
Earnings per equity share (face value of share Rs. 10 each)			
- Basic (Rs.)	2.28	38.75	42.03
- Diluted (Rs.)	2.28	38.75	42.03

Material accounting policies 1.3
The accompanying notes are referred above form an integral part of the consolidated financial statements.

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

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

per Navneet Rai Kabra
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date:16 May 2024

Place: Hyderabad
Date:16 May 2024

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated statement of Cash Flows for the year ended 31 March 2024

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
I Cash flows from operating activities		
Profit before tax for the year	4,596.37	4,849.07
Adjustments for:		
Depreciation and amortisation expense	1,465.48	1,292.60
Finance costs	470.26	305.46
Reversal of expected credit loss for trade receivables (net of bad debts)	(14.55)	(115.43)
Interest income	(22.91)	(95.32)
(Profit)/loss on sale of property, plant and equipment (net)	(3.76)	1.46
Liabilities no longer required written back	(12.39)	(78.43)
Fair value gain on mutual funds	(18.43)	(11.83)
Income from sale of subsidiary	-	(7.56)
Exceptional items	-	(148.29)
Rental income	(4.73)	(5.70)
Share of loss of an associate	2.71	-
Operating cash flows before working capital changes	6,458.05	5,986.03
Adjustments for:		
Increase in trade receivables	(402.91)	(628.10)
(Increase)/decrease in inventories	(65.79)	64.70
Decrease in other financial assets and other assets	123.59	281.42
Increase/(decrease) in trade payables, other financial liabilities, provisions and other liabilities	499.42	(410.83)
Cash generated from operations	6,612.36	5,293.22
Income taxes paid, net of refunds	(1,401.51)	(972.35)
Net cash generated from operating activities (A)	5,210.85	4,320.87
II Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(6,473.35)	(5,745.25)
Proceeds from sale of property, plant and equipment	14.14	26.30
Investment in associate	(741.08)	-
Investment in equity shares	(5.97)	-
Investment in Subsidiaries	-	(1,476.93)
Investment in mutual funds	(2,902.38)	(1,903.17)
Proceeds from sale of mutual funds	2,778.30	1,236.11
Loans given to associate	(260.00)	-
Proceeds from sale of subsidiary	-	2.00
Lease income received	4.73	5.70
Interest received	11.25	119.83
Redemption of bank deposits (having original maturity of more than three months)	62.31	5,774.24
Investment in bank deposits (having original maturity of more than three months)	(13.55)	(3,507.78)
Net cash used in investing activities (B)	(7,525.60)	(5,468.94)
III Cash flows from financing activities		
Repayment of long-term borrowings	(176.99)	(2,011.30)
Proceeds from long-term borrowings	4,593.03	3,893.83
Proceeds from/(repayment of) short-term borrowings (net)	714.17	(399.51)
Acquisition of non-controlling interest	(1,810.56)	(686.99)
Payment of principal of lease liability	(323.40)	(262.18)
Payment of interest on lease liability	(235.89)	(150.06)
Interest paid	(592.81)	(187.37)
Net cash flows generated from financing activities (C)	2,167.55	196.42
Net decrease in cash and cash equivalents (A+B+C)	(147.20)	(951.65)
Cash and cash equivalents acquired through business combination	-	1,311.42
Cash and cash equivalents at the beginning of the year	616.11	256.34
Cash and cash equivalents at the end of the year	468.91	616.11

Note:

a) The consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind AS 7) - Statement of cash flows:

b) Cash and cash equivalents comprises of:

	As at 31 March 2024	As at 31 March 2023
Cash on hand	23.01	18.99
Balances with banks		
- On current accounts	288.39	588.22
- In deposit accounts (with original maturity of 3 months or less)	157.51	8.90
Total	468.91	616.11

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

As per our report 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

Dr. B Abhinay

Chief Executive Officer

DIN: 01681273

Sachin Ashok Salvi

Chief Financial Officer

Uma Shankar Mantha

Company Secretary

Membership no:A21035

Place: Hyderabad

Date:16 May 2024

Place: Hyderabad

Date:16 May 2024

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Consolidated statement of changes in equity for year ended 31 March 2024
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

a) Equity share capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amount
At 1 April 2022	80,027,787	800.28
Add: Shares issued during the year	-	-
At 31 March 2023	80,027,787	800.28
Add: Shares issued during the year	-	-
At 31 March 2024	80,027,787	800.28

b) Other equity

Particulars	Other equity attributable to the owners of the Company				Total other equity	Non-controlling interest	Total (Includes equity share capital as per (a) above)
	Reserve and surplus						
	Securities premium account	Adjustment reserve	Capital contribution	Retained earnings			
Balance as at 01 April 2022	10,340.35	57.64	-	2,674.82	13,072.81	233.31	14,106.40
Profit for the year	-	-	-	3,363.22	3,363.22	294.91	3,658.13
Acquisition of subsidiaries (refer note 2.34)	-	-	-	-	-	2,343.22	2,343.22
Acquisition of non-controlling interests	-	-	-	(663.24)	(663.24)	(297.48)	(960.72)
Other equity (refer note 2.10(b))	-	-	114.28	-	114.28	109.80	224.08
Other comprehensive income for the year	-	-	-	8.03	8.03	0.48	8.51
Balance as at 31 March 2023	10,340.35	57.64	114.28	5,382.83	15,895.10	2,684.24	19,379.62
Profit for the year	-	-	-	3,101.47	3,101.47	258.60	3,360.07
Acquisition of non-controlling interests (refer note 2.34)	-	-	-	(1,275.84)	(1,275.84)	(534.72)	(1,810.56)
Other equity (refer note 2.10(b))	-	-	(240.10)	-	(240.10)	240.10	-
Other comprehensive income for the year	-	-	-	2.66	2.66	0.60	3.26
Balance as at 31 March 2024	10,340.35	57.64	(125.82)	7,211.12	17,483.29	2,648.82	20,932.39

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

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

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

per Navneet Rai Kabra
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN: 00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date:16 May 2024

Place: Hyderabad
Date:16 May 2024

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****1.1 Group Overview**

The consolidated financial statements comprise financial statements of Krishna Institute of Medical Sciences Limited (“the Company” or “Parent” or “Holding Company”) its subsidiaries (the holding Company and its subsidiaries together referred to as , the Group) and its associate for the year ended 31 March 2024. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The Group is principally engaged in the business of rendering medical and healthcare services. Information on the Group’s structure is provided in Note 1.3A. Information on other related party relationships of the Group is provided in Note 2.27. The Company’s shares were listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

The Company was originally incorporated on 26 July 1973 under the name “Jagjit Singh and Sons Private Limited” which was subsequently changed to “Krishna Institute of Medical Sciences Private Limited” on 2 January 2004. The Company was converted into a public limited company under the Companies Act, 1956 on 29 January 2004 and consequently, the name was changed to “Krishna Institute of Medical Sciences Limited”.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 16 May 2024.

1.2 Basis of preparation of consolidated financial statements**a) Statement of compliance:**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

All amounts are in Indian Rupees millions, rounded off to two decimals, except share data, unless otherwise stated.

b) Basis of measurement:

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value or refer accounting policy regarding financial instruments
Net defined benefit (asset)/ liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

The Group’s consolidated financial statements are presented in Indian rupee (INR), which is also the parent company’s functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****d) New and amended standards**

The group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2023. The group has not early adopted any other standard or amendment that has been issued but is not yet effective:

- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes
- Ind AS 1, Presentation of Financial Statements

These amendments had no impact on the financial statements of the group.

Standards issued but not yet effective and not early adopted by the group

There are no standards that are notified and not yet effective as on the date.

e) Significant accounting judgement, estimates and assumptions:

The preparation of Group's consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenue, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic

conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.38 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.26 - Measurement of defined benefit obligations, key actuarial assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.33 for further disclosures.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

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

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group.

1.3 Material accounting policies

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

- 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:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

The consolidated financial statements as at and for the year ended 31 March 2024 have been prepared on the basis of the financial statements of the following subsidiaries which are principally engaged in the business of rendering medical and healthcare services.

Name of the Company	Nature of Relationship	Country of incorporation	Ownership interest (in %)	
			31 March 2024	31 March 2023
Arunodaya Hospitals Private Limited ('AHPL')	Subsidiary	India	67.66	67.66
KIMS Hospital Enterprises Private Limited ('KHEPL')	Subsidiary	India	90.74	90.74
Iconkrishi Institute of Medical Sciences Private Limited ('ICIMSPL')	Subsidiary	India	51.00	51.00
Saveera Intitute of Medical Sciences Private Limited ('SIMSPL')	Subsidiary	India	76.50	76.50
KIMS Hospitals Private Limited ('KHPL')	Subsidiary	India	100.00	100.00
KIMS Swastha Private Limited ('KSPL')	Subsidiary	India	100.00	100.00
KIMS Hospital Bengaluru Private Limited ('KHBPL')	Subsidiary	India	100.00	100.00
KIMS Hospital Kurnool Private Limited ('KHKPL')	Subsidiary	India	55.00	55.00
Sarvejana Healthcare Private Limited ('SHPL')*	Subsidiary	India	64.22	56.61
Rajyalakshmi Healthcare Private Limited (RHPL)*	Subsidiary	India	64.22	56.61
Suryateja Healthcare Private Limited (STHPL)**	Subsidiary	India	NA	56.61
Spanv Medisearch Lifesciences Private Limited ('Spanv/SMLPL')	Subsidiary	India	69.30	51.00
KIMS Manavata Hospitals Private Limited ('KMHPL/Manavata')	Subsidiary	India	51.00	51.00
Kondapur Healthcare Limited (Formerly known as RVM Healthcare Limited) ('KHL')***	Associate	India	33.73	NA

*SHPL and RHPL collectively known as Sunshine Hospitals

**Entity ceased to be subsidiary from December 01, 2022

*** Became an associate from 15 September 2023

B. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its 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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed 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.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

C. Current–non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Group's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

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

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Group's Chief Financial officer analyses the movements in the values of assets and liabilities which are required to be re measured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.33 – financial instruments.

E. Revenue from contract with customer

The Group's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers and deposited back to the respective statutory authorities. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****Contract Balances:**

Contract assets represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (N) Financial instruments – initial recognition and subsequent measurement.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other Income

Interest on deposits, loans and debt instruments are measured at amortized cost. Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the consolidated statement of profit and loss.

F. Income-tax

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

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de- recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

Depreciation

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment as below:

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is perpetual lease without any limited useful life and hence is not amortised.
- Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

H. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

De-recognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss. when the asset is derecognised.

The Group has elected to continue with the carrying value for all of its other intangibles recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6
Brand	5
Non-Compete fee	5
Customer Contract	5

I. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****J. Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

K. Inventories

The inventories comprising of medical consumables, drugs and surgical instruments are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The Group follows the weighted average method for determining the cost of such inventories. The Comparison of cost and net realisable value is made on item by item basis.

L. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to 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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired

M. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Retirement and other employee benefits**Defined contribution plans**

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****Defined benefit plans**

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined liability (assets) for the year by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any 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.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of consolidated profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

N. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with 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)

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables, and loan to an associate included under other non-current financial assets. For more information on receivables, refer to Note 2.33.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financials assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant

increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to consolidated statement of profit & loss. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial instrument are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS 32 (Financial instruments: Presentation). Financial instrument issued by the Group classified as equity is carried at its transaction value and shown within " equity". Financial instrument issued by the

Group classified as liability is initially recognised at fair value (issue price). Subsequent to initial recognition, such Financial instrument is fair valued through the statement of profit or loss. On modification of Financial instrument from liability to equity, the Financial instrument is recorded at the fair value of Financial instrument classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the statement of profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024****Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

P. Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of parent company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

R. Corporate social responsibility

The Group charges its Corporate Social Responsibility expenditure to the consolidated statement of profit and loss.

S. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting year, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.4 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.1 (a) Property, plant and equipment

Particulars	Freehold land	Leasehold land (refer Note 3)	Leasehold improvement	Buildings (refer Note 1 & 6)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Gross carrying amount												
Balance as at 1 April 2022	709.94	151.82	209.83	4,165.35	3,920.11	338.51	83.98	481.02	259.59	424.13	76.22	10,820.49
Acquisition of subsidiaries (refer note 2.34)	596.15	-	378.34	1,189.43	1,343.52	147.03	11.47	154.26	27.12	188.09	19.57	4,054.98
Additions	-	-	54.61	307.00	784.95	27.36	13.88	26.06	50.54	30.00	26.25	1,320.65
Disposals (including sale of subsidiary)	-	-	(0.42)	-	(64.59)	-	(0.21)	(3.60)	(0.07)	(0.42)	(5.04)	(74.35)
Balance as at 31 March 2023	1,306.09	151.82	642.36	5,661.78	5,983.99	512.90	109.12	657.74	337.18	641.80	117.00	16,121.77
Balance as at 1 April 2023	1,306.09	151.82	642.36	5,661.78	5,983.99	512.90	109.12	657.74	337.18	641.80	117.00	16,121.77
Additions	958.63	-	37.85	3,619.14	1,084.08	83.08	37.11	324.86	100.63	105.90	28.54	6,379.82
Disposals	-	-	-	-	(17.50)	(1.50)	(0.17)	(1.79)	-	(0.12)	(9.36)	(30.44)
Balance as at 31 March 2024	2,264.72	151.82	680.21	9,280.92	7,050.57	594.48	146.06	980.81	437.81	747.58	136.18	22,471.15
Accumulated depreciation												
Balance as at 1 April 2022	-	-	89.19	390.83	1,685.71	124.03	59.61	323.49	169.21	234.81	38.42	3,115.28
Depreciation charge for the year	-	-	108.26	94.19	499.45	32.76	13.36	55.36	71.59	63.52	14.40	952.89
Disposals (including sale of subsidiary)	-	-	(0.06)	-	(40.04)	-	(0.05)	(2.63)	(0.03)	(0.24)	(3.54)	(46.59)
Balance as at 31 March 2023	-	-	197.39	485.02	2,145.12	156.79	72.92	376.22	240.77	298.09	49.28	4,021.58
Balance as at 1 April 2023	-	-	197.39	485.02	2,145.12	156.79	72.92	376.22	240.77	298.09	49.28	4,021.58
Depreciation charge for the year	-	-	94.45	211.61	594.08	37.77	14.61	68.71	61.61	70.09	16.21	1,169.14
Disposals	-	-	-	-	(9.52)	(1.08)	(0.17)	(1.77)	-	(0.09)	(7.43)	(20.06)
Balance as at 31 March 2024	-	-	291.84	696.63	2,729.68	193.48	87.36	443.16	302.38	368.09	58.06	5,170.66
Net block value												
At 31 March 2023	1,306.09	151.82	444.97	5,176.76	3,838.87	356.11	36.20	281.52	96.41	343.71	67.72	12,100.19
At 31 March 2024	2,264.72	151.82	388.37	8,584.29	4,320.89	401.00	58.70	537.65	135.43	379.49	78.12	17,300.49

1. Buildings amounting to gross block Rs. 253.50 (31 March 2023: Rs. 246.61) and net block Rs. 213.77 (31 March 2023: Rs. 210.88) are constructed on the land taken on lease from promoters for a period of 30 years without making any upfront payment and renewable at the option of the Company.

2. Refer note 2.11 for details of assets pledged as security.

3. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.

4. The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.

5. The Group has not revalued any of its Property, Plant and Equipment during the year.

6. The amount of borrowing costs capitalised to Buildings during the year Rs 115.79 (31 March 2023: Nil)

2.1(b) Capital Work in Progress

	As at 31 March 2024	As at 31 March 2023
Gross Carrying amount		
Balance as at beginning of the year	4,769.34	207.59
Acquisition of subsidiaries (refer note 2.34)	-	105.16
Additions	6,133.04	4,755.06
Capitalised during the year	(4,901.45)	(298.47)
Balance as at end of the year	6,000.93	4,769.34

i) For capital work in progress, ageing Schedule as on 31 March 2024

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	4,230.92	1,715.07	54.94	-	6,000.93
Total	4,230.92	1,715.07	54.94	-	6,000.93

ii) For capital work in progress, ageing Schedule as on 31 March 2023

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	4,549.97	202.21	7.43	9.72	4,769.34
Total	4,549.97	202.21	7.43	9.72	4,769.34

There are no capital work in progress projects, whose completion is overdue or has exceed its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

The amount of borrowing costs capitalised during the year ended 31 March 2024 was Rs. 123.72 (31 March 2023 was Rs. 69.49). The rates used to determine the amount of borrowing costs eligible for capitalisation are ranging between 8.15% to 8.55% which is the effective interest rate of these specific borrowings.

2.1 (c) Other intangible assets

Particulars	Software	Brand	Non compete	Customer contract	Total of Intangible assets
Gross carrying amount					
Balance as at 1 April 2022	202.88	25.24	28.30	188.02	444.44
Acquisition of subsidiaries (refer note 2.34)	20.11	487.83	-	-	507.95
Additions	119.70	-	-	-	119.70
Balance as at 31 March 2023	342.69	513.07	28.30	188.02	1,072.09
Balance as at 1 April 2023	342.69	513.07	28.30	188.02	1,072.09
Additions	50.61	-	-	-	50.61
Balance as at 31 March 2024	393.30	513.07	28.30	188.02	1,122.70
Accumulated amortisation					
Balance as at 1 April 2022	66.13	16.46	19.81	24.44	126.82
Amortisation charge for the year	47.50	108.49	5.66	6.27	167.92
Balance as at 31 March 2023	113.63	124.95	25.47	30.71	294.74
Balance as at 1 April 2023	113.63	124.95	25.47	30.71	294.74
Amortisation charge for the year	62.73	109.64	2.83	6.27	181.47
Balance as at 31 March 2024	176.36	234.59	28.30	36.98	476.21
Net book value					
At 31 March 2023	229.06	388.12	2.83	157.31	777.35
At 31 March 2024	216.94	278.48	-	151.04	646.49

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

	As at 31 March 2024	As at 31 March 2023
2.2 Investments		
(a) Non current investments		
(Unquoted)		
Investment in associate valued using equity method		
74,108,500 (31 March 2023: Nil) equity shares of Rs. 10 each fully paid up held in Kondapur Healthcare Limited (Refer Note 2.35)	738.37	-
Investment carried at fair value through other comprehensive income		
596,700 (31 March 2023: Nil) equity shares of Rs. 10 each fully paid up held in MSPL Unit 4 Limited	5.97	-
Total	744.34	-
Aggregate book value of unquoted investments	744.34	-
Aggregate provision for impairment in value of investments	-	-
(b) Current investments		
(Quoted investments, fair value through profit or loss)		
Investment in mutual funds		
208,247 units (31 March 2023: 2,036,504 units) - ICICI prudential Liquid fund direct plan growth	74.43	678.53
2,486,908 units (31 March 2023: Nil units) - ICICI prudential Ultra short term fund direct plan growth	67.72	-
1,968,807 units (31 March 2023: Nil units) - ICICI prudential Money market fund direct plan growth	687.22	-
291 units (31 March 2023: 291 units) - ICICI prudential Overnight fund direct plan growth	0.38	0.35
Total	829.74	678.88
Aggregate book value of quoted investments	829.74	678.88
Aggregate market value of quoted investments	829.74	678.88
Aggregate provision for impairment in value of investments	-	-
2.3 Loans (at amortised cost)		
(Unsecured, considered good)		
Non-current		
-To related parties (refer note 2.27)		
Loans to related parties	260.00	-
Total	260.00	-

The above loan has been granted to associate for setting up of a new multispeciality hospital. The loan is carrying an interest rate of 9%. The Company has no loans which are either repayable on demand or are without specifying any terms or period of repayment.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

	As at 31 March 2024	As at 31 March 2023
2.4 Other financial assets (at amortised cost) (Unsecured, Considered good)		
(a) Non-current		
-To parties other than related parties		
Deposits with remaining maturity more than 12 months*	38.72	61.07
Interest accrued on bank deposits	1.49	0.61
Security deposits	306.13	505.24
-To related parties (refer note 2.27)		
Interest accrued on loans	3.31	-
Total	349.65	566.92
*Includes Rs 37.78 (March 2023: Rs 60.58) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date.		
(b) Current		
-To parties other than related parties		
Contract assets (Refer note 2.31)	260.15	170.45
Other advances	48.31	61.90
Interest accrued on bank deposits	2.15	2.83
Security deposits	47.80	128.78
Total	358.41	363.96
2.5 Other assets (Unsecured, considered good)		
(a) Non-current		
Capital advances	535.49	954.40
Balance with government authorities	21.86	21.54
Prepaid expenses	20.17	21.63
Total	577.52	997.57
(b) Current		
Advance to suppliers	227.58	50.92
Prepaid expenses	77.23	44.65
Staff advances	50.65	16.24
Other receivables	2.25	2.85
Total	357.71	114.66
2.6 Inventories (Valued at lower of cost or net realisable value)		
Medical consumables, drugs and surgical instruments	494.44	428.65
Total	494.44	428.65

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.7 Trade receivables (at amortised cost)

(Unsecured)

Trade receivables - Considered good - Unsecured*

Less: Allowance for expected credit loss

Trade receivables - credit impaired - unsecured

Less: Allowance for credit impairment

Total

	As at 31 March 2024	As at 31 March 2023
Trade receivables - Considered good - Unsecured*	3,483.55	3,138.11
Less: Allowance for expected credit loss	(539.56)	(611.58)
	2,943.99	2,526.53
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	2,943.99	2,526.53

* Includes amounts receivable from related party (Refer note 2.27).

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Trade Receivables ageing schedule as on 31 March 2024

Particulars	Current but No due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables-considered good	1,107.44	1,395.90	455.00	263.18	111.22	150.81	3,483.55
(ii) Undisputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							3,483.55
Less : Allowance for expected credit loss							(539.56)
Balance at the end of the year							2,943.99

Trade Receivables ageing schedule as on 31 March 2023

Particulars	Current but No due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables-considered good	1,013.40	1,316.77	341.47	235.76	81.57	149.14	3,138.11
(ii) Undisputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							3,138.11
Less : Allowance for expected credit loss							(611.58)
Balance at the end of the year							2,526.53

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.8 Cash and bank balances**a) Cash and cash equivalents**

	As at 31 March 2024	As at 31 March 2023
Cash on hand	23.01	18.99
Balances with banks		
- in current accounts	288.39	588.22
- in deposit accounts (with original maturity of 3 months or less)	157.51	8.90
	468.91	616.11

b) Bank balances other than (a) above

Deposits with remaining maturity less than 12 months*	21.17	47.59
	21.17	47.59

Total

	490.08	663.70

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

c) Changes in liabilities arising from financing activities:**Borrowings (Non-current and current):**

	As at 31 March 2024	As at 31 March 2023
Opening balance	5,332.16	1,610.29
Proceeds from/ (repayment of) borrowings, net	5,130.22	1,483.02
Acquisition of subsidiaries (refer note 2.34)	-	2,238.86
Closing balance	10,462.38	5,332.16

Lease liabilities:

Opening balance	1,449.58	954.99
Additions	1,965.68	47.73
Acquisition of subsidiaries (refer note 2.34)	-	791.40
Interest accrued on lease liabilities*	235.89	150.06
Payment of lease liabilities	(559.28)	(412.24)
Others	(0.97)	(82.35)
Closing balance	3,090.90	1,449.58

* Includes interest capitalised to CWIP amounting to Rs 137.92 (31 March 2023: Rs 34.01)

2.9 Non-current tax assets (net)

Advance tax (net of provision for taxation)	455.09	237.67
Total	455.09	237.67

2.10 (a) Equity share capital

Authorised share capital
95,000,000 (31 March 2023: 95,000,000) equity shares of Rs. 10 each

Issued, subscribed and paid-up
80,027,787 (31 March 2023: 80,027,787) equity shares of Rs. 10 each fully paid-up

	As at 31 March 2024	As at 31 March 2023
	950.00	950.00
	950.00	950.00
	800.28	800.28
	800.28	800.28

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	80,027,787	800.28	80,027,787	800.28
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	80,027,787	800.28	80,027,787	800.28

(ii) Rights, preferences and restrictions attached to equity shares of Rs. 10 each, fully paid up:

The Company has only one class of equity shares having par value of Rs. 10/- each. Each equity share holder is entitled to one vote per equity share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Particulars of shareholders holding more than 5% equity shares of Rs. 10 each, fully paid up

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskar Rao	21,019,929	26.27%	21,019,929	26.27%
General Atlantic Singapore KH Pte Ltd	-	0.00%	6,889,147	8.61%
SBI Mutual Fund	5,763,084	7.20%	-	0.00%
Bollineni Ramanaiah Memorial Hospitals Private Limited	4,840,662	6.05%	4,840,662	6.05%

(iv) The Company has not issued bonus shares during the period of five years immediately preceding the reporting period.

