S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Krishna Institute of Medical Sciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Krishna Institute of Medical Sciences Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

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<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Impairment assessment of Investments in and Loans to subsidiaries</u> (as described in Note 2.2 and 2.3 of the standalone financial statements)</td></tr>
<tr><td>As at March 31, 2026, the Company has investments in and given loans to subsidiaries, which are carried at cost.

The investments/loans are tested annually for impairment using discounted cash-flow models by which recoverable value is compared to the carrying value as at balance sheet date. A deficit between the recoverable value and the carrying value would result in impairment.

The inputs to the impairment testing model include:
- Projected revenue growth, operating margins, operating cash flows and capex during the periods related to explicit forecast;

- Stable long-term growth rates beyond explicit forecast period and in perpetuity; and

-Discount rates that represent the current market assessment of the risks specific to the business, taking into consideration the time value of money (pre-tax).

The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis.

The annual impairment testing of these subsidiaries is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Standalone Financial Statements as a whole.</td><td>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 Standalone Financial Statements.</td></tr>
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Other Information

The 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 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 and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

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(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:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.25 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

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vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 2.38 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Navneet Rai

per Navneet Rai Kabra
Partner
Membership Number: 102328
UDIN: 26102328ZBYLPQ1641
Place of Signature: Hyderabad
Date: May 15, 2026

S.R. BATLIBOI & ASSOCIATES LLP
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ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

RE: KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED ('THE COMPANY')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.

b) Some of the Property, Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year ended March 31, 2026.

e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) a) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.

b) As disclosed in note 2.12 (b) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

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(iii) a) During the year the Company has provided loans to companies as follows:

	Loans (Rs. in Million)
Aggregate amount granted/ provided during the year - Subsidiaries	Rs. 4,692
Balance outstanding excluding interest accrued but not due as at balance sheet date in respect of above cases - Subsidiaries	Rs. 6,057

b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest.

c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the medical and healthcare services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

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(vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) Term loans were applied for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries, as per details below:

Nature Of fund taken	Name of lender	Amount involved (Rs in million)	Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Term Loan	Bank	Rs. 1,000	KIMS Hospital Bengaluru Private Limited	Subsidiary	Fund taken to meet obligation of subsidiary

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

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(xi) a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

b) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) a) The Company has an internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

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d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 2.39 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.33 to the financial statements.

b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 2.33 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

per Navneet Rai Kabra
Partner
Membership Number: 102328
UDIN: 26102328ZBYLPQ1641
Place of Signature: Hyderabad
Date: May 15, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Krishna Institute of Medical Sciences Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

Meaning of Internal Financial Controls With Reference to these standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra
Partner
Membership Number: 102328
UDIN: 26102328ZBYLPQ1641
Place of Signature: Hyderabad
Date: May 15, 2026

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Standalone Balance Sheet as at 31 March 2026
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	13,976	7,238
Capital work-in-progress	2.1 (b)	1,160	5,303
Intangible assets	2.1 (c)	220	208
Right-of-use assets	2.26	1,140	287
Financial assets			
(i) Investments	2.2	15,228	12,258
(ii) Loans	2.3 (a)	6,201	2,886
(iii) Other financial assets	2.4 (a)	199	153
Non-current tax assets (net)	2.9	35	-
Other non-current assets	2.5	354	564
Total non-current assets		**38,513**	**28,897**
Current assets			
Inventories	2.6	398	263
Financial assets			
(i) Trade receivables	2.7	2,784	1,874
(ii) Cash and cash equivalents	2.8 (a)	251	261
(iii) Bank balances other than (ii) above	2.8 (b)	49	35
(iv) Loans	2.3 (b)	261	99
(v) Other financial assets	2.4 (b)	325	274
Other current assets	2.10	270	188
Total current assets		**4,338**	**2,994**
Total assets		**42,851**	**31,891**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.11 (a)	800	800
Other equity	2.11 (b)	23,487	20,880
Total equity		**24,287**	**21,680**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (a)	11,032	5,771
(ii) Lease liabilities	2.26	724	-
(iii) Other financial liabilities	2.13 (a)	98	26
Provisions	2.14	255	207
Deferred tax liabilities (net)	2.36	567	392
Other non-current liabilities	2.17 (a)	241	228
Total non-current liabilities		**12,917**	**6,624**
Current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (b)	3,496	1,309
(ii) Lease liabilities	2.26	11	-
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and	2.15	250	52
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.15	886	892
(iv) Other financial liabilities	2.13 (b)	344	833
Provisions	2.16	181	139
Other current liabilities	2.17 (b)	479	346
Current tax liabilities (net)		-	16
Total current liabilities		**5,647**	**3,587**
Total equity and liabilities		**42,851**	**31,891**
Material accounting policies	1.3		

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

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

Navneet Rai

per Navneet Rai Kabra
Partner
Membership no.: 102328

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Ltd.
Secunderabad

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Standalone Statement of Profit and Loss for the year ended 31 March 2026
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	2.18	17,015	13,841
Other income	2.19	566	567
Total Income		17,581	14,408
Expenses			
Purchase of medical consumables, drugs and surgical instruments		3,468	2,795
Increase in inventories of medical consumables, drugs and surgical instruments	2.20	(135)	(42)
Employee benefits expense	2.21	2,907	2,364
Finance costs	2.22	787	232
Depreciation and amortisation expense	2.23	861	577
Other expenses	2.24	6,096	4,559
Total expenses		13,984	10,485
Profit before tax and exceptional items		3,597	3,923
Exceptional items			
(Loss)/gain on fair valuation of Call option (net)	2.35	(38)	108
Statutory impact of new Labour Codes	2.27	(32)	-
Profit before tax		3,527	4,031
Tax expense			
- Current tax	2.36	750	951
- Deferred tax charge	2.36	175	47
- Adjustments of tax relating to earlier year	2.36	(5)	4
Total tax expense		920	1,002
Profit for the year (A)		2,607	3,029
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to statement of profit and loss			
- Re-measurement gain/(loss) on defined benefit plans	2.27	0	(18)
- Income tax effect	2.36	(0)	5
Other comprehensive income/(loss), net of tax (B)		0	(13)
Total comprehensive income for the year (A+B)		2,607	3,016
Earnings per share (face value of share Rs. 2 each)	2.29		
- Basic (Rs.)		6.52	7.57
- Diluted (Rs.)		6.52	7.57
Material accounting policies	1.3		

The accompanying notes referred above form an integral part of the standalone 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

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

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
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Sachin Ashok Salvi
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J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Krishna Institute of Medical Sciences Ltd. Secunderabad

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Standalone Statement of Cash Flows for the year ended 31 March 2026
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

	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	3,527	4,031
Adjustments for operating activities:		
Depreciation and amortisation expense	861	577
Profit on sale of property, plant and equipment	(7)	(128)
Provision of expected credit loss for trade receivables (including bad debts)	21	81
Guarantee commission income	-	(161)
Rental income	(1)	(1)
Interest income	(506)	(224)
Deferred Government grants income	(35)	-
Interest income on income tax refund	-	(4)
Loss/(gain) on fair valuation of Call option (net)	38	(108)
Gain on mutual funds	(1)	(29)
Finance costs	787	232
Operating cash flows before working capital changes	4,684	4,266
Adjustments for:		
Increase in trade receivables	(931)	(468)
Increase in inventories	(135)	(42)
Increase in other financials assets and other assets	(288)	(110)
Increase in trade payables, other financial liabilities, provisions and other liabilities	391	188
Cash generated from operations	3,721	3,834
Income taxes paid, net of refunds	(796)	(898)
Net cash flows generated from operating activities (A)	2,925	2,936
II. Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets, including capital work-in-progress and capital advances	(3,566)	(3,517)
Proceeds from sale of property, plant and equipment	15	459
Investment in subsidiaries	(2,970)	(2,202)
Advance for investment in subsidiary	(54)	-
Investment in mutual funds	(900)	(1,895)
Proceeds from sale of mutual funds	901	2,540
Loans given to subsidiaries	(4,692)	(2,928)
Loans repaid by subsidiaries	1,466	1,147
Redemption of bank deposits (having original maturity of more than three months)	12	12
Investment in bank deposits (having original maturity of more than three months)	(24)	(46)
Rental income received	1	1
Interest received	253	163
Net cash flows used in investing activities (B)	(9,558)	(6,266)
III. Cash flows from financing activities		
Proceeds from long-term borrowings	6,682	3,871
Repayment of long-term borrowings	(791)	(219)
Proceeds from short-term borrowings (net)	1,541	165
Interest paid	(809)	(431)
Net cash flows generated from from financing activities (C)	6,623	3,386
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(10)	56
Cash and cash equivalents at the beginning of the year	261	205
Cash and cash equivalents at the end of the year	251	261