(v) The Company has not bought back any shares during the period of five years immediately preceding the reporting period.

(vi) Details of shares held by Promoters*

As at 31 March 2024

S. No.	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	21,019,929	-	21,019,929	26.27%	0.00%
2	Equity shares of Rs. 10 each fully paid	4,840,662	-	4,840,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	1,374,003	-	1,374,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	8,128	-	8,128	0.01%	0.00%
Total		27,290,021	-	27,290,021	34.11%	0.00%

As at 31 March 2023

S. No.	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	21,019,929	-	21,019,929	26.27%	0.00%
2	Equity shares of Rs. 10 each fully paid	4,840,662	-	4,840,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	1,374,003	-	1,374,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	8,128	-	8,128	0.01%	0.00%
Total		27,290,021	-	27,290,021	34.11%	0.00%

*Promoters as per the annual return filed by the Company

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.10 (b) Other equity**(i) Securities premium (refer below note 1)**

Balance as per last financial statements

Shares issued during the year

Closing balance

(ii) Adjustment reserve (refer below note 2)

Balance as per last financial statements

Movement during the year

Closing balance

(iii) Capital contribution (refer below note 3)

Balance as per last financial statements

Additions: Other Equity

Closing balance

(iv) Retained earnings (refer below note 4)

Balance as per last financial statements

Acquisition of non-controlling interests (refer note 2.34)

Profit for the year

Other comprehensive income for the year

Closing balance

	As at 31 March 2024	As at 31 March 2023
	10,340.35	10,340.35
	-	-
	10,340.35	10,340.35
	57.64	57.64
	-	-
	57.64	57.64
	114.28	-
	(240.10)	114.28
	(125.82)	114.28
	5,382.83	2,674.82
	(1,275.84)	(663.24)
	3,101.47	3,363.22
	2.66	8.03
	7,211.12	5,382.83
	17,483.29	15,895.10

1. Securities premium

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

2. Adjustment reserve

During the year ended 31 March 2014, the Company had a share swap with the shareholders of Bollineni Heart Centre Limited ("transferor Company") and the difference of Rs. 41.49 arising from the share swap was added to the Adjustment reserve. In the same year, the Company allotted shares to Bollineni Ramanaiyah Memorial Hospitals Private Limited ("Demerged Company") and the difference between the consideration payable and the value of net assets taken over amounting to Rs. 16.15 was added to the Adjustment reserve.

3. Capital contribution

During the year ended 31 March 2023, the Group has entered into a land lease agreement with the promoter shareholders of KMHPL at a concessional rate for a period of 99 years on which the hospital building is being constructed. The Group has obtained valuation report from an independent valuer for land lease, and the ROU asset has been accounted for, at fair value of land of Rs. 230. The difference between the ROU asset and lease liability has been recognised as capital contribution.

During the year ended 31 March 2024, the Group has contributed to the equity of KMHPL and the non-controlling interest's proportionate share of equity amounting to Rs. 240 has been added to its value.

4. Retained earnings

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

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.11 Borrowings (at amortised cost)
(a) Non-current borrowings
Secured
Term loans from banks

- Axis Bank term loan-1 (refer note i)
- Axis Bank term loan-2 (refer note ii)
- HDFC Bank vehicle loan
- Federal bank term loans (refer note iii, iv, v and vi)
- HDFC Bank term loan (refer note vii and viii)
- HDFC Bank term loan (refer note ix and x)
- HDFC Bank term loan (refer note xi)
- ICICI Bank (refer note xii)
- HDFC Bank term loan (refer note xiii)
- Axis Bank term loan (refer note xiv)
- Indusind Bank (refer note xv)
- Kotak Mahindra Bank (refer note xviii)

Total loans from banks (A)
Unsecured

- Loan from others (refer note xvii)

Total unsecured loans (B)
Total non-current borrowings (A) + (B)
(b) Current borrowings
Secured

- Working capital loans (refer note xvi)

Current maturity of long term borrowings

- Axis Bank term loan (refer note ii)
- HDFC Bank vehicle loan
- Federal bank term loan (refer note iii, iv, v and vi)
- HDFC Bank term loan (refer note vii and viii)
- HDFC Bank term loan (refer note ix and x)
- HDFC Bank term loan (refer note xiii)
- HDFC Bank term loan (refer note xi)

Term loans from financial institutions

- NIIF Infrastructure Finance Limited

Unsecured

- Loan from others

Total current borrowings

	As at 31 March 2024	As at 31 March 2023
(a) Non-current borrowings		
Secured		
Term loans from banks		
- Axis Bank term loan-1 (refer note i)	2,016.16	-
- Axis Bank term loan-2 (refer note ii)	555.53	-
- HDFC Bank vehicle loan	-	0.68
- Federal bank term loans (refer note iii, iv, v and vi)	157.14	206.07
- HDFC Bank term loan (refer note vii and viii)	534.68	513.64
- HDFC Bank term loan (refer note ix and x)	551.60	588.05
- HDFC Bank term loan (refer note xi)	2,125.40	993.50
- ICICI Bank (refer note xii)	1,420.83	1,119.56
- HDFC Bank term loan (refer note xiii)	1,486.28	1,503.91
- Axis Bank term loan (refer note xiv)	228.82	-
- Indusind Bank (refer note xv)	149.99	-
- Kotak Mahindra Bank (refer note xviii)	1.00	-
Total loans from banks (A)	9,227.43	4,925.41
Unsecured		
Loan from others (refer note xvii)	49.00	49.00
Total unsecured loans (B)	49.00	49.00
Total non-current borrowings (A) + (B)	9,276.43	4,974.41
(b) Current borrowings		
Secured		
- Working capital loans (refer note xvi)	907.20	193.02
Current maturity of long term borrowings		
- Axis Bank term loan (refer note ii)	41.71	-
- HDFC Bank vehicle loan	-	0.85
- Federal bank term loan (refer note iii, iv, v and vi)	60.44	38.23
- HDFC Bank term loan (refer note vii and viii)	13.15	11.72
- HDFC Bank term loan (refer note ix and x)	37.13	33.72
- HDFC Bank term loan (refer note xiii)	98.73	36.01
- HDFC Bank term loan (refer note xi)	20.09	-
Term loans from financial institutions		
- NIIF Infrastructure Finance Limited	-	41.70
Unsecured		
Loan from others	7.50	2.50
Total current borrowings	1,185.95	357.75

Notes:

- i Axis Bank - Term loan Facility-1 is secured by way of exclusive charge on entire fixed assets of the Thane project, both moveable and immovable (including lease hold right) present and future. The loan is repayable in 120 structured monthly instalments after 12 months from estimated date of completion of 31 March 2025 and carries an interest rate of Repo rate + 2.20% per annum (31 March 2023: Nil), currently the interest rate is 8.65% p.a (31 March 2023 : Nil).
- ii Axis Bank - Term loan Facility-2 is secured by way of first pari passu charge on entire fixed assets of the Company (both moveable 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 2023: Nil) currently the interest rate is 8.45% p.a (31 March 2023 : Nil)
- iii - Term loan 1 from Federal bank of ICIMSPL is secured by way of first charge on the medical equipment, other movable assets, building improvements and fixtures of ICIMSPL and second charge on entire current assets of ICIMSPL. The loan is repayable in 72 equated monthly instalments starting September 2019 and carries an interest rate of 8.80% - 9.70% per annum (31 March 2023:8.40% - 8.80% per annum) with annual reset (linked to 1 year MCLR).
- iv - Term loan 2 from Federal bank of ICIMSPL is secured by way of first charge on medical equipment (minimum 1.19x cover), with 15% margin, of the ICIMSPL and second charge on entire current assets of the ICIMSPL. The loan is repayable in 72 equated monthly instalments starting April 2020 and carries an interest rate of 9.80% - 10.30% per annum (31 March 2023: 8.70% - 9.80% per annum) with annual reset (linked to 1 year MCLR).
- v - Term loan 3 from Federal bank of ICIMSPL is secured by way of first charge on the medical equipment, furniture and fixture of the ICIMSPL and second charge on entire current assets of the ICIMSPL. The loan is repayable in 72 equated monthly instalments starting April 2023 and carries an interest rate of REPO+2.60 % per annum
- vi - Term loan 4 from Federal bank of ICIMSPL is hypothecated by all the assets acquired or to be acquired out of the facility or loan amount in favour of the Bank by way of first and exclusive charge as security for the repayment of facility together with interests, costs and other charges, expenses. Further hypothecated, by way of second charge all assets as security lot the repayment of the facility and also for payment of any other charges, interest costs and expenses payable to or incurred by the Bank in relation thereto. The loan is repayable in 60 monthly instalments and carries an interest rate of REPO+6.25 % per annum, currently the interest rate is 8.65% p.a (31 March 2023 : 6.65% - 8.85%)
- vii Term loan from HDFC Bank of SIMSPL has repayment term of 120 months and the last installment in the said facilities is due in December 2031. The loan carries an interest rate in the range of 8.25% - 8.71% (31 March, 2023: 6.00% - 7.90%) floating rate linked to 3 months T-Bill +1%(spread) per annum. The loans are secured by first and exclusive charge on movable fixed assets and current assets of the SIMSPL (both Present and future) and equitable mortgage on the land and building owned by the SIMSPL situated at Rudrampet Panchayat, Anantapur. Further the loan is secured by personal guarantee given by the director - Mr. S.V Kishore Reddy.
- viii Term loan taken during the year from HDFC Bank Limited of SIMSPL has repayment term of 96 months post moratorium period of 24 months from the date of first disbursement and the last installment in the said facilities is due in March 2034. The loan carries an interest rate of 8.25% (31 March, 2023 : Nil) floating rate linked to 3 months T-Bill +1.31 %(spread) per annum. The loans are secured by first and exclusive charge on the entire fixed assets and current assets of the SIMSPL (both Present and future) and Extension of mortgage on land and building in Rudrampet Panchayat, Anantapur. Further the loan is secured by way of personal guarantee given by the director - Mr. S.V Kishore Reddy.
- ix Term loan 1 from HDFC Bank of KHKPL has repayment term of 48 months and the last instalment in the said facilities is due in March 2025. The loan carries an interest rate of 1Y MCLR+ 0.50% (spread) per annum, currently the interest rate is 9.25% p.a (31 March 2023 : 7.75% - 9.25%). The loan is secured by way of extension of Second ranking charge over existing primary and collateral securities including Mortgages created in favour of HDFC Bank.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

- x Term Loan 2 from HDFC Bank of KHKPL has a repayment term of 120 months and the last instalment in the said facility is due in February 2032. The loan carries an interest in the range of 8.25% - 8.74% (floating rate linked to 3 months T-Bill) per annum (31 March 2023 : 6.00% - 7.90%). The same is secured by way of equitable mortgage on the property situated at Johrapuram Road, Kurnool and first and exclusive charge on entire movable fixed assets of the KHKPL (both present and future) and current assets of the KHKPL. Further, the loan is also secured by corporate guarantee given by Company.
- xi Term loan from HDFC Bank of SHPL is secured by:
- A first mortgage and charge on all immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,
 - A first charge by way of hypothecation on (i) all tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) all intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) all current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; (iv) all bank accounts and reserves including other reserves and any other bank accounts, wherever maintained and account(s) in substitution thereof;
 - The loan is repayable in 120 monthly instalments starting from March 2025 to February 2033. The loan carries an interest rate of 3 months T Bill Rate plus spread (161 bps), currently interest rate is in the range of 8.15% - 8.44% p.a (31 March 2023 : 8.15%)
- xii Term loan from ICICI Bank of KHBPL is secured by the exclusive charge by way of equitable mortgage over the immovable fixed assets located at Bengaluru, lease hold rights, movable and current assets of the KHBPL (both present and future). Further, the loan is also secured by unconditional and irrevocable letter of comfort/corporate guarantee given by the Company. The loan shall be repaid in 32 structured quarterly instalments starting from 01 January 2026. The loan carries an interest rate of 1Y MCLR+ 0.15% (spread) per annum, currently interest rate is in the range of 8.55% - 9.30% p.a (31 March 2023 : 8.55% - 8.90%)
- xiii Term loan from HDFC Bank of SMLPL is secured by:
- A first mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,
 - A first charge by way of hypothecation on SMLPL (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves of SMLPL including but not limited to other reserves and any other bank account of SMLPL, wherever maintained and account(s) in substitution thereof.
 - Further, the loan is also secured by corporate guarantee given by the Company.
 - The loan is repayable in 36 Quarterly instalments starting from December 2023 to March 2033. The loan carries an interest rate of 3 months T Bill Rate at the date of disbursement plus spread (160 bps), currently interest rate is 7.89% - 8.05% p.a. (31 March 2023 : 7.30% - 8.28%).
- xiv Term loan from AXIS Bank is secured by the first charge on entire fixed assets of KHMPL along with mortgage on lease hold rights of the hospital land owned by Mr Raj Vasant Rao Nagakar and Mrs Prarthana Nagakar. The loan shall be repaid in 90 monthly instalments starting after moratorium period of 12 months. The loan carries an interest rate of Repo+ 2.15% (spread) per annum, currently interest rate is 8.65% (31 March 2023 : Nil).
- xv Term loan from Indusind bank of AHPL which is secured by first and exclusive charge on movable and immovable fixed Assets / immovable properties of the AHPL created out of the sanctioned facility. The loan is repayable in 84 equated monthly instalments after moratorium period of 2 years from the date of first disbursement and carries an interest rate of 8.25% per annum (31 March 2023: Nil), currently the interest rate is 8.25% p.a (31 March 2023 : Nil)
- xvi Working capital loans consists of loans from :
- a) Bank Overdraft is secured by first pari passu charge on current assets of the company and repayable on demand and carries an interest rate of 8.25% per annum linked to 3 months MCLR (31 March 2023: Nil per annum).
 - b) Cash credit is secured by first pari passu charge on current assets of the Company and repayable on demand and carries an interest rate of 8.75% per annum (31 March 2023: Nil per annum).
 - c) Working capital loan from Indusind bank of AHPL is secured by first and exclusive charge on movable and immovable fixed Assets / immovable properties of the company created out of the sanctioned facility. Loan is repayable on demand and carries interest rate of 8.25% per annum (31 March 2023: Nil). The facility shall be utilised to meet working capital requirements.
 - d) Working capital loan from Federal Bank of ICIMSPL is secured by first charge on entire current assets of ICIMSPL with a margin of 25% on stock and receivables and second charge on medical equipment, other movable assets, building improvements and fixtures of ICIMSPL. Loan is repayable on demand and carries an interest rate linked to 1 year MCLR with annual reset.
 - e) Secured working capital loan represents overdraft facility from HDFC Bank Limited taken by SIMSPL. The facility carries floating interest rate linked to 3 months T-Bill +1.77 % (spread) per annum. The loan is secured by first and exclusive charge on moveable and immoveable assets, current assets of the SIMSPL and equitable mortgage on the property owned by the SIMSPL situated at Rudrampet Panchayat, Anantapur. Further, the loan is secured by way of personal guarantee given by the director:- Mr. S.V Kishore Reddy.
 - f) Working capital loan from HDFC Bank taken by KHKPL is secured by way of equitable mortgage on the property situated at Johrapuram Road, Kurnool and first and exclusive first charge on movable and immovable assets and current assets of KHKPL.
 - Further, the loan is also secured by corporate guarantee given by the Company.
 - Loan is repayable on demand carries interest rate of 3 months repo rate + 2% spread .
 - g) Working capital loan from HDFC Bank taken by SMLPL secured by:
 - A first mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,
 - A first charge by way of hypothecation on SMLPL's (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves of SMLPL including but not limited to other reserves and any other bank account of SMLPL, wherever maintained and account(s) in substitution thereof.
 - Further, the loan is also secured by corporate guarantee given by the Company.
 - The loan carries an interest rate of 3 months T Bill Rate + 1.6% (spread), presently 7.91% - 8.01% (31 March 2023: 8.4%)
- xvii Unsecured loan obtained from Spark Mall and Parking Solutions Private Limited (promoter shareholders of SMLPL) which carries a Bank floating rate currently 8.06% p.a (31 March 2023 : 8.28%).
- xviii Kotak Mahindra Bank - Term loan during the year by KHPL- is secured by way of Leasehold Rights of land situated in Rajahmundry, West Godavari-AP and exclusive charge on immovable and movable fixed assets (excluding vehicles/equipment financed under hire purchase) of KHPL both present and future. The loan is repayable in 32 quarterly instalments after 36 months of moratorium from the date of disbursement of loan and carries an interest rate of MCLR + Spread, currently interest rate is in the range of 8.30% p.a (31 March 2023 : Nil). Further, the loan is secured by corporate guarantee given by the Company.
- xix The quarterly returns or statements of the current assets filed by the group with banks or financial institutions are in agreement with the books of accounts.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.12 Other financial liabilities (at amortized cost)**(a) Non-current**

Security deposits

Capital creditors **

Total**(b) Current**

Capital creditors **

Employee related payables *

Interest accrued but not due on borrowings

Security and caution deposit

Total

*Includes payables to related parties. For details refer note 2.27

** Includes retention money of Rs 31.50 (Non-current) and Rs 26.59 (Current)

	As at 31 March 2024	As at 31 March 2023
	0.25	0.14
	64.70	4.11
Total	64.95	4.25
	353.26	96.60
	175.89	137.01
	38.51	26.15
	43.72	44.78
Total	611.38	304.55

2.13 Long-term provisions**Provision for employee benefits**

Gratuity (refer note 2.26)

Total

	274.20	236.25
Total	274.20	236.25

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.14 Trade payables (at amortized cost)

Trade payables

- total outstanding dues of micro enterprises and small enterprises (refer note 2.30)

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

Total

	As at 31 March 2024	As at 31 March 2023
- total outstanding dues of micro enterprises and small enterprises (refer note 2.30)	125.03	108.98
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,846.47	1,633.57
Total	1,971.50	1,742.55

The above includes payable to related party. For details refer note 2.27

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

Trade Payable ageing Schedule as on 31 March 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	34.46	90.57	-	-	-	125.03
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	907.27	890.24	21.20	18.61	9.15	1,846.47
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						1,971.50

Trade Payable ageing Schedule as on 31 March 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	39.00	69.98	-	-	-	108.98
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	596.81	960.18	41.44	16.56	18.58	1,633.57
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						1,742.55

2.15 Short-term provisions
Provision for employee benefits

Gratuity (refer note 2.26)

Compensated absences

Total

Gratuity (refer note 2.26)	11.83	5.41
Compensated absences	174.25	135.24
Total	186.08	140.65

2.16 Other current liabilities

Statutory dues payable

Contract liabilities (Refer note 2.31)

Other liabilities

Total

Statutory dues payable	206.16	138.90
Contract liabilities (Refer note 2.31)	241.70	169.69
Other liabilities	15.72	22.59
Total	463.58	331.18

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
2.17 Income from operations		
A Income from contract with customers		
Income from medical and healthcare services (Refer note 2.31)		
Income from hospital services	16,761.97	14,198.43
Income from pharmacy	7,977.98	7,478.21
Total	24,739.95	21,676.64
B Other operating income		
Income from academic courses	30.06	90.19
Income from sale of food and beverages	174.86	160.82
Other hospital income	36.57	49.13
Total	241.49	300.14
Total Income from operations (A+B)	24,981.44	21,976.78
2.18 Other income		
Interest income on:		
- fixed deposits	7.28	61.09
- income tax refunds	4.17	18.21
- security deposits	8.15	16.02
- loans to related parties (refer note 2.27)	3.31	-
Realised gain on sale of mutual funds	22.43	18.18
Fair value gain on mutual funds	18.43	11.83
Rental income (refer note 2.25)	4.73	5.70
Income from sale of subsidiary	-	7.56
Liabilities no longer required written back	12.39	78.43
Net gain on disposal of property, plant and equipment	3.76	-
Miscellaneous income	45.91	41.70
Total	130.56	258.72

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
2.19 (Increase) / decrease in inventories of medical consumables, drugs and surgical instruments		
Opening stock	428.65	364.27
Addition on acquisition of subsidiaries	-	125.99
Less: Closing stock	494.44	428.65
Total	(65.79)	61.60
2.20 Employee benefits expense		
Salaries, wages and bonus	3,923.33	3,210.57
Contribution to provident and other funds (refer note no 2.26)	261.76	214.96
Staff welfare expenses	38.57	38.83
Total	4,223.66	3,464.36
2.21 Finance costs		
Interest to banks and financial insitutions		
- term loans	336.04	171.88
- other loans	30.33	5.26
Interest expense on lease liabilities (refer note no 2.25)	97.97	116.04
Others	5.92	12.28
Total	470.26	305.45
2.22 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer note no 2.1(a))	1,169.14	952.89
Amortisation of intangible assets (refer note no 2.1(c))	181.47	167.92
Amortisation of Right-of-use assets (refer note no 2.25)	114.87	171.79
Total	1,465.48	1,292.60
2.23 Other expenses		
Consultancy charges	5,493.77	4,465.38
House keeping expenses	739.53	685.32
Power and fuel	490.34	436.87
Catering and patient welfare expenses	291.65	299.87
Rent (refer note 2.25)	243.16	155.07
Repairs and maintenance:		
- Medical equipment	335.96	309.14
- Hospital building and others	295.53	213.17
Printing and stationery	107.94	82.65
Audit fee (refer note A below)	18.34	17.87
Legal and professional charges	117.31	136.13
Rates and taxes	92.34	150.47
Travelling and conveyance	153.11	144.57
Advertisement and publicity	251.59	197.39
Reversal of expected credit loss for trade receivables (net of bad debts)	(31.02)	(115.43)
Advances written off	16.47	-
Insurance	29.74	27.10
Contribution towards Corporate Social Responsibility expenditure (refer note 2.39)	91.82	70.54
Loss on sale of property, plant and equipment (net)	-	1.46
Bank charges	75.48	67.34
Commission to Directors (refer note 2.27)	8.62	8.45
Miscellaneous Expenses	228.92	312.48
Total	9,050.60	7,665.84

Note A: Payment to auditors (excluding applicable taxes)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Audit fee	17.97	17.78
Out of pocket expenses	0.37	0.10

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.24 Contingent liabilities and commitments**(a) Contingent liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023
i) Good and Service tax matters in dispute	35.21	6.59
ii) Medical and other claims (gross, excluding interest/costs)	202.86	199.07
iii) Income Tax matter in dispute	363.95	355.57
The Group disputed the demands raised by income tax authorities for the assessment years 2016-17, 2017-18 and 2020-21 which are pending at Commissioner of Income Tax (Appeals). The Group is confident that these appeals will be decided in its favour.		
One of the subsidiary "Spanv" has received a demand order for AY 2022-23 (prior to KIMS acquisition) amounting to Rs. 3,070.00 from the income tax authorities which is being contested by the entity and is pending at Commissioner of Income Tax (Appeals). Based on the internal assessment by the management and the expert's opinion obtained by the entity, the management is confident that the case will have a favourable outcome. No provision thereof has been made in the consolidated financial statement.		
iv) The Company has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the Consolidated financials statements.		
v) An individual has filed a consumer case at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs 235.01 (31 March 2023: Rs. 235.01) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Consolidated financial statement.		
vi) On 28 February 2019, the Supreme Court of India issued a judgement which provided further guidance for companies in determining which components of their employee's compensation are subject to statutory withholding obligations, and matching employer contribution obligations, for Provident Fund contributions under Indian law. There are interpretative issues relating to the retrospective applicability of the judgement. However, from the date of order, the Group has complied with the aforesaid Supreme court's judgement. The Group will evaluate the same and update its position for earlier years, if any on receiving further clarity on the subject.		