Note:
a) The standalone statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting Standard (Ind 7)-Statement of cash flows.

b) Cash and cash equivalents comprises of:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Cash on hand	14	14
Balances with banks		
- On current accounts	237	247
Total	251	261

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 standalone 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

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

Place: Hyderabad
Date: 15 May 2026

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

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

Krishna Institute of Medical Sciences Ltd.
Secunderabad

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Standalone Statement of changes in equity for the year ended 31 March 2026
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

a) Equity share capital

Equity shares of Rs.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			Total of other equity
	Reserve and surplus			
	Securities premium account	Adjustment reserve	Retained earnings	
Balance as at 01 April 2024	10,340	58	7,466	17,864
Profit for the year	-	-	3,029	3,029
Other comprehensive loss for the year	-	-	(13)	(13)
Balance as at 31 March 2025	10,340	58	10,482	20,880
Profit for the year	-	-	2,607	2,607
Other comprehensive income for the year	-	-	0	0
Balance as at 31 March 2026	10,340	58	13,089	23,487

The accompanying notes referred above form an integral part of the standalone 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

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

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

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Krishna Institute of Medical Sciences Ltd. Secunderabad

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Limited
CIN: L55101TG1973PLC040558
Notes to the standalone financial statements for the year ended 31 March 2026
(All amounts are in million of Indian Rupees, except share data or unless otherwise stated)

1.1 Company Overview

Krishna Institute of Medical Sciences Limited ('the Company') was originally incorporated on 26 July 1973 under the name "Jagjit Singh and Sons Private Limited" which was subsequently changed to "Krishna Institute of Medical Sciences Private Limited" on 2 January 2004. The Company was converted into a public limited company under the Companies Act, 1956 on 29 January 2004 and consequently, the name was changed to "Krishna Institute of Medical Sciences Limited".

The Company is primarily engaged in the business of rendering medical and healthcare services. The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

The Company is a listed company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The standalone financial statements were approved for issue by the Company's Board of Directors on 15 May 2026.

1.2 Basis of preparation of standalone financial statements

a) Statement of Compliances:

The Standalone financial statements of the Company as at and for the year ended 31 March 2026, have been prepared in accordance with requirements of Indian Accounting Standards ("Ind AS"), as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act.

All amounts are in Indian Rupees millions, except share data, unless otherwise stated. "0" represents less Rs. 1 million.

b) Basis of measurement:

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value - refer accounting policy regarding financial instruments
Net defined benefit (asset)/ liability	Defined benefit plan - plan assets measured at fair value

c) Functional and presentation currency:

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

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d) New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

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

e) Significant accounting judgement, estimates and assumptions:

The preparation of Company's standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenue, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and unbilled revenue

The Company uses a provision matrix to calculate ECLs for trade receivables and unbilled revenue. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, customer type and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The disclosures of significant estimates and assumptions relating to the ECLs for trade receivables and unbilled revenue are provided in Note 2.7 & Note 2.35.

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
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Krishna Institute of Medical Sciences Ltd.
Secunderabad

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.36 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.27 - Measurement of defined benefit obligations, key actuarial assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.35 for further disclosures.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. Impairment exists when the carrying value exceeds its recoverable amount, and the recoverable value is measured based on value in use. The value in use calculation is based on a Discounted cash flow model ("DCF model"). The cash flows are derived from the budget for the next eight years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

Krishna Institute of Medical Sciences Ltd.
Secunderabad

used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

1.3 Material accounting policies

A. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based current and non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
ii. it is held primarily for the purpose of being traded;
iii. it is expected to be realised within 12 months after the reporting date; or
iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. it is expected to be settled in the company's normal operating cycle;
ii. it is held primarily for the purpose of being traded;
iii. it is due to be settled within 12 months after the reporting date; or
iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Operating cycle

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

B. Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

Krishna Institute of Medical Sciences Ltd. Secunderabad

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial officer determines the policies and procedures for both recurring fair value measurement and for other non-recurring measurement.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re measured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

Periodically, the Management present the valuation results to the Board of Directors/ Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.35 – financial instruments.

C. Revenue from contract with customer

The Company's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items. The Company has generally concluded that it is the principal in its revenue arrangements, except for the Operating & Maintenance (O&M) arrangements below, because it typically controls the goods or services before transferring them to the customer.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

Krishna Institute of Medical Sciences Ltd. Secunderabad

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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 Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value

method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Contract balances

Unbilled revenue represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date.

Unbilled revenue are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

Krishna Institute of Medical Sciences Ltd. Secunderabad

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other Income

Interest on deposits, loans and debt instruments are measured at amortized cost. Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

D. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in profit and loss except to the extent that is relates to an item recognised directly in equity or in other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

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- 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.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and service taxes paid, except:
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

E. Property, plant and equipment

Freehold land is carried at cost net of accumulated impairment, if any. All other items of property, plant and equipment are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it located. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals.

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

the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The cost of self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working conditions for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The Company has elected to continue with the carrying value for all of its Property, Plant and Equipment recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Depreciation

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair

approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	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.

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

F. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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.

Derecognition

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

The Company has elected to continue with the carrying value for all of its other intangibles recognised as of April 01, 2016 (date of transition to Ind AS) measured as per the previous GAAP and used that carrying value as its deemed cost as at the date of transition.

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6

G. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies of Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a

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modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption for those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

The Company also applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets, with a value of up to Rs. 10 mn on date of recognistion. In making this assessment, the Company also factors below key aspects:

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

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

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

I. Inventories

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

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

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

J. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries in which the Company operates, or for the market in which the asset is used.

An assessment is made for all assets at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

K. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that

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cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the standalone financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

L. Retirement and other employee benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is administered by third party. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Company determines the net interest expense (income) on the net defined liability (assets) for the period by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes to the defined benefit liability (asset) as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss. The Company recognises gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in the Statement of Profit and Loss account on the earlier of amendment or curtailment.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the relative service is provided. A liability is recognised for the amount expected to be paid e.g., under short term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of the past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated Absences

As per the leave encashment policy of the Company, the employees have to utilise their eligible leave during the financial year and lapses at the end of the financial year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the Balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

M. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

On initial recognition, a financial asset is classified as measured at
- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables and loan to subsidiaries included under other non-current financial assets. For more information on receivables, refer to Note 2.35.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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Impairment of financials assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

For trade receivables and unbilled revenue, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

The Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's

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financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to Statement of Profit and Loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial instruments are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS 32 (Financial instruments: Presentation). Financial instrument issued by the Company classified as equity is carried at its transaction value and shown within "equity". Financial instrument issued by the Company classified as liability is initially recognised at fair value (issue price). Subsequent to initial recognition, such Financial instrument is fair valued through the statement of profit or loss. On modification of Financial instrument from liability to equity, the Financial instrument is recorded at the fair value of Financial instrument classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the Statement of Profit and Loss.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

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Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

N. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

O. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

P. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

1.4 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

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2.1 (a) Property, plant and equipment