Notes:

- 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 its consolidated financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

(b) Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,116.17	4,028.45

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.25 Lease
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.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Leasehold Land	Building	Medical equipment	Total Right of Use Asset
As at 1 April 2022	812.87	368.55	0.08	1,181.50
Additions	234.07	41.81	-	275.88
Acquisition of subsidiaries (refer note 2.34)	-	566.53	56.05	622.58
Deletion (including sale of subsidiary)	-	(64.48)	(54.89)	(119.37)
Amortization expense charged to P&L	(2.95)	(167.59)	(1.24)	(171.79)
Amortization expense included in CWIP	(83.20)	-	-	(83.20)
As at 31 March 2023	960.78	744.82	-	1,705.60
Additions	347.95	1,657.29	-	2,005.24
Others*	(192.93)	(0.97)	-	(193.90)
Amortization expense charged to P&L	(2.95)	(111.92)	-	(114.87)
Amortization expense included in CWIP	(52.98)	(37.07)	-	(90.05)
As at 31 March 2024	1,059.87	2,252.15	-	3,312.02

* During the year, one of the subsidiary has modified the lease agreement as per which the security deposit has been refunded amounting to an adjustment of Rs 192.19 Mn

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at 31 March 2024	As at 31 March 2023
Opening Balance	1,449.58	954.99
Additions	1,965.68	47.73
Acquisition of subsidiaries (refer note 2.34)	-	791.40
Deletion	(0.97)	(82.35)
Accretion of interest charged to P&L	97.97	116.04
Accretion of interest included in CWIP	137.92	34.01
Payments	(559.28)	(412.24)
Balance as at	3,090.90	1,449.58
Current	104.36	88.04
Non-current	2,986.54	1,361.54

The effective interest rate for lease liabilities ranges between 8% to 10.5%, with maturity between 2024-2053 (31 March 2023: 8% to 10.5%, with maturity between 2023-2036)

The following are the amounts recognised in the statement of profit or loss:

	As at 31 March 2024	As at 31 March 2023
Amortisation expense of right-of-use assets	114.87	171.79
Interest expense on lease liabilities	97.97	116.04
Expense relating to short-term leases and low-value assets (included in other expenses)	243.16	155.07
Total amount recognised in profit or loss	456.00	442.91

The Group had total cash outflows for leases of Rs. 802.44 in 31 March 2024 (31 March 2023: Rs. 567.31).

Set out below are the undiscounted potential future rental payments relating to periods included in the lease term:

	As at 31 March 2024	As at 31 March 2023
Within less than one year	292.60	220.61
Between one and five years	1,397.63	923.76
After more than five years	6,016.83	1,237.09
Total	7,707.06	2,381.46

Operating lease in the capacity of lessor

- b) The Group has given certain property, plant and equipment on cancellable leases to various parties. The rental income earned from such leases recognised in other income is Rs.4.73 (31 March 2023: Rs. 5.70).

2.26 Employee benefits

(i) Defined benefit plan

The Group operates post-employment defined benefit plan that provide gratuity. The Group accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive 15 days salary for each year of completed services at the time of retirement/exit. The gratuity fund is administered by trust formed for this purpose and is managed by Life Insurance Corporation of India. The Group's obligation in respect of gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's Consolidated balance sheet as at reporting date:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation	354.33	309.60
Fair value of plan assets	68.30	67.94
Total employee benefit liability	286.03	241.66
Non-current	274.20	236.25
Current	11.83	5.41

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation, plan assets and its components.

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation as at beginning of the year	309.60	227.08
Addition on acquisition of subsidiaries	-	52.07
Benefits paid	(25.84)	(22.71)
Current service cost	53.68	49.03
Interest cost	20.60	15.72
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	2.95	(17.22)
- Changes in demographic assumptions	-	-
- experience changes	(6.66)	6.88
Sale of subsidiary	-	(1.24)
Defined benefit obligation as at the end of the year	354.33	309.60

ii) Reconciliation to fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets at beginning of the year	67.94	56.50
Addition on acquisition of subsidiaries	-	11.23
Contributions paid into the plan	21.88	18.77
Interest income	3.67	3.36
Benefits paid	(25.84)	(22.71)
Return on plan assets	0.65	1.29
Sale of subsidiary	-	(0.49)
Plan assets at end of the year	68.30	67.94

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

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	53.68	49.03
Interest on defined benefit obligation / plan assets (net)	16.93	12.36
Net gratuity cost, included in 'employee benefits expense'	70.61	61.39

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

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain) / loss on net defined benefit obligation	(3.71)	(10.34)
Actual return on plan assets less interest on plan assets	(0.65)	(1.29)

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2024	As at 31 March 2023
Fund managed by Insurer	68.30	67.94

2.26 Employee benefits (continued)**(i) Defined benefit plan (continued)****E Defined benefit obligation****i) Actuarial assumptions**

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Attrition rate	Medical - 12% to 42% Non-medical - 9% to 32%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	7.15%	7.30%
Salary escalation rate	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

F Maturity profile of defined benefit obligation

The following payments are expected contributions to the defined benefit plan in future years

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	62.84	54.92
Year 2 to 5	191.76	166.40
Year 6 to 9	117.37	107.13
Year 10 and above	209.49	185.95

ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions would have affected the defined benefit obligation by the amounts shown below:

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(40.80)	20.95	10.45	81.58
Salary escalation rate (1% movement)	19.70	(40.18)	80.42	11.08

Although, the analysis does not take account the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumption shown

(ii) Defined contribution plan

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amount recognised in the consolidated statement of profit and loss towards		
i) Provident fund	152.73	120.87
ii) Employee state insurance	38.42	32.70

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on 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.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.27 Related party disclosures
(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director Dr. B Abhinay - Chief Executive Officer (CEO) Mr. Uma Shanker Mantha - Company Secretary Mr. Vikas Maheshwari - Chief Financial Officer (resigned w.e.f 31 May 2023) Mr. Sachin Ashok Salvi - Chief Financial Officer (Joined w.e.f 01 August 2023) Mrs. Dandamudi Anitha -Whole-time Director
Directors	Mr G Rajeswara Rao (resigned w.e.f 25 Jan 2024) Mr. Saumen Chakraborty Mr. Pankaj Vaish (resigned w.e.f 08 Jan 2024) Mr. Venkata Ramudu Jasthi Mr. Kaza Ratna Kishore Mrs. Y.Prameela Rani Mr. Shantanu Rastogi (resigned w.e.f 07 Nov 2023) Mr. Adwik Bollineni (Joined w.e.f 28 Nov 2023)
Close member of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of KMP and other relative (where transaction exists)	Sri Viswa Medicare Limited KIMS Foundation and Research Centre
Associate	Kondapur Healthcare Limited(formerly known as RVM Healthcare Limited)*

*Acquired interest from 15 September 2023

(b) Transactions with related parties

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
i. Professional fee to KMP		
Dr. B Bhaskara Rao	14.98	17.23
ii. Professional fee to close member of KMP		
Dr. Raavi Swetha	2.16	2.16
iii Rent to KMP		
Dr. B Bhaskara Rao	0.10	0.10
iv. Managerial remuneration*		
Dr. B Bhaskara Rao	38.67	36.00
Mrs. Dandamudi Anitha	5.80	5.25
Dr. B Abhinay	22.00	15.00
Mr. Vikas Maheshwari	5.94	11.00
Mr. Sachin Ashok Salvi	7.32	-
Mr. Uma Shankar Mantha	4.76	3.50
v. Expenditure towards CSR		
KIMS Foundation and Research Centre	91.82	70.54
vi. Commission to Directors		
Mr G Rajeswara Rao	0.62	0.82
Mr. Saumen Chakraborty	3.52	3.52
Mr. Pankaj Vaish	1.32	1.76
Mr. Kaza Ratna Kishore	1.06	0.82
Mr. Venkata Ramudu Jasthi	1.06	0.82
Mrs. Y.Prameela Rani	1.06	0.71
vii. Loans given		
Kondapur Healthcare Limited	260.00	-
viii. Interest income earned on loans given		
Kondapur Healthcare Limited	3.31	-
ix. Investment in Associate		
Kondapur Healthcare Limited	741.08	-
x. Share of loss from associate, net of tax		
Kondapur Healthcare Limited	(2.71)	-

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

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

Particulars	As at 31 March 2024	As at 31 March 2023
i. Trade receivables		
Sri Viswa Medicare Limited	2.21	2.21
ii. Trade payables		
Dr. B Bhaskara Rao	1.10	1.20
Dr. Raavi Swetha	0.17	0.17
iii. Commission payable to Directors		
Mr G Rajeswara Rao	-	0.16
Mr. Saumen Chakraborty	0.68	0.68
Mr. Pankaj Vaish	-	0.34
Mr. Kaza Ratna Kishore	0.34	0.16
Mr. Venkata Ramudu Jasthi	0.34	0.16
Mrs. Y.Prameela Rani	0.34	0.16
iv. Loans		
Kondapur Healthcare Limited	260.00	-
v. Interest accrued on loans		
Kondapur Healthcare Limited	3.31	-

* The managerial personnel are covered by the Group's gratuity policy and are eligible for leave encashment along with other employees of the Group. The proportionate amount of gratuity and leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are determined on an actuarial basis for the Group as a whole.

Terms and conditions:

All transactions with these related parties are priced on an arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash within a range of 30-120 days of the transaction date. None of the balances are secured.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.28 Earnings per share (EPS)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Earnings		
Profit attributable to equity shareholders	3,101.47	3,363.22
Shares		
Number of shares at the beginning of the year	80,027,787	80,027,787
Add: Equity shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	80,027,787	80,027,787
Weighted average number of equity shares outstanding during the year - Basic	80,027,787	80,027,787
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS	-	-
Weighted average number of equity shares outstanding during the year - used in calculating Diluted EPS	80,027,787	80,027,787
Earnings per share of par value Rs. 10 - Basic (Rs.)	38.75	42.03
Earnings per share of par value Rs. 10 - Diluted (Rs.)	38.75	42.03

2.29 Segment information

The Managing Director of the Group takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Group's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the Consolidated Financial Statements. Presently, the Group's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Group's total revenue.

2.30 Due to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at 31 March 2024 has been made in the consolidated financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ("The MSMED Act") is not expected to be material. The Group has not received any claim for interest from any supplier.

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	125.03	108.98
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

2.31 Revenue from contracts with customers:**Disaggregated revenue information**

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	
Income from hospital services	16,761.97	14,198.43	
Income from pharmacy	7,977.98	7,478.21	
Total revenue from contracts with customers	24,739.95	21,676.64	
India	24,739.95	21,676.64	
Outside India	-	-	
Timing of revenue recognition			
Services transferred over time	16,761.97	14,198.43	
Goods transferred at a point of time	7,977.98	7,478.21	
Total revenue from contracts with customers	24,739.95	21,676.64	
Reconciliation of revenue recognised with the contracted price is as follows:			
Contract price	26,014.57	22,806.88	
Less: Discounts and disallowances	(1,274.62)	(1,130.24)	
Total revenue from contracts with customers	24,739.95	21,676.64	
Contract balances			
	As at	As at	As at
Particulars	31 March 2024	31 March 2023	01 April 2022
Trade receivables	2,943.99	2,526.53	1,286.35
Contract assets	260.15	170.45	152.33
Contract liabilities	241.70	169.69	135.13

Contract liabilities: During the financial year ended 31 March 2024, the Group has recognised revenue of Rs. 169.69 from advance received from patients outstanding as on 31 March 2023. During the financial year ended 31 March 2023, the company has recognised revenue of Rs. 123.67 from advance received from patients outstanding as on 31 March 2022. It expects similarly to recognise revenue in year ended 31 March 2025 from the closing balance of advance from customers as at 31 March 2024.