Particulars	Freehold land	Leasehold land (refer note 1 below)	Buildings (refer note 2 below)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Gross Carrying amount											
Balance as at 1 April 2024	636	152	4,084	3,391	239	63	363	210	284	53	9,475
Additions	57	-	93	1,526	7	12	24	51	24	32	1,826
Disposals	(325)	-	-	(108)	-	-	-	-	-	-	(433)
Balance as at 31 March 2025	368	152	4,177	4,809	246	75	387	261	308	85	10,868
Balance as at 1 April 2025	368	152	4,177	4,809	246	75	387	261	308	85	10,868
Additions	-	-	4,342	2,237	75	37	428	228	161	28	7,536
Disposals	-	-	-	(407)	(10)	-	(50)	(19)	-	-	(486)
Balance as at 31 March 2026	368	152	8,519	6,639	311	112	765	470	469	113	17,918
Accumulated depreciation											
Balance as at 1 April 2024	-	-	572	1,826	85	48	293	151	206	29	3,210
Depreciation charge for the year	-	-	105	314	17	8	15	34	20	9	522
Disposals	-	-	-	(102)	-	-	-	-	-	-	(102)
Balance as at 31 March 2025	-	-	677	2,038	102	56	308	185	226	38	3,630
Balance as at 1 April 2025	-	-	677	2,038	102	56	308	185	226	38	3,630
Depreciation charge for the year	-	-	174	438	18	9	51	61	29	10	790
Disposals	-	-	-	(399)	(10)	-	(50)	(19)	-	-	(478)
Balance as at 31 March 2026	-	-	851	2,077	110	65	309	227	255	48	3,942
Net book value											
At 31 March 2025	368	152	3,500	2,771	144	19	79	76	82	47	7,238
At 31 March 2026	368	152	7,668	4,562	201	47	456	243	214	65	13,976

Notes:

1. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease considering Company has option to renew the lease at a nominal price.
2. 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 year of 30 years without making any upfront payment and renewable at the option of the Company.
3. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Company and the Company does not have any investment property
4. The Company has not revalued any of its Property, Plant and Equipment during the year.
5. Refer note 2.12 for details of assets pledged as security.

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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	5,303	2,920
Additions	1,785	2,517
Capitalised during the year	(5,928)	(134)
Balance as at end of the year	**1,160**	**5,303**

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

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	716	278	166	-	**1,160**
-Projects temporarily suspended	-	-	-	-	-
Total	**716**	**278**	**166**	-	**1,160**

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

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	more than 3 years	
-Projects in Progress	2,382	2,921	-	-	**5,303**
-Projects temporarily suspended	-	-	-	-	-
Total	**2,382**	**2,921**	-	-	**5,303**

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 is Rs. 52 (31 March 2025: 199). The rate used to determine the amount of borrowing costs eligible for capitalisation is 7.70% - 8.45% (31 March 2025: 8.45% - 8.60%), which is the effective interest rate of the specific borrowing.
The amount of salary costs capitalised during the year ended 31 March 2026 is Rs.70 (31 March 2025: 117).

2.1 (c) Intangible assets

Particulars	Software	Total of Intangible assets
Gross Carrying amount		
Balance as at 1 April 2024	316	316
Additions	79	79
Balance as at 31 March 2025	395	395
Balance as at 1 April 2025	395	395
Additions	73	73
Balance as at 31 March 2026	468	468
Accumulated amortisation		
Balance as at 1 April 2024	132	132
Amortisation charge for the year	55	55
Balance as at 31 March 2025	187	187
Balance as at 1 April 2025	187	187
Amortisation charge for the year	61	61
Balance as at 31 March 2026	248	248
Net book value		
At 31 March 2025	208	208
At 31 March 2026	220	220

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	As at 31 March 2026	As at 31 March 2025
2.2 Non current investments		
Investment in subsidiaries - valued at cost		
a) Equity shares		
1,569,624 (31 March 2025: 1,432,415) equity shares of Rs. 10 each fully paid up held in Arunodaya Hospitals Private Limited	248	160
47,708,371 (31 March 2025: 27,994,460) equity shares of Rs. 10 each fully paid up held in KIMS Hospitals Private Limited	479	282
10,000 (31 March 2025: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Swastha Private Limited	0	0
80,000 (31 March 2025: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Bengaluru Private Limited	97	96
22,328,057 (31 March 2025: 22,317,857) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Enterprises Private Limited	1,551	1,546
5,100 (31 March 2025: 5,100) equity shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Private Limited	74	74
8,104 (31 March 2025: 7,650) equity shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	202	43
3,300,000 (31 March 2025: 3,300,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Kurnool Private Limited	117	117
27,838,224 (31 March 2025: 25,324,770) equity shares of Rs. 10 each partly paid up held in Sarvejana Healthcare Private Limited	7,810	6,310
510,000 (31 March 2025: 510,000) equity shares of Rs. 10 each fully paid up held in KIMS Manavata Hospitals Private Limited	5	5
12,117,989 (31 March 2025: 12,117,989) equity shares of Rs. 10 each fully paid up held in Spanv Medisearch Lifesciences Private Limited	1,571	1,571
1,020,000 (31 March 2025: 1,020,000) equity shares of Rs. 10 each fully paid up held in Meda Institute of Podiatry Private Limited	10	10
5,234,477 (31 March 2025: 5,234,477) equity shares of Rs. 10 each fully paid up held in Chalasani Hospitals Private Limited	277	277
b) Preference shares		
30,990,000 (31 March 2025: 30,990,000) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	310	310
9,500,000 (31 March 2025: 9,500,000) 12% cumulative optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Private Limited	95	95
91,918,000 (31 March 2025: 64,928,000) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in KIMS Manavata Hospitals Private Limited	919	649
1,462,750 (31 March 2025: 712,750) 0.001% optionally convertible redeemable preference shares of Rs. 1,000 each fully paid up held in KIMS Hospital Bengaluru Private Limited	1,463	713
Total	**15,228**	**12,258**
Aggregate amount of unquoted investments	15,228	12,258
Aggregate provision for impairment in value of investments	-	-

2.3 Loans (at amortised cost)		
(Unsecured, considered good)		
(a) Non-current		
-To related parties (Refer note 2.28)		
Loans to related parties	6,201	2,886
Total	**6,201**	**2,886**
(b) Current		
-To related parties (Refer note 2.28)		
Loans to related parties	261	99
Total	**261**	**99**

All the above loans were granted for general corporate purpose to subsidiaries. The loans are carrying an interest rate in the range of 8% - 12% (31 March 2025: 8% - 12%). The Company 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. 405 (31 March 2025: Rs. 154) reclassified to loans for better presentation.

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	As at 31 March 2026	As at 31 March 2025
2.4 Other financial assets (at amortised cost)		
(Unsecured, considered good)		
(a) Non-current		
At amortised cost		
Deposits with remaining maturity more than 12 months*	6	6
Security deposits	69	39
Advance for investment in subsidiary	54	-
At fair value through profit and loss		
Call option asset (Refer note 2.35)	70	108
Total	**199**	**153**

* Includes Rs.5 (31 March 2025: Rs.5) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date. Includes interest accrued but not due of Rs.1 (31 March 2025: Rs. 1) reclassified to deposits for better presentation.

	As at 31 March 2026	As at 31 March 2025
(b) Current (at amortised cost)		
Unbilled revenue (Refer note 2.37)	254	207
Security deposits	71	67
Total	**325**	**274**
2.5 Other non-current assets		
(Unsecured, considered good)		
Capital advances	338	559
Balance with government authorities	15	3
Prepaid expenses	1	2
Total	**354**	**564**
2.6 Inventories		
(Valued at lower of cost or net realisable value)		
Medical consumables, drugs and surgical instruments	398	263
Total	**398**	**263**

Inventories are hypothecated against the loans taken by the Company from banks and financial institutions. Refer note 2.12 for details. The quarterly returns or statements of the current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

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		As at 31 March 2026	As at 31 March 2025
2.7	**Trade receivables (amortised cost)** (Unsecured)		
	Trade receivables - Considered good - Unsecured	3,032	2,123
	Trade receivables from related parties - Considered good - Unsecured (Refer note 2.28)	73	51
	Less: Allowance for expected credit loss	(321)	(300)
		2,784	1,874
	Trade receivables - credit impaired - Unsecured	-	-
	Less: Allowance for credit impairment	-	-
	Total	2,784	1,874

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Trade Receivables ageing schedule as on 31 March 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	932	1,171	506	358	74	64	3,105
(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							3,105
Less : Allowance for expected credit loss							(321)
Balance at the end of the year							2,784

Trade Receivables ageing schedule as on 31 March 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	657	908	243	245	38	83	2,174
(ii) Undisputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total							2,174
Less : Allowance for expected credit loss							(300)
Balance at the end of the year							1,874