Contract asset: During the financial year ended 31 March 2024, the company has transferred Rs. 170.45 of contract assets as at 31 March 2023 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2023, the company has transferred Rs. 152.33 of contract assets as at 31 March 2022 to trade receivables on completion of performance obligation.

Krishna Institute of Medical Sciences Limited**CIN: L55101TG1973PLC040558****Notes to the Consolidated financial statements for the year ended 31 March 2024**

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

2.32 Capital management

The Group's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the 'net debt' to 'total equity' ratio.

The Group's net debt to equity ratio as of 31 March 2024 and 31 March 2023 was as follows:

Particulars*	As at	As at
	31 March 2024	31 March 2023
Total borrowings	10,462.38	5,332.16
Less: Cash and cash equivalents	(468.91)	(616.11)
Net debt	9,993.47	4,716.05
Total equity	18,351.75	16,523.46
Net debt to equity ratio - Gearing ratio	54.46%	28.54%

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in financial covenants of any interest-bearing loans and borrowing in the current year.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components Total equity attributable to owners of the Group excluding adjustment reserve and capital contribution.

2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2024			Fair value level
	Carrying value	Fair value	
Financial assets at amortised cost (Refer note below)			Level 3
Trade receivables	2,943.99	2,943.99	
Cash and cash equivalents	468.91	468.91	
Bank balances other than above	21.17	21.17	
Other financial assets	708.06	708.06	
Loans	260.00	260.00	
Total	4,402.13	4,402.13	Level 1
Financial asset at fair value through other comprehensive income (Refer note below)			
Other investments in equity shares (unquoted)	5.97	5.97	
	5.97	5.97	Level 1
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds (quoted)	829.74	829.74	
Total	829.74	829.74	Level 3
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	9,547.68	9,547.68	
Lease liabilities	3,090.89	3,090.89	
Current borrowings	914.70	914.70	
Trade payables	1,971.50	1,971.50	
Other financial liabilities	676.33	676.33	
Total	16,201.10	16,201.10	

As at 31 March 2023			Fair value level
	Carrying value	Fair value	
Financial assets at amortised cost (Refer note below)			Level 3
Trade receivables	2,526.53	2,526.53	
Cash and cash equivalents	616.11	616.11	
Bank balances other than above	47.59	47.59	
Other financial assets	930.88	930.88	
Total	4,121.11	4,121.11	Level 1
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds (quoted)	678.88	678.88	
Total	678.88	678.88	Level 3
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	5,136.64	5,136.64	
Lease liabilities	1,449.58	1,449.58	
Current borrowings	195.52	195.52	
Trade payables	1,742.55	1,742.55	
Other financial liabilities	308.80	308.80	
Total	8,833.09	8,833.09	

The carrying amounts of trade receivables, trade payables, other 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 fair values, due to their short-term nature.

The fair values of long term borrowings and lease liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.

The fair values of Investment in mutual funds are based on the market value using net asset value. They are classified as level 1 fair value hierarchy due to the use of quoted prices in an active market.

The fair values of Investments in other equity are measured at fair value through Other comprehensive income in accordance with Ind AS 109.

Long-term fixed-rate receivables are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the party. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

B. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the 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.

2.33 Financial instruments : Fair value and risk management (continued)**(ii) Credit risk**

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and contract assets amounting to Rs. 3,743.70 as on 31 March 2024 (31 March 2023 : Rs. 3,308.56). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	As at 31 March 2024	As at 31 March 2023
Opening balance	611.58	403.90
Credit loss (reversed)/added	(72.02)	207.68
Closing Balance	539.56	611.58
Trade receivable write off not routed through the above movement	41.00	92.25

The Group uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and contract assets and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Accordingly, the Group creates provision for past due receivables less than one year ranging between 2% to 25% and beyond one year ranging between 46% to 100%. Set out below is the information about the credit risk exposure of the Group's trade receivables and contract asset using provision matrix:

	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and contract assets
For the year ended 31 March 2024	1,367.59	1,395.90	980.21	3,743.70
For the year ended 31 March 2023	1,183.86	1,316.77	807.93	3,308.56

Customer Concentration

No single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2024 and 31 March 2023. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

2.33 Financial instruments : Fair value and risk management (continued)**(iii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2024:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	9,547.68	276.34	3,811.52	5,504.74	9,592.60
Lease liabilities	3,090.89	292.60	1,397.63	6,016.83	7,707.05
Current borrowings	914.70	914.70	-	-	914.70
Trade payables	1,971.50	1,971.50	-	-	1,971.50
Other financial liabilities	676.33	615.10	61.38	14.21	690.70
Total	16,201.10	4,070.24	5,270.53	11,535.78	20,876.55

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	5,136.64	162.23	2,243.53	2,749.96	5,155.72
Lease liabilities	1,449.58	220.61	923.76	1,237.09	2,381.46
Current borrowings	195.52	195.52	-	-	195.52
Trade payables	1,742.55	1,742.55	-	-	1,742.55
Other financial liabilities	308.80	304.55	4.11	0.14	308.80
Total	8,833.09	2,625.46	3,171.40	3,987.19	9,784.05

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

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	As at
	31 March 2024	31 March 2023
Variable rate long term borrowings and short term borrowings	10,462.38	5,328.13
Total borrowings	10,462.38	5,328.13

(i) Sensitivity

Particulars	Impact on profit or loss	
	As at	As at
	31 March 2024	31 March 2023
Sensitivity		
1% increase in MCLR	(104.62)	(53.28)
1% decrease in MCLR	104.62	53.28

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

D. Currency risk

The Group is not exposed to currency risk.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.34 Business combinations and acquisition of non-controlling interests**Acquisitions of additional interests during the year ended 31 March 2024**

The Group has increased its stake in Sarvejana Healthcare Private Limited ("Sunshine Hospitals") from 56.61% to 64.22% through purchase of 2,779,080 equity shares fully paid up from existing shareholders for a total amount of Rs.1,100.19. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 329.75 and Rs. 770.44 respectively.

The Group has increased its stake in Spanv Medisearch Lifesciences Private Limited ("Spanv") from 51.00% to 69.30% through purchase of 3,200,000 equity shares fully paid up from existing shareholders for a total amount of Rs.710.36. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 204.97 and Rs. 505.39 respectively.

Acquisitions during the year ended 31 March 2023**Acquisition of Subsidiaries:**

(a) On April 01, 2022, the Group has increased its stake in Sarvejana Healthcare Private Limited ("Sunshine Hospitals") from 49.38% to 51.07% through payment of last call on 12,232,890 equity shares for a total amount of Rs. 398.07. Sunshine Hospitals is principally engaged in the business of rendering medical and healthcare services. Sunshine Hospitals became a subsidiary of the Krishna Institute of Medical Sciences Limited effective April 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 3,434.71. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired.

The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 2,116.71 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

(b) On September 01, 2022, the Group has invested in Spanv Medisearch Lifesciences Private Limited ("Spanv") by acquiring 51.00% through purchase of 8,917,989 equity shares fully paid up for a total amount of Rs. 800.03. Spanv is principally engaged in the business of rendering medical and healthcare services. Spanv became a subsidiary of the Krishna Institute of Medical Sciences Limited effective September 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 1,342.43. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired.

The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 115.61 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

From the date of acquisition, Spanv has contributed Rs. 861.97 of revenue and Rs. (128.93) to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been Rs. 1,445.01 and the profit before tax from continuing operations for the Group would have been Rs. (410.64).

(c) On July 01, 2022, the Group has invested in KIMS Manavata Hospital Private Limited ("Manavata"), a newly incorporated entity by acquiring 51.00% through purchase of 510,000 equity shares fully paid up for a total amount of Rs. 5.10. Manavata became a subsidiary of the Krishna Institute of Medical Sciences Limited effective July 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 10. Refer table below for summary of net assets acquired.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of subsidiaries as at the date of acquisition were:

Particulars	Sunshine Hospitals	Spanv	Manavata	Total
Assets				
Property, plant and equipment including CWIP (Note 2.1(a),(b))	1,372.02	2,775.32	12.80	4,160.14
Right-of-use assets (Note 2.25)	566.53	56.05	-	622.58
Trade Receivables	380.72	115.92	-	496.64
Deferred Tax assets	74.72	223.84	-	298.56
Cash and bank (including deposits)	1,226.00	833.82	5.74	2,065.56
Patents and licences (Note 2.1(c))	468.27	39.68	-	507.95
Other assets	589.37	159.41	0.76	749.54
	4,677.63	4,204.04	19.30	8,900.97
Liabilities				
Borrowings (Note 2.7 (c))	-	2,229.56	9.30	2,238.86
Lease liability (Note 2.25)	738.57	52.82	-	791.40
Trade Payables	455.94	414.24	-	870.18
Other liabilities	48.41	164.99	-	213.39
	1,242.92	2,861.61	9.30	4,113.83
Total identifiable net assets at fair value	3,434.71	1,342.43	10.00	4,787.14
Non-controlling interests measured at fair value	(1,680.31)	(658.00)	(4.90)	(2,343.22)
Goodwill arising on acquisition (Note 2.40)	2,116.71	115.61	-	2,232.32
Purchase consideration transferred*	3,871.11	800.03	5.10	4,676.24

*During the year, the Group has completed acquisition of 51.07% of the equity share capital of Sunshine Hospitals for a total cash consideration of Rs. 3,627.71 Mn and Sunshine Hospitals had accordingly become a subsidiary. The transaction was accounted in accordance with Ind AS 103 - Business Combinations ("Ind AS 103"). The exceptional item for the current year represents a gain of Rs 148.29 Mn on completion of purchase price allocation upon conversion of Sunshine Hospitals from a Joint Venture to a Subsidiary.

Acquisition of additional interests during the year ended 31 March 2023

- The Group has increased its stake in KIMS Hospital Enterprises Private Limited from 86.67 % to 90.74% through secondary purchase of 1,000,000 equity shares from existing shareholders for a total amount of Rs. 200.00. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 57.19 and Rs. 142.81 respectively.
- The Group has further increased its stake in Sunshine Hospitals from 51.07% to 56.61% through purchase of 2,020,571 equity shares fully paid up from existing shareholders for a total amount of Rs.686.99. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 213.55 and Rs. 473.45 respectively.
- The Group has increased its stake in Arunodaya Hospital Private Limited from 57.83 % to 67.66% through secondary purchase of 199,256 equity shares from existing shareholders for a total amount of Rs.73.72. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 26.28 and Rs. 47.44 respectively.
- The Group has transferred 3.5% of the shares (350 shares) in Saveera Institute of Medical Sciences Private Limited to the promoter shareholders on fulfilling conditions pursuant to the Shareholders agreement dated September 05, 2018. This has resulted in reduction of non controlling interest and increase in other equity amounting to Rs. 0.46.

Accounting Policy choice for non-controlling interests

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by- acquisition basis. The group has elected to recognise the non-controlling interests at proportionate share of the acquired net identifiable assets for the acquisitions during the year.

Krishna Institute of Medical Sciences Limited

CIN: L55101TG1973PLC040558

Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.35 Investment in associate

The Group acquired a 33.73% interest in Kondapur Healthcare Limited (KHL) w.e.f 15 September 2023, which is engaged in business of rendering medical and healthcare services in India. The financial statements of KHL are prepared for the same reporting period as the Group. The accounting policies of the KHL is aligned with those of the Group. The Group's interest in KHL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associate, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

	31 March 2024
Current assets	19.55
Non-current assets	3,222.21
Current liabilities	293.88
Non-current liabilities	846.70
Equity	2,101.18
Group's share in equity- 33.73%	708.73
Consolidation adjustment	29.64
Group's carrying amount of the investment	738.37

	31 March 2024
Depreciation and amortisation expense	(1.80)
Employee benefits expense	(0.04)
Other expenses	(6.21)
Profit before tax	(8.04)
Income tax expense	-
Profit for the period	(8.04)
Group's share of profit for the period @33.73%	(2.71)
Less: Consolidation adjustments	(0.00)
Group's share of profit for the period	(2.71)

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs 475.18 Mn

The associate has no contingent liabilities as at 31 March 2024.

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.36 Non-controlling interest

The following table summarises the financial information relating to each of the Group's subsidiaries, before any intra-group eliminations

As at 31 March 2024	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	Spanv Medisearch Lifesciences Private Limited
NCI Percentage	32.34%	49.00%	9.26%	23.50%	45.00%	35.78%	49.00%	30.70%
Non-current assets	458.84	505.01	2,717.18	1,054.00	500.49	6,850.67	1,013.40	3,517.61
Current assets	118.36	226.10	500.74	321.95	158.98	978.71	9.99	334.98
Non-current liabilities	(177.60)	(199.65)	(893.05)	(680.31)	(593.16)	(2,781.01)	(250.16)	(1,755.45)
Current liabilities	(117.57)	(230.12)	(260.72)	(281.82)	(193.99)	(789.66)	(54.86)	(540.56)
Net Assets	282.03	301.34	2,064.15	413.83	(127.68)	4,258.71	718.39	1,556.58
Net Assets attributable to NCI (before adjustments)	91.21	147.66	191.16	97.25	(57.45)	1,523.93	352.01	477.87
Business combination and other adjustment on consolidation	(0.40)	6.79	(1.23)	(83.00)	(15.82)	48.02	-	(129.19)
Net Assets attributable to NCI	90.81	154.45	189.93	14.25	(73.27)	1,571.95	352.01	348.68
Revenue	383.33	1,314.78	2,902.28	1,068.85	811.61	4,658.19	0.52	1,795.95
Profit	13.37	41.65	502.77	73.98	19.22	561.41	(0.71)	(82.92)
Other comprehensive income/(loss) ('OCI')	(0.03)	0.08	(0.99)	(0.53)	(0.30)	1.66	-	0.87
Total comprehensive income	13.34	41.74	501.77	73.44	18.92	563.07	(0.71)	(82.05)
Profit allocated to NCI	4.32	20.41	46.54	17.39	8.65	228.64	(0.35)	(40.12)
OCI allocated to NCI	(0.01)	0.04	(0.09)	(0.13)	(0.13)	0.60	-	0.32
Business combination and other adjustment on consolidation	0.68	(2.30)	-	-	(0.82)	(26.78)	-	2.34
Total comprehensive income allocated to NCI	4.99	18.15	46.44	17.26	7.70	202.46	(0.35)	(37.46)
Cash flows								
Cash flow from operating activities	35.92	99.06	1,107.25	138.31	88.69	962.74	(4.07)	162.31
Cash flow from investing activities	(208.63)	(25.40)	(992.14)	(259.82)	(22.97)	(1,718.43)	(561.43)	(97.52)
Cash flow from financing activities	174.42	(71.26)	(99.94)	122.86	(65.02)	902.98	542.23	(64.53)
Net increase / (decrease) in cash and cash equivalents	1.71	2.40	15.17	1.35	0.70	147.29	(23.27)	0.26
Cash flows attributable to NCI	0.55	1.18	1.40	0.32	0.32	52.71	(11.40)	0.08

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

As at 31 March 2023	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	Spanv Medisearch Lifesciences Private Limited
NCI Percentage	32.34%	49.00%	9.26%	23.50%	45.00%	43.39%	49.00%	49.00%
Non-current assets	231.07	476.75	2,158.01	814.41	501.62	4,966.97	397.48	3,510.63
Current assets	133.93	226.69	506.96	258.29	149.43	732.89	28.58	245.74
Non-current liabilities	(9.67)	(254.78)	(808.90)	(529.80)	(602.05)	(1,545.49)	(5.59)	(1,765.30)
Current liabilities	(86.70)	(189.05)	(293.68)	(202.51)	(195.61)	(458.76)	(16.37)	(352.46)
Net Assets	268.64	259.60	1,562.39	340.40	(146.61)	3,695.61	404.10	1,638.60
Net Assets attributable to NCI (before adjustments)	86.88	127.21	144.36	79.99	(65.97)	1,603.69	198.01	802.92
Business combination and other adjustment on consolidation	(1.06)	9.09	(1.11)	(83.00)	(14.93)	93.83	(85.75)	(210.14)
Net Assets attributable to NCI	85.82	136.30	143.25	(3.01)	(80.90)	1,697.52	112.26	592.78
Revenue	365.56	1,078.39	2,528.72	942.43	715.18	4,303.98	0.86	883.62
Profit	40.50	66.52	470.25	77.64	30.92	557.72	(4.98)	(129.92)
Other comprehensive income/(loss) ('OCI')	0.53	(0.62)	(0.72)	(0.52)	0.37	1.01	-	0.24
Total comprehensive income	41.02	65.89	469.54	77.12	31.29	558.73	(4.98)	(129.67)
Profit allocated to NCI	16.95	32.59	56.71	15.54	13.92	266.46	(2.44)	(63.66)
OCI allocated to NCI	0.22	(0.31)	(0.10)	(0.10)	0.17	0.48	-	0.12
Business combination and other adjustment on consolidation	(0.17)	(2.30)	-	-	(0.82)	(36.61)	-	(1.26)
Total comprehensive income allocated to NCI	17.01	29.99	56.61	15.43	13.26	230.33	(2.44)	(64.80)
Cash flows								
Cash flow from operating activities	13.18	52.39	611.13	166.41	86.42	976.08	(4.95)	(233.51)
Cash flow from investing activities	(15.46)	(190.87)	(465.26)	(39.80)	(53.28)	(2,168.22)	(152.10)	(137.81)
Cash flow from financing activities	(0.80)	133.93	(150.58)	(126.01)	(51.43)	1,160.95	185.00	357.78
Net increase / (decrease) in cash and cash equivalents	(3.08)	(4.55)	(4.71)	0.60	(18.29)	(31.19)	27.95	(13.54)
Cash flows attributable to NCI	(1.00)	(2.23)	(0.46)	0.14	(8.23)	(13.53)	13.70	(6.63)

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the Consolidated financial statements for the year ended 31 March 2024

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

2.37 Disclosure of additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013:

31 March 2024

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Krishna Institute of Medical Sciences Limited	89.17%	18,664.52	70.04%	2,353.42	76.99%	2.51	70.05%	2,355.93
Subsidiary								
Arunodaya Hospitals Private Limited	1.35%	282.03	0.27%	9.05	-0.61%	(0.02)	0.27%	9.03
KIMS Hospitals Private Limited	0.60%	126.46	-0.14%	(4.70)	0.00%	-	-0.14%	(4.70)
KIMS Swastha Private Limited	0.00%	0.10	0.01%	0.20	0.00%	-	0.01%	0.20
KIMS Hospital Bengaluru Private Limited	0.20%	41.37	-0.02%	(0.66)	0.00%	-	-0.02%	(0.66)
KIMS Hospital Enterprises Private Limited	9.86%	2,064.15	13.58%	456.21	-27.91%	(0.91)	13.54%	455.30
Iconkrishi Institute of Medical Sciences Private Limited	1.44%	301.34	0.63%	21.24	1.23%	0.04	0.63%	21.28
Saveera Institute of Medical Sciences Private Limited	1.98%	413.83	1.68%	56.60	-12.58%	(0.41)	1.67%	56.19
KIMS Hospitals Kurnool Private Limited	-0.61%	(127.68)	0.31%	10.58	-4.91%	(0.16)	0.31%	10.42
Sarvejana Healthcare Private Limited	20.35%	4,258.71	9.90%	332.78	32.21%	1.05	9.93%	333.83
KIMS Manavata Hospital Private Limited	3.43%	718.39	-0.01%	(0.36)	0.00%	-	-0.01%	(0.36)
Spanv Medisearch Lifesciences Private Limited	7.44%	1,556.58	-1.27%	(42.80)	16.87%	0.55	-1.26%	(42.25)
Associate								
Kondapur Healthcare Limited	NA	NA	-0.08%	(2.71)	NA	NA	-0.08%	(2.71)
Non-controlling interests in all subsidiaries	12.65%	2,648.82	7.70%	258.60	18.40%	0.60	7.71%	259.20
Eliminations	-47.85%	(10,016.23)	-2.60%	(87.38)	0.31%	0.01	-2.60%	(87.37)
Total	100.00%	20,932.39	100.00%	3,360.07	100.00%	3.26	100.00%	3,363.33

31 March 2023

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Krishna Institute of Medical Sciences Limited	84.15%	16,308.59	69.02%	2,524.89	96.71%	8.23	69.09%	2,533.12
Subsidiary								
Arunodaya Hospitals Private Limited	1.39%	268.64	0.64%	23.53	3.41%	0.29	0.65%	23.82
KIMS Hospitals Private Limited	0.58%	113.06	-0.09%	(3.23)	0.00%	-	-0.09%	(3.23)
KIMS Swastha Private Limited	0.00%	(0.10)	0.08%	2.90	0.00%	-	0.08%	2.90
KIMS Hospital Bengaluru Private Limited	0.14%	27.88	-0.05%	(1.84)	0.00%	-	-0.05%	(1.84)
KIMS Hospital Enterprises Private Limited	8.06%	1,562.39	11.30%	413.55	-7.40%	(0.63)	11.26%	412.92
Iconkrishi Institute of Medical Sciences Private Limited	1.34%	259.60	0.93%	33.92	-3.76%	(0.32)	0.92%	33.60
Saveera Institute of Medical Sciences Private Limited	1.76%	340.40	1.70%	62.11	-4.94%	(0.42)	1.68%	61.69
KIMS Hospitals Kurnool Private Limited	-0.76%	(146.61)	0.46%	17.01	2.35%	0.20	0.47%	17.21
Sarvejana Healthcare Private Limited	19.07%	3,695.61	7.96%	291.26	6.23%	0.53	7.96%	291.79
KIMS Manavata Hospital Private Limited	2.09%	404.10	-0.07%	(2.54)	0.00%	-	-0.07%	(2.54)
Spanv Medisearch Lifesciences Private Limited	8.46%	1,638.60	-1.81%	(66.26)	1.41%	0.12	-1.80%	(66.14)
Non-controlling interests in all subsidiaries	13.85%	2,684.24	8.06%	294.91	5.64%	0.48	8.06%	295.39
Eliminations	-40.13%	(7,776.78)	1.86%	67.92	0.35%	0.03	1.85%	67.95
Total	100.00%	19,379.62	100.00%	3,658.13	100.00%	8.51	100.00%	3,666.64

2.38 Income tax

a. Amount recognised in the statement of profit and loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax	1,161.82	1,183.01
Deferred tax attributable to temporary differences	40.25	24.84
Adjustment of tax relating to earlier years	34.23	(17.81)
Tax expenses for the year	1,236.30	1,190.04

b. Amount recognised in other comprehensive income

	For the year ended 31 March 2024			For the year ended 31 March 2023		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	4.36	(1.10)	3.26	11.63	(3.12)	8.51

c. Reconciliation of effective tax rate

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	4,599.08	4,700.78
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	1,157.50	1,183.09
Adjustment of tax relating to earlier years	34.23	(17.81)
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	18.36	14.34
Others	26.21	11.32
Total	1,236.30	1,190.04

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
Expected credit loss for trade receivables	117.02	133.31
Provision for employee benefits	131.37	107.50
Property, Plant and Equipment	0.70	2.15
Carry forward of tax losses (including unabsorbed depreciation)	24.64	75.49
Fair valuation of net assets on business combination	224.67	227.32
Others	96.89	76.37
Total deferred tax asset	595.29	622.13
Deferred tax liability		
Property, Plant and Equipment (including intangible assets)	735.97	711.87
Others	2.93	0.56
Total deferred tax liability	738.90	712.43
Deferred tax asset	(143.61)	(90.30)
Net deferred tax liabilities	(462.83)	(492.24)
Net deferred tax asset	319.22	401.94