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	As at 31 March 2026	As at 31 March 2025
2.8 Cash and bank balances		
a) Cash and cash equivalents		
Cash on hand	14	14
Balances with banks		
- in current accounts	237	247
	251	**261**
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	49	35
	49	**35**
Total	**300**	**296**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

* Includes Rs. 46 (31 March 2025: Rs. 34) deposits placed which are restrictive in nature as it pertains to letters of credit. These letters are maturing within 12 months of the reporting date. Includes interest accrued but not due of Rs.3 (31 March 2025: Rs 1) reclassified to deposits for better presentation.

c) Changes in liabilities arising from financing activities:

Particulars	1 April 2025	Cash flows	Others	31 March 2026
Short term borrowings	814	1,541	-	2,355
Current and Non-current lease liabilities	-	-	735	735
Long term borrowings (including current maturities)	6,266	5,891	16	12,173
Total liabilities from financing activities	**7,080**	**7,432**	**751**	**15,263**

Particulars	1 April 2024	Cash flows	Others	31 March 2025
Short term borrowings	649	165	-	814
Long term borrowings (including current maturities)	2,614	3,652	-	6,266
Total liabilities from financing activities	**3,263**	**3,817**	**-**	**7,080**

2.9 Non-current tax assets (net)		
Advance tax (net of provision for taxation)	35	-
Total	**35**	**-**
2.10 Other current assets		
(Unsecured, considered good)		
Advance to suppliers	200	132
Prepaid expenses	28	39
Staff advances	14	17
Other receivable	28	-
Total	**270**	**188**

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2.11 (a) Equity share capital	As at 31 March 2026	As at 31 March 2025
Authorised Equity shares		
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
Total	**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 Bhaskara 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.

2.11 (b) Other equity	As at 31 March 2026	As at 31 March 2025
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340	10,340
Closing balance	**10,340**	**10,340**
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	58	58
Closing balance	**58**	**58**
(iii) Retained earnings (refer below note 3)		
Balance as per last financial statements	10,482	7,466
Add: Profit for the year	2,607	3,029
Add: Other comprehensive income/(loss)	0	(13)
Closing balance	**13,089**	**10,482**
Total	**23,487**	**20,880**

Nature and purpose of reserves:

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

2. Adjustment reserve
On account of shares swap held in earlier years.

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

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2.12 Borrowings (at amortised cost)*

		As at 31 March 2026	As at 31 March 2025
(a)	**Non-current borrowings**		
	Secured		
	Term loans from banks	11,032	5,771
	Total non-current borrowings	**11,032**	**5,771**
(b)	**Current borrowings**		
	Secured		
	Working capital loans	2,355	814
	Current maturity of long term borrowings*	1,141	495
	Total current borrowings	**3,496**	**1,309**

Secured borrowing facilities from banks

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
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/ last tranche availed in 2025-2026/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 +Ground+15 upper floors) there upon with a total build-up area of 65,550.82 Sq.Mrts 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	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	-

*Includes interest accrued but not due Rs. 16 (31 March 2025: Nil) reclassified to borrowings for better presentation.

2.13 Other financial liabilities (at amortised cost)

(a)	**Non-current**		
	Capital creditors	98	26
	Total	**98**	**26**

*Includes retention money of Rs. 93 (31 March 2025: Rs 26)

(b)	**Current**		
	Capital creditors	291	756
	Employee related liabilities*	53	77
	Total	344	833

*Includes payables to related parties. For details refer note 2.28.

2.14 Non-current provisions

Provision for employee benefits		
Gratuity (Refer note 2.27)	255	207
Total	255	207

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	As at 31 March 2026	As at 31 March 2025
2.15 Trade payables (at amortised cost)		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 2.31)	250	52
- total outstanding dues of creditors other than micro enterprises and small enterprises	886	892
Total	1,136	944

The above includes payable to related party. (Refer note 2.28)
Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

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	-	250	-	-	-	250
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	407	443	14	21	1	886
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Balance at the end of the year						1,136

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	-	52	-	-	-	52
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	602	262	22	2	4	892
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Balance at the end of the year						944

2.16 Current provisions		
Provision for employee benefits		
Gratuity (Refer note 2.27)	59	29
Compensated absences	122	110
Total	181	139
2.17 Other liabilities		
(a) Non-current		
Deferred Government grants*	241	228
Total	241	228
(b) Current		
Statutory dues payable	111	87
Contract liabilities (Refer note 2.37)	367	254
Staff reimbursement liabilities	1	5
Total	479	346

*Represents government grant under Export Promotion Capital Goods (EPCG) accounted at fair value as per Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance. (Refer note 2.25)

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	For the year ended 31 March 2026	For the year ended 31 March 2025
2.18 Revenue from operations		
A Revenue from contract with customers		
Revenue from medical and healthcare services (Refer note 2.37)		
Revenue from hospital services	11,527	9,314
Revenue from pharmacy	4,949	4,151
Total	**16,476**	**13,465**
B Other operating income		
Income from academic courses	29	36
Income from sale of food and beverages	192	177
Medical service fee	167	13
Other hospital income from corporates	151	150
Total	**539**	**376**
Total Revenue from operations (A+B)	**17,015**	**13,841**

2.19 Other income		
Interest income on:		
- fixed deposits	3	3
- income tax refunds	-	4
- security deposit	6	5
- loans to related parties (Refer note 2.28)	497	216
Other non operating income:		
- Realised gain on sale of mutual funds	1	29
- Rental income	1	1
- Deferred Government grants income	35	-
- Profit on sale of property, plant and equipment	7	128
- Guarantee commission income from related parties (Refer note 2.28)	-	161
- Miscellaneous income	16	20
Total	**566**	**567**

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		For the year ended 31 March 2026	For the year ended 31 March 2025
2.20	**Increase in inventories of medical consumables, drugs and surgical instruments**		
	Opening stock	263	221
	Less: Closing stock	398	263
	Total	**(135)**	**(42)**
2.21	**Employee benefits expense**		
	Salaries, wages and bonus	2,721	2,208
	Contribution to provident and other funds (Refer note 2.27)	163	133
	Staff welfare expenses	23	23
	Total	**2,907**	**2,364**
2.22	**Finance costs**		
	Interest from banks and financial institutions		
	- term loans	755	167
	- other loans	-	65
	Interest expense on lease liabilities (Refer note 2.26)	14	-
	Other borrowing costs	18	-
	Total	**787**	**232**
2.23	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment (Refer note 2.1(a))	790	522
	Amortisation of intangible assets (Refer note 2.1(c))	61	55
	Amortisation of Right-of-use assets (Refer note 2.26)	10	-
	Total	**861**	**577**
2.24	**Other expenses**		
	Consultancy charges	3,686	2,704
	House keeping expenses	582	377
	Power and fuel	288	173
	Catering and patient welfare expenses	182	153
	Rent (Refer note 2.26)	79	42
	Repairs and maintenance:		
	- Medical equipment	215	209
	- Hospital building and others	209	179
	Printing and stationery	65	54
	Audit fee (Refer note A)	10	9
	Legal and professional charges	81	56
	Rates and taxes	54	40
	Travelling and conveyance	152	139
	Advertisement and publicity	220	115
	Expected credit loss for trade receivables (including bad debts)	21	81
	Insurance	24	12
	Contributions towards corporate social responsibility expenditure (Refer note 2.33)	68	67
	Bank charges	49	44
	Commission to Directors (Refer note 2.28)	11	10
	Miscellaneous expenses	100	95
	Total	**6,096**	**4,559**

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	10	9
Out of pocket expenses	0	0

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2.25 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) and (b) below)	380	382
iii)	The Company has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the standalone financial statements.		
iv)	The Company, has applied for benefits under EPCG scheme to import capital goods availing customs duty exemption under which it has an export obligation of six times the duty saved an import of capital goods on FOB basis within a period of six years. As at 31 March 2026, the benefit availed under EPCG scheme amounts to Rs.276 (31 March 2025: Rs. 228), In the event of failure of the export obligations as specified in the said notifications and the licence, the Company is liable to pay the customs duty for the exemption and also the interest as applicable.		

Notes:

(a) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of the cash flow, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in its standalone financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

(b) Includes a consumer case filed by an individual at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs. 235 (31 March 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 Standalone financial statements.

(b) Commitments*

Particulars	As at 31 March 2026	As at 31 March 2025
Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,792	4,829

*Also refer note 2.28

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2.26 Lease

Company as a lessee

The Company has land lease contract used in its operations with lease term of ranging between 29 to 99 years. The Company's obligations under its lease is secured by the lessor's title to the leased assets.

Leases of buildings with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Land	Total
As at 01 April 2024	**290**	**290**
Amortization expense transferred to CWIP	3	3
As at 31 March 2025	**287**	**287**
Additions	863	863
Amortization expense	10	10
Amortization expense transferred to CWIP	0	0
As at 31 March 2026	**1,140**	**1,140**

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	-	-
Additions	721	-
Accretion of interest	14	-
Payments	-	-
Closing Balance	**735**	-
Current	**11**	-
Non-current	**724**	-

The effective interest rate for lease liabilities is 8%, maturing in 2054 (31 March 2025: Nil)

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
Amortization expense of right-of-use assets	10	-
Interest expense on lease liabilities	14	-
Expense relating to short-term leases and low-value assets (included in other expenses)	79	42
Total amount recognised in profit or loss	**103**	**42**

The Company had total cash outflows for leases of Rs. 79 in 31 March 2026 (31 March 2025: Rs. 42).

The table below provides details regarding the undiscounted contractual maturities of lease liabilities:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Within less than one year	12	-
Between one and five years	177	-
After more than five years	2,136	-
Total	**2,325**	-

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2.27 Employee benefits

(i) Defined benefit plan

The Company operate post-employment defined benefit plan that provides for gratuity. The Company accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed services at the time of retirement/exit. The gratuity fund is administered by trust formed for this purpose and is managed by Life Insurance Corporation of India. The Company's obligation in respect of gratuity plan, which is a defined benefit plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at the balance sheet date:

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit obligations	325	264
Fair value of plan assets	11	28
Net defined benefit obligations	314	236
Non-current	255	207
Current	59	29

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation, plan assets and its components.

i) Reconciliation of present value of defined benefit obligation

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Defined benefit obligation as at beginning of the year	264	230
Benefits paid	(23)	(23)
Current service cost	37	31
Past service cost	32	-
Interest cost	16	15
Liabilities settled	-	(6)
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	(16)	7
- Changes in demographic assumptions	-	(2)
- Experience adjustments	15	12
Defined benefit obligation at the end of the year	**325**	**264**

ii) Reconciliation of fair value of plan assets

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Plan assets at beginning of the year	28	31
Contributions paid into the plan	5	18
Interest income	2	2
Benefits paid	(23)	(23)
Return on plan assets	(1)	0
Plan assets at end of the year	**11**	**28**

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	37	31
Past service cost	32	-
Interest on net defined benefit obligation	14	13
Net gratuity cost, included in 'employee benefits expense'	**83**	**44**

C 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 (loss) / gain on net defined benefit obligation	0	(18)

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2026	As at 31 March 2025
Fund managed by Insurer	11	28

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2.27 Employee benefits (continued)

E Defined benefit obligation

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at 31 March 2026	As at 31 March 2025
Attrition rate	Medical - 8% to 38% Non-medical - 12% to 46%	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

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
1st following year	70	57
Year 2 to 5	192	150
Year 6 to 9	98	80
Year 10 and above	102	93

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)	(13)	16	(11)	14
Salary escalation rate (1% movement)	15	(12)	13	(10)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumption shown.

(ii) Defined contribution plan

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Amount recognised in the statement of profit and loss towards		
i) Provident fund	90	74
ii) Employee state insurance	22	21

(iii) Effective 21 November 2025, the Government of India consolidated multiple existing labour laws into a unified framework comprising four Labour Codes, collectively referred to as the "New Labour Codes". In accordance with Ind AS 19 - Employee Benefits, the impact of such legislative changes is treated as a plan amendment requiring immediate recognition of the resultant past service cost in the standalone statement of profit and loss. The Company has assessed the impact of the changes in line with the Labour Codes, draft rules and FAQs. Based on this assessment, the Company has recognised a one-time increase in employee benefit provisions amounting to Rs 32, which has been presented as an "exceptional item" in the standalone statement of profit and loss for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central and State rules, as well as Government clarifications on other aspects of the New Labour Codes and will incorporate appropriate accounting treatment based on these developments as required

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2.28 Related party disclosures

(a) Nature of relationship and name of related parties

Nature of relationship	Name of related parties
Subsidiaries	Arunodaya Hospitals Private Limited
	KIMS Hospitals Private Limited
	KIMS Swastha Private Limited^
	KIMS Hospital Enterprises Private Limited
	KIMS Hospital Bengaluru Private Limited^
	Iconkrishi Institute of Medical Sciences Private Limited
	Saveera Institute of Medical Sciences Private Limited
	KIMS Hospitals Kurnool Private Limited
	Sarvejana Healthcare Private Limited
	Rajyalakshmi Healthcare Private Limited
	(Merged with Sarvejana Healthcare Private Limited w.e.f 01 April 2024)
	Spanv Medisearch Lifesciences Private Limited
	KIMS Manavata Hospitals Private Limited^
	Chalasani Hospitals Private Limited (Acquired w.e.f 31 August 2024)^
	Meda Institute of Podiatry Private Limited (Acquired w.e.f 11 June 2024)
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director
	Dr. B Abhinay - Chief Executive Officer (CEO)
	Mr. Uma Shanker Mantha - Company Secretary (Resigned w.e.f 17 December 2024)
	Mrs. J R Nagajayanthi - Company Secretary (Joined w.e.f 04 January 2025)
	Mr. 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 close member (where transaction exists)	Sri Viswa Medicare Limited
	KIMS Foundation and Research Centre
	Krishnaiah Projects Private Limited

(b) **Transactions with related parties**

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
i.	**Loans given**		
	Iconkrishi Institute of Medical Sciences Private Limited	-	9
	Saveera Institute of Medical Sciences Private Limited	105	-
	KIMS Hospitals Kurnool Private Limited	-	35
	Arunodaya Hospitals private Limited	16	84
	KIMS Manavata Hospitals Private Limited	15	128
	KIMS Swastha Private Limited	152	1,166
	KIMS Hospital Bengaluru Private Limited	3,819	639
	Chalasani Hospitals Private Limited	585	867
ii.	**Repayment of loans**		
	KIMS Swastha Private Limited	152	350
	Arunodaya Hospitals Private Limited	70	30
	Iconkrishi Institute of Medical Sciences Private Limited	-	14
	Saveera Institute of Medical Sciences Private Limited	162	-
	KIMS Hospitals Kurnool Private Limited	42	20
	KIMS Hospital Bengaluru Private Limited	734	628
	Spanv Medisearch Lifesciences Private Limited	204	27
	KIMS Manavata Hospitals Private Limited	15	78
	KIMS Hospitals Private Limited	2	-
	Chalasani Hospitals Private Limited	85	-
iii.	**Interest income earned on loans given**		
	Iconkrishi Institute of Medical Sciences Private Limited	-	1
	Saveera Institute of Medical Sciences Private Limited	14	16
	KIMS Hospitals Kurnool Private Limited	3	6
	KIMS Hospital Bengaluru Private Limited	237	70
	Spanv Medisearch Lifesciences Private Limited	9	18
	Arunodaya Hospitals private Limited	7	4
	KIMS Manavata Hospitals Private Limited	6	3
	KIMS Swastha Private Limited	96	37
	KIMS Hospitals Private Limited	0	-
	Chalasani Hospitals Private Limited	125	61
iv.	**Professional fee to KMP**		
	Dr. B Bhaskara Rao	2	11
v.	**Rent to KMP**		
	Dr. B Bhaskara Rao	0	0
vi.	**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

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2.28 Related party disclosures (continued)

(b) Transactions with related parties (continued)