(ii) Movement in temporary differences

Particulars	Expected credit loss for trade receivables	Carry forward of tax losses (including unabsorbed depreciation)	Fair valuation of net assets on business combination	Provision for employee benefits	Others - assets	Property, plant and equipment (asset)	Property, plant and equipment (including intangible assets) (liability)	Others - liability	Total
Balance as at 1 April 2022	102.83	21.03	-	87.88	43.30	3.45	(586.88)	(1.00)	(329.39)
Addition on acquisition of subsidiaries	84.33	83.45	231.08	13.60	12.11	(1.30)	(157.20)	-	266.07
Recognised in profit or loss during the year	(42.76)	(28.99)	(3.76)	9.49	-	-	29.94	0.44	(35.64)
Recognised in OCI during the year	-	-	-	(3.12)	-	-	-	-	(3.12)
Deletion on account of sale of subsidiary	(11.09)	-	-	(0.35)	(4.50)	-	2.28	-	(13.66)
Balance as at 31 March 2023	133.31	75.49	227.32	107.50	76.37	2.15	(711.87)	(0.56)	(90.30)
Recognised in profit or loss during the year *	(16.29)	(50.85)	(2.65)	24.97	20.52	(1.45)	(24.10)	(2.37)	(52.21)
Recognised in OCI during the year	-	-	-	(1.10)	-	-	-	-	(1.10)
Balance as at 31 March 2024	117.02	24.64	224.67	131.37	96.89	0.70	(735.97)	(2.93)	(143.61)

* Includes adjustment of deferred taxes for earlier years amounting to Rs 13.06

Tax loss and unabsorbed depreciation carry-forward for which no deferred tax assets were recorded with expiry date:

	As at 31 March 2024	As at 31 March 2023
Expiry within 1-5 years	36.82	45.52
Expiry within 6-8 years	-	11.10
Indefinite	123.61	125.95
Total	160.43	182.57

Amount of deferred tax asset that has not been recorded as at year end:

	As at 31 March 2024	As at 31 March 2023
Tax rate	25.17%	25.17%
Deferred tax asset not recorded as at year end	40.38	45.95

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

Particulars	For the year ended		For the year ended
	31 March 2024		31 March 2023
a) Gross amount required to be spent by the Company during the year		90.86	68.84
b) Amount approved by the Board to be spent during the year		91.82	70.54
c) Amount spent during the year ending on 31 March 2024:			
i) Construction/acquisition of any asset	In cash	Yet to be paid in cash	Total
ii) On purposes other than (i) above	-	-	-
	91.82	-	91.82
d) Amount spent during the year ending on 31 March 2023:			
i) Construction/acquisition of any asset	In cash	Yet to be paid in cash	Total
ii) On purposes other than (i) above	-	-	-
	70.54	-	70.54
		As at 31	As at 31
		March 2024	March 2023
e) Details related to spent / unspent obligations:			
i) Contribution to Public Trust		-	-
ii) Contribution to Charitable Trust		91.82	70.54
iii) Unspent amount in relation to:		-	-
- Ongoing project		-	-
- Other than ongoing project		-	-
		91.82	70.54

2.40 Goodwill

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	3,080.07	847.75
Goodwill on business combination (refer note 2.34)	-	2,232.32
Balance at the end of the year	3,080.07	3,080.07
Goodwill on acquisition of subsidiaries	314.17	314.17
Goodwill on consolidation	2,765.90	2,765.90

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level within the Company at which goodwill is monitored for internal management purposes and which is not higher than the Company's operating segment. The carrying amount of goodwill of Rs. 3080.07 was allocated to the medical and healthcare services CGU.

The group has performed its annual impairment testing for the year ended 31 March 2024 and 31 March 2023.

Medical and Health care Services CGU

The recoverable amount of the CGU, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a eight-year period. The pre-tax discount rate applied to cash flow projections for impairment testing during the years is stated in the below table and cash flows beyond the eight-year period are extrapolated using a long term growth rate as stated in the below table that is the same as the long-term average growth rate for the Medical and Health care industry.

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	12.99%	12.69%
Long term growth rate	5.00%	5.00%

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU.

There is no impairment noted in the Medical and Healthcare Services CGU based on the assessment performed by the Management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount of the Medical and Healthcare Services CGU lower than the carrying amount of CGU.

2.41 Other Statutory Information

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group does not have any transactions with companies struck off.
- The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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:
 - 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
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 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:
 - 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,
- 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
- The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- The Group has not declared/paid any dividend during the year.

- 2.42** The Holding Company, subsidiaries and associate which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except in respect of Holding Company and 8 subsidiaries where, for new accounting software, the audit trail feature is not enabled for certain changes made, if any, using privileged/administrative access rights to the new accounting software and the underlying database.

2.43 Events after the reporting period

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

As per our report 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:16 May 2024

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

Dr. B Bhaskara Rao
Managing Director
DIN:00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Sachin Ashok Salvi
Chief Financial Officer

Uma Shanker Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date:16 May 2024

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of Equity Shares pursuant to the Issue shall be made by the Company, in consultation with the BRLMs, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue share capital (assuming that the Equity Shares are Allotted to them pursuant to the Issue) that may be held by them, is set forth below.

S. No.	Name of the proposed Allottee [#]	Percentage of the post-Issue share capital (%) [*]
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]

^{*} Based on the beneficiary position as on [●], 2026 (adjusted for Equity Shares Allocated in the Issue).

[#] The details of the proposed Allottees have been intentionally left blank and will be filled in before filing the Placement Document with the Stock Exchanges and issuing the Placement Document to such proposed Allottees.

The post-Issue shareholding (in percentage terms) of the proposed Allottees has been disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

Authorised Signatory

Name: Dr. Bhaskara Rao Bollineni
Designation: Chairman and Managing Director
DIN: 00008985
Date: June 16, 2026
Place: Hyderabad

DECLARATION

We, the Board of Directors of the Company, certify that:

- (i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

FOR AND BEHALF OF THE BOARD OF DIRECTORS:

Authorised Signatory

Name: Dr. Bhaskara Rao Bollineni
Designation: Chairman and Managing Director
DIN: 00008985
Date: June 16, 2026
Place: Hyderabad

I am authorized by the Finance and Investment Committee, a committee constituted by the Board of Directors, *vide* resolution dated June 16, 2026, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Authorised Signatory

KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED
CIN: L55101TG1973PLC040558

Registered Office:

D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana 500 003, India.

Tel: +91 40 4418 6000; **Website:** www.kimshospitals.com

Contact Person: Nagajayanthi Juttur Raghavendra Das, Company Secretary and Compliance Officer

Email: cs@kimshospitals.com

BOOK RUNNING LEAD MANAGERS

IIFL CAPITAL SERVICES LIMITED *(formerly known as IIFL Securities Limited)*

24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400 013, Maharashtra, India.

JEFFERIES INDIA PRIVATE LIMITED

Level 16, Express Towers, Nariman Point,
Mumbai 400 021, Maharashtra, India

DOMESTIC LEGAL COUNSEL TO THE COMPANY

SHARDUL AMARCHAND MANGALDAS & CO

Prestige Sterling Square, 2nd Floor, Madras Bank Road, Off Lavelle Road
Bengaluru 560 001, Karnataka, India

DOMESTIC LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

CYRIL AMARCHAND MANGALDAS

3rd Floor, Prestige Falcon Tower, 19, Brunton Rd, Off Mahatma Gandhi Road, Craig Park Layout, Ashok Nagar,
Bengaluru 560 025, Karnataka, India

SPECIAL INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

DUANE MORRIS & SELVAM LLP

16 Collyer Quay, 17-00, Collyer Quay Centre 049 318, Singapore

STATUTORY AUDITORS

S.R. BATLIBOI & ASSOCIATES LLP, CHARTERED ACCOUNTANTS

Skyview, 10 North Lobby, 18th Floor, Survey 83/1, Raidurgam, Hyderabad 500 032
Telangana, India

SAMPLE APPLICATION FORM

An indicative format of the Application Form is set forth below:

(Note: The format of the Application Form included herein below is indicative and for illustrative purposes only, and no Bids in this Issue should be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of the Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of the Preliminary Placement Document and the Application Form, and not on the basis of the indicative format below.)



KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED

(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)

CIN: L55101TG1973PLC040558; Registered Office: D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, 500 003, India; Telephone: +91 40 4418 6000; Email: cs@kimshospitals.com; Contact Person: Nagajayanthi Juttur Raghavendra Das, Company Secretary and Compliance Officer; Website: www.kimshospitals.com; LEI Code: 254900JA6LS4UY2ZCR81; and ISIN: INE967H01025

Name of Bidder: _____

Form No: _____

Date: _____

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH BY KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED (THE "COMPANY") (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] MILLION UNDER SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") (HEREINAFTER REFERRED TO AS THE "ISSUE").

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 771.73 PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or foreign exchange laws or other applicable laws; or (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (c) hold a valid and existing registration under the applicable laws in India or Eligible FPIs (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (e) are residents in India participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 are not permitted to participate in the Issue. The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("U.S. Securities Act"), or the securities laws of any state of the United States, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where such offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" in the accompanying preliminary placement document dated June 16, 2026 (the "PPD").

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES") READ WITH THE RESTRICTIONS SPECIFIED IN THE "ISSUE PROCEDURE" SECTION

OF THE PPD IN THE ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 2 (2026 SERIES), DATED MARCH 15, 2026, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCI ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
Krishna Institute of Medical Sciences Limited
D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana 500 003,
India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or foreign exchange laws or other applicable laws; and (b) prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations and foreign exchange related laws. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoter of the Company, directly or indirectly and the Bid does not directly or indirectly represent the Promoters or members of the Promoter Group, or persons or entities related to the Promoters. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoter or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Non-Debt Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

STATUS (Please '✓' for applicable category)			
FI	Scheduled Commercial Banks and Financial Institutions	AIF	Alternative Investment Funds**
MF	Mutual Funds	NIF	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds**	SI-NBFC	Systemically Important NBFC
IC	Insurance Companies	IF	Insurance Funds
OTH	Others (Please Specify)		

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

***Sponsor and Manager should be Indian owned and controlled.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified

the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorised to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*) and Jefferies India Private Limited (together, the “BRLMs”), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note (“CAN”) and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The Bid Amount payable by us for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if we withdraw the Bid before the Bid/ Issue Closing Date, or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details, email- id, and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Telangana at Hyderabad (the “RoC”) as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of the Stock Exchanges, and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation of the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and restriction on transferability. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and restrictions on transferability, as may be applicable to us.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections “*Notice to Investors*”, “*Representations by Investors*”, “*Issue Procedure*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of whom is entitled to rely on, and is relying on, these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section “*Risk Factors*” therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchanges in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/ Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the BRLMs, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs. For the purposes of this representation: The expression ‘belong to the same group’ shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through our subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, our subsidiary or holding company and any other QIB; and ‘control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below. (11) we have such knowledge and experience

in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (12) we have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (13) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (14) we satisfy any and all relevant suitability standards for investors in Equity Shares; (15) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are only being offered and sold only outside the United States in in “offshore transactions” as defined in and in reliance on Regulation S; and (16) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any “directed selling” efforts (as defined in Regulation S).

We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorised to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
EMAIL			
TELEPHONE NO.		FAX.	
MOBILE NO.			
LEI Code			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NUMBER: _____		
FOR MF	SEBI MF REGISTRATION NUMBER: _____		
FOR SI-NBFCs	RBI REGISTRATION DETAILS: _____		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS: _____		
FOR AIFs***	SEBI AIF REGISTRATION NUMBER: _____		
FOR VCFs***	SEBI VCF REGISTRATION NUMBER: _____		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION NUMBER: _____		
<i>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLMs.</i> <i>**In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</i> <i>***Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</i>			

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLMs will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS		
Depository Name (Please ✓)	National Security Depository Limited	Central Depository Services (India) Limited
Depository Participant Name		

The Application Form is liable to be rejected if any information provided is incomplete and / or inadequate.

Note:

- (1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD..*
- (2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLMs.*
- (3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.*
- (4) The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.*