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
vii.	**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	-
viii.	**Expenditure towards CSR**		
	KIMS Foundation and Research Centre	68	73
ix.	**Purchase of medical consumables, drugs and surgical instruments**		
	KIMS Hospital Enterprises Private Limited	16	14
	Iconkrishi Institute of Medical Sciences Private Limited	0	0
	Saveera Institute of Medical Sciences Private Limited	0	0
	KIMS Hospitals Kurnool Private Limited	0	-
	Sarvejana Healthcare Private Limited	3	1
	Spanv Medisearch Lifesciences Private Limited	0	-
	KIMS Manavata Hospitals Private Limited	1	0
x.	**Income from pharmacy**		
	KIMS Hospital Enterprises Private Limited	22	26
	Arunodaya Hospitals Private Limited	2	2
	Iconkrishi Institute of Medical Sciences Private Limited	5	3
	Saveera Institute of Medical Sciences Private Limited	6	7
	KIMS Hospitals Kurnool Private Limited	6	3
	Sarvejana Healthcare Private Limited	15	14
	Spanv Medisearch Lifesciences Private Limited	7	7
	Chalasani Hospitals Private Limited	4	1
	KIMS Manavata Hospitals Private Limited	1	0
	KIMS Swastha Private Limited	11	-
	KIMS Hospital Bengaluru private Limited	3	-
	Meda Institute of Podiatry Private Limited	12	1
xi.	**Investment in subsidiaries**		
	KIMS Hospital Enterprises Private Limited	5	24
	Arunodaya Hospitals private Limited	88	23
	Sarvejana Healthcare Private Limited	1,500	895
	KIMS Manavata Hospitals Private Limited	270	159
	KIMS Hospital Private Limited	197	100
	KIMS Hospital Bengaluru Private Limited	751	713
	Saveera Institute of Medical Sciences Private Limited	159	-
	Chalasani Hospitals Private Limited	-	277
	Meda Institute of Podiatry Private Limited	-	10
xii.	**Revenue from Test and Investigations**		
	KIMS Hospital Enterprises Private Limited	33	30
	Iconkrishi Institute of Medical Sciences Private Limited	2	-
	Saveera Institute of Medical Sciences Private Limited	0	0
	KIMS Hospitals Kurnool Private Limited	2	0
	Sarvejana Healthcare Private Limited	105	99
	Meda Institute of Podiatry Private Limited	1	-
	Spanv Medisearch Lifesciences Private Limited	0	-
	KIMS Swastha Private Limited	0	-
	Chalasani Hospital Private Limited	1	-
xiii.	**Income from sale of Food and Beverages**		
	KIMS Hospital Enterprises Private Limited	1	1
	Sarvejana Healthcare Private Limited	1	-
xiv.	**Guarantee given on behalf of**		
	KIMS Hospitals Private Limited	-	2,460
xv.	**Guarantee closed during the year**		
	KIMS Hospitals Kurnool Private Limited	-	640
	Spanv Medisearch Lifesciences Private Limited	-	1,850
	KIMS Hospital Bengaluru Private Limited	-	2,950
	KIMS Hospitals Private Limited	-	2,460
xvi.	**Investment on account of financial guarantee**		
	KIMS Hospital Bengaluru Private Limited	-	48
xvii.	**Commission income on guarantees given to**		
	KIMS Hospitals Kurnool Private Limited	-	17
	KIMS Hospital Bengaluru Private Limited	-	91
	Spanv Medisearch Lifesciences Private Limited	-	51
	KIMS Hospitals Private Limited	-	2
xviii.	**Advance for purchase of capital items**		
	KIMS Hospitals Private Limited	-	20
xix.	**Advance for purchase of pharmacy items**		
	Chalasani Hospitals Private Limited	-	40
xx.	**Sale of land**		
	Krishnaiah Projects Private Limited	-	450

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2.28 Related party disclosures (continued)

(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
	Saveera Institute of Medical Sciences Private Limited	16	16
	KIMS Hospitals Kurnool Private Limited	2	2
	Arunodaya Hospitals private Limited	2	3
	Sarvejana Healthcare Private Limited	-	17
	Spanv Medisearch Lifesciences Private Limited	2	7
	KIMS Hospital Enterprises Private Limited	22	2
	KIMS Manavata Hospitals Private Limited	-	0
	Chalasani Hospitals Private Limited	2	1
	Meda Institute of Podiatry Private Limited	10	1
	KIMS Swastha Private Limited	11	-
	KIMS Hospital Bengaluru private Limited	4	-
ii.	**Loans**		
	Saveera Institute of Medical Sciences Private Limited	74	131
	KIMS Hospitals Kurnool Private Limited	8	50
	KIMS Hospital Bengaluru Private Limited	3,742	657
	Spanv Medisearch Lifesciences Private Limited	-	204
	KIMS Hospitals Private Limited^	-	2
	KIMS Swastha Private Limited	816	816
	Arunodaya Hospitals Private Limited	-	54
	KIMS Manavata Hospitals Private Limited	50	50
	Chalasani Hospitals Private Limited	1,367	868
iii.	**Interest accrued on loans**		
	KIMS Swastha Private Limited	42	33
	Iconkrishi Institute of Medical Sciences Private Limited	-	-
	Saveera Institute of Medical Sciences Private Limited	1	23
	KIMS Hospitals Kurnool Private Limited	1	6
	KIMS Hospital Bengaluru Private Limited	186	31
	Spanv Medisearch Lifesciences Private Limited	-	0
	KIMS Hospitals Private Limited	-	0
	Arunodaya Hospitals Private Limited	-	4
	KIMS Manavata Hospitals Private Limited	8	3
	Chalasani Hospitals Private Limited	167	54
iv.	**Trade payables**		
	Dr. B Bhaskara Rao	0	0
	KIMS Manavata Hospitals Private Limited	1	-
	Sarvejana Healthcare Private Limited	2	-
v.	**Commission payable to Directors**		
	Mr. Saumen Chakraborty	-	1
	Mr. Kaza Ratna Kishore	-	0
	Mr. Venkata Ramudu Jasthi	-	0
	Mrs. Y.Prameela Rani	-	0
vi.	**Advance for purchase of capital items**		
	KIMS Hospitals Private Limited	-	20
vii.	**Advance for purchase of pharmacy items**		
	Chalasani Hospitals Private Limited	-	40

Note: "0" represents less than Rs.1 million.

^ The Company has issued letter of financial support to these subsidiaries to meet their current liabilities as and when they fall due within a period of one year from the balance sheet date.

Terms and conditions:

(i) Purchases/sales of healthcare services are made from related parties on arm's length basis and in the ordinary course of business. The Company mutually negotiates and agrees the prices and payment terms with the related parties by benchmarking the same to the transactions with non-related parties. These transactions generally include payment terms of 30 to 120 days (31 March 2025: 30 to 120 days) from the date of invoice.

(ii) Trade receivables /payables are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these . The amounts are recoverable / payable within 30 to 120 days from the reporting date (31 March 2025: 30 to 120 days). For the year ended 31 March 2026, the Company has not recorded any impairment on receivables due from related parties (31 March 2025: Nil).

(iii) The Company has given loans to it's subsidiaries for general corporate purposes. These loans have been utilized by the subsidiaries for the purpose these were obtained. The loans are unsecured, repayable in monthly instalments over a period of 1 to 5 years from the end of moratorium and carries interest at the rate of 8% - 12% (31 March 2025: 8% - 12%). For the year ended 31 March 2026, the Company has not recorded any impairment on loans due from the subsidiaries (31 March 2025: Nil).

(iv) During the previous year, the Company had sold land to one of it's related parties on arm's length basis.

(v) * 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

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2.29 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

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 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)	2,607	3,029
Shares			
Number 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)	6.52	7.57

2.30 Segment information

The Managing Director of the Company takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Company's business model, medical and healthcare services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the standalone financial statements. Presently, the Company's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Company's total revenue.

2.31 Due to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at 31 March 2026 has been made in the standalone financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ("The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

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	250	52
- 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.	-	-

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2.32 Investments, loans, guarantees and security:

(a) The Company has made investment in the following Companies:

Entity	As at 1 April 2025	Allotted / purchased during the year	Sold/Redemption during the year	As at 31 March 2026
Investment in subsidiaries				
KIMS Hospitals Private Limited	282	197	-	479
KIMS Swastha Private Limited	0	-	-	0
Arunodaya Hospitals Private Limited	160	88	-	248
KIMS Hospitals Enterprises Private Limited	1,546	5	-	1,551
KIMS Hospital Bengaluru Private Limited	809	751	-	1,560
Iconkrishi Institute of Medical Sciences Private Limited	169	-	-	169
Saveera Institute of Medical Sciences Private Limited	353	159	-	512
KIMS Hospitals Kurnool Private Limited	117	-	-	117
Sarvejana Healthcare Private Limited	6,310	1,500	-	7,810
KIMS Manavata Hospitals Private Limited	654	270	-	924
Spanv Medisearch Lifesciences Private Limited	1,571	-	-	1,571
Chalasani Hospitals Private Limited	277	-	-	277
Meda Institute of Podiatry Private Limited	10	-	-	10

Entity	As at 1 April 2024	Allotted / purchased during the year	Sold/Redemption during the year	As at 31 March 2025
Investment in subsidiaries				
KIMS Hospitals Private Limited	180	102	-	282
KIMS Swastha Private Limited	0	-	-	0
Arunodaya Hospitals Private Limited	137	23	-	160
KIMS Hospitals Enterprises Private Limited	1,522	24	-	1,546
KIMS Hospital Bengaluru Private Limited	48	761	-	809
Iconkrishi Institute of Medical Sciences Private Limited	169	-	-	169
Saveera Institute of Medical Sciences Private Limited	353	-	-	353
KIMS Hospitals Kurnool Private Limited	117	-	-	117
Sarvejana Healthcare Private Limited	5,415	895	-	6,310
KIMS Manavata Hospitals Private Limited	495	159	-	654
Spanv Medisearch Lifesciences Private Limited	1,571	-		1,571
Chalasani Hospitals Private Limited	-	277		277
Meda Institute of Podiatry Private Limited	-	10	-	10

(b) The Company has given unsecured loans to its following subsidiaries:

Entity	As at 1 April 2025	Given during the year	Repaid during the year	As at 31 March 2026*	Maximum amount outstanding during the year
Saveera Institute of Medical Sciences Private Limited	131	105	(162)	74	148
KIMS Hospitals Kurnool Private Limited	50	-	(42)	8	50
KIMS Hospital Bengaluru Private Limited	657	3,819	(734)	3,742	3,742
Arunodaya Hospitals Private Limited	54	16	(70)	-	70
Kims Manavata Hospitals Private Limited	50	15	(15)	50	50
KIMS Hospitals Private Limited	2	-	(2)	-	2
Spanv Medisearch Lifesciences Private Limited	204	-	(204)	-	204
KIMS Swastha Private Limited	816	152	(152)	816	861
Chalasani Hospitals Private Limited	867	585	(85)	1,367	1,367

* Outstanding balance disclosed above excludes interest accrued of Rs. 405 (31 March 2025: Rs. 154)

Entity	As at 1 April 2024	Given during the year	Repaid during the year	As at 31 March 2025*	Maximum amount outstanding during the year
Iconkrishi Institute of Medical Sciences Private Limited	5	9	(14)	-	14
Saveera Institute of Medical Sciences Private Limited	131	-	-	131	131
KIMS Hospitals Kurnool Private Limited	35	35	(20)	50	60
KIMS Hospital Bengaluru Private Limited	646	639	(628)	657	854
Arunodaya Hospitals Private Limited	-	84	(30)	54	69
Kims Manavata Hospitals Private Limited	-	128	(78)	50	80
KIMS Hospitals Private Limited	2	-	-	2	2
Spanv Medisearch Lifesciences Private Limited	231	-	(27)	204	231
KIMS Swastha Private Limited	-	1,166	(350)	816	824
Chalasani Hospitals Private Limited	-	867	-	867	867

* Outstanding balance disclosed above excludes interest accrued of Rs.154 (31 March 2024: Rs.94)

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2.33 Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule III of the Companies Act, 2013 and activities approved by the CSR committee:

Particulars		For the year ended 31 March 2026	For the year ended 31 March 2025
a) Gross amount required to be spent by the Company during the year		68	67
b) Amount approved by the Board to be spent during the year		68	67
	In cash	**Yet to be paid in cash**	**Total**
c) Amount spent during the year ending on 31 March 2026:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	66	2	68
	In cash	**Yet to be paid in cash**	**Total**
d) Amount spent during the year ending on 31 March 2025:			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	67	-	67
		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		66	67
iii) Unspent amount in relation to:		-	-
- Ongoing project		2	-
- Other than ongoing project		-	-
		68	**67**

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 Company/(Excess carried forward)	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company/(Excess carried forward)	In Separate CSR Unspent A/c
(6)	-	68	60	-	2	-

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 Company/(Excess carried forward)	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company/(Excess carried forward)	In Separate CSR Unspent A/c
-	-	67	73	-	(6)	-

*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.

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2.34 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the ' net debt' to 'total equity' ratio.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components of equity excluding adjustment reserve.

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

Particulars *	As at 31 March 2026	As at 31 March 2025
Total borrowings	14,528	7,080
Less: Cash and cash equivalents	(251)	(261)
Net debt	**14,277**	**6,819**
Total equity	**24,229**	**21,622**
Net debt to equity ratio - Gearing Ratio	**59%**	**32%**

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the current year which could result in the banks recalling the loans earlier.

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2.35 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2026	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	2,784	2,784	NA
Cash and cash equivalents	251	251	
Bank balances other than above	49	49	
Loans	6,462	6,462	
Other financial assets	454	454	
Total	**10,000**	**10,000**	
Financial asset at fair value through profit or loss (Refer note below)			Level 3
Call option asset	70	70	
Total	**70**	**70**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	12,173	12,173	NA
Short-term borrowings	2,355	2,355	
Lease liabilities	735	735	
Trade payables	1,136	1,136	
Other financial liabilities	442	442	
Total	**16,841**	**16,841**	

As at 31 March 2025	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	1,874	1,874	NA
Cash and cash equivalents	261	261	
Bank balances other than above	35	35	
Loans	2,985	2,985	
Other financial assets	319	319	
Total	**5,474**	**5,474**	
Financial asset at fair value through profit or loss (Refer note below)			Level 3
Call option asset	108	108	
Total	**108**	**108**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings (including current maturities)	6,266	6,266	NA
Short-term borrowings	814	814	
Trade payables	944	944	
Other financial liabilities	859	859	
Total	**8,883**	**8,883**	

B. Measurement of fair values

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

(a) The values for loans were calculated based on cash flows discounted using a current lending rate.

(b) The values of long term borrowings are based on discounted cash flows using a current borrowing rate.

(c) The fair values of trade receivables, trade payables, other financials assets, other financial liabilities, current borrowings and cash and cash equivalents and bank balances other than cash and cash equivalents are considered to be the same as their carrying amounts, due to their short-term nature.

(d) 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 previous year, the Company has entered into Operations and Management agreements with the LLPs/Companies engaged in Healthcare Services as per which the Company will act as a Hospital Operator, on an exclusive basis, to run, manage, operate and direct the Hospital and provide medical services to the Hospitals owned by the respective LLPs/Companies. The Company has also entered into a Call Option Agreement whereby, the Company has a call option to buy majority equity interest of those LLPs/Companies as per the agreed pricing terms of the call option. The options are exercisable from January 2027 onwards. The Company accounts for such call options at fair value using Monte Carlo simulation model and other valuation techniques.

Sensitivity analysis:

For the fair values of call option , reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Sensitivity				
1% Movement in Volatility and annual drift rate	12	(11)	4	(6)

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(i) Risk management framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by the internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables and unbilled revenue) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is controlled by analysing credit limits to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables and unbilled revenue are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables and unbilled revenue based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and unbilled revenue amounting to Rs. 3,359 as on 31 March 2026 (31 March 2025: Rs. 2,381). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	300	236
Credit loss provided	21	64
Closing balance	321	300
Trade receivable write off not routed through the above movement	-	17

The Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and unbilled revenue and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Accordingly, the Company creates provision for past due receivables less than one year ranging between 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 Company'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	1,186	1,171	1,002	3,359
For the year ended 31 March 2025	864	908	609	2,381

Customer Concentration

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2026 and 31 March 2025. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2026:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	12,173	1,141	6,319	4,737	12,197
Short-term borrowings	2,355	2,355	-	-	2,355
Lease liabilities	735	12	177	2,136	2,325
Trade payables	1,136	1,136	-	-	1,136
Other financial liabilities	442	345	103	9	457
Total	**16,841**	**4,989**	**6,599**	**6,882**	**18,470**

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

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings (including current maturities)	6,266	495	2,960	2,826	6,281
Short-term borrowings	814	814	-	-	814
Trade payables	944	944	-	-	944
Other financial liabilities	859	833	26	-	859
Total	**8,883**	**3,086**	**2,986**	**2,826**	**8,898**

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

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

(iv) Market Risk

(a) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term borrowings with variable interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting year are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate long term borrowings (including current maturities) and short term borrowings	14,528	7,080
Total borrowings	**14,528**	**7,080**

(b) 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	(145)	(71)	(109)	(53)
1% decrease in interest rate	145	71	109	53

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

(v) Currency risk

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

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

Particulars	As at 31 March 2026	As at 31 March 2025
Assets		
Trade receivables	376	101
Liabilities		
Trade payables/Capital creditors	19	192

Sensitivity Analysis:

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

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Strengthening	Weakening	Strengthening	Weakening
USD	18	(18)	(5)	5

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2.36 Income-tax

a. Amount recognised in statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	750	951
Adjustments of tax relating to earlier year	(5)	4
Deferred tax attributable to temporary differences	175	47
Tax expenses for the year	**920**	**1,002**

b. Amount recognised in other comprehensive income

Particulars	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 on defined benefit plans	0	(0)	0	(18)	5	(13)

c. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	**3,527**	**4,031**
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	888	1,015
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	33	8
Adjustment in respect of income-tax for earlier years	(5)	4
Impact of difference in tax rates	4	(25)
Total	**920**	**1,002**
Effective tax rates	**26.09%**	**24.86%**

d. Recognition of deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax asset		
Expected credit loss for trade receivables	81	76
Provision for employee benefits	121	98
Total deferred tax asset	**202**	**174**
Deferred tax liability		
Property, plant and equipment	756	540
Others	13	26
Total deferred tax liability	**769**	**566**
Deferred tax liability (net)	**(567)**	**(392)**

(ii) Movement in temporary differences

	Expected credit loss for trade receivables	Provision for employee benefits	Property, plant and equipment	Others - liability	Total
Balance as at 1 April 2024	**59**	**84**	**(486)**	**(3)**	**(346)**
Recognised in profit or loss	17	9	(54)	(23)	(51)
Recognised in OCI	-	5	-	-	5
Balance as at 31 March 2025	**76**	**98**	**(540)**	**(26)**	**(392)**
Recognised in profit or loss	5	23	(216)	13	(175)
Recognised in OCI	-	(0)	-	-	(0)
Balance as at 31 March 2026	**81**	**121**	**(756)**	**(13)**	**(567)**

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2.37 Revenue from contracts with customers:

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from hospital services	11,527	9,314
Revenue from pharmacy	4,949	4,151
Total revenue from contracts with customers	**16,476**	**13,465**
India	16,476	13,465
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	11,527	9,314
Goods transferred at a point of time	4,949	4,151
Total revenue from contracts with customers	**16,476**	**13,465**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	17,587	14,168
Less: Discounts and disallowances	(1,111)	(703)
Total revenue from contracts with customers	**16,476**	**13,465**

Contract balances

Particulars	As at 31 March 2026	As at 31 March 2025	As at 1 April 2024
Trade receivables	2,784	1,874	1,487
Unbilled revenue	254	207	134
Contract liabilities	367	254	189

Contract liability: During the financial year ended 31 March 2026, the Company has recognised revenue of Rs.254 from advance received from patients outstanding as on 31 March 2025. During the financial year ended 31 March 2025, the Company has recognised revenue of Rs. 189 from advance received from patients outstanding as on 31 March 2024. 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 Company has transferred Rs. 207 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 Company has transferred Rs. 134 of unbilled revenue as at 31 March 2024 to trade receivables on completion of performance obligation.

2.38 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

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

2.39 Ratio Analysis and its elements

Particulars	Numerator	Denomerator	As at 31 March 2026	As at 31 March 2025	% change
Current Ratio^	Current Assets	Current Liabilities	0.77	0.84	-8%
Debt-Equity ratio *	Total Debts[1]	Shareholder's Equity	0.63	0.33	92%
Debt service coverage ratio **	Earnings for debts service[2]	Debt service[3]	2.34	5.20	-55%
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	10.08	11.38	-11%
Trade Receivable turnover Ratio	Net Credit Sales[4]	Average Trade Receivables	7.07	8.01	-12%
Trade Payable turnover Ratio	Net credit Purchases[5]	Average Trade Payables	9.20	8.51	8%
Net Capital turnover ratio ***	Net Sales[6]	Working capital[7]	(13.00)	(23.34)	44%
Return on Equity Ratio	Net profits after taxes	Average Shareholder's equity	11.34%	15.02%	-24%
Net Profit ratio^^	Net profit	Net Sales[6]	15.32%	21.79%	-30%
Return on Capital employed	Earnings before interest and taxes	Capital Employed[8]	10.81%	14.36%	-25%
Return on Investment	Interest (Finance Income)	Time Weighted Average Investment	6.56%	6.50%	1%

[1] Debt includes Lease Liabilities
[2] Net profit after taxes + Non-Operating expenses- Non-Operating income
[3] Interest and lease payments + Principal Repayments
[4] Gross credit sales - sales return
[5] Gross credit purchases - purchase returns + Other expenses
[6] Total sales - sales return
[7] Current assets - Current liabilities
[8] Tangible Net Worth + Total Debts + Deferred Tax Liability

^ The current liability of the Company exceeds its current assets. Based on projected cashflows of the Company, the management is confident of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
^^ Decrease in net profit after taxes resulted in change in the ratio
* Borrowings availed during the year resulted in the change in the ratio.
** Borrowings repaid and interest paid during the year resulted in the change in the ratio
*** Increase in revenue and current borrowings during the year resulted in change in ratio.

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2.40 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The Company has not declared/paid any dividend during the year.

2.41 Events after the reporting period
There are no significant adjusting events that occurred subsequent to the reporting period.

As per our report of even date attached

for S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration no.: 101049W/ E300004

per Navneet Rai Kabra
Partner
Membership no.: 102328

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

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

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Ltd. Secunderabad

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

THE SKYVIEW 10
18th Floor, "NORTH LOBBY"
Survey No. 83/1, Raidurgam
Hyderabad - 500 032, India
Tel : +91 40 6141 6000

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

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in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill on consolidation pertaining to acquisition of subsidiaries *(as described in Note 2.40 of the consolidated financial statements)*	
As at March 31, 2026, the Group has goodwill in consolidated financial statement 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.

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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

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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.

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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;

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(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;

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * HYDERABAD *

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

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

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.

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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

Navneet Rai

per Navneet Rai Kabra
Partner
Membership Number: 102328
UDIN: 26102328AACYXB4596
Place of Signature: Hyderabad
Date: May 15, 2026

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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)	6,662	12,138
Goodwill	2.40	3,380	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

Navneet Rai

per Navneet Rai Kabra
Partner
Membership no.: 102328

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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

J R Nagajayanthi
Company Secretary
Membership no: FCS7

Place: Hyderabad
Date: 15 May 2026

Krishna Institute ... Secunderabad

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 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 gain/(loss) for the year attributable to:			
Owners of the Company		1	(20)
Non-controlling interests		1	(3)
Other comprehensive gain/(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

Navneet Rai

per Navneet Rai Kabra
Partner
Membership no.: 102328

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

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	2,837	1,772
	Finance costs	2,026	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 subsidiaires	-	(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	(564)	(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

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

Sachin Ashok Salvi
Chief Financial Officer

Place: Hyderabad
Date: 15 May 2026

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

J R Nagajayanthi
Company Secretary
Membership no: FCS7148

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	-	-	-	-	3,945	3,945	203	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 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

per Navneet Rai Kabra
Partner
Membership no.: 102328

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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

J R Nagajayanthi
Company Secretary
Membership no.: FCS7148

Place: Hyderabad
Date: 15 May 2026

Krishna Institute of Medical Sciences Ltd
Secunderabad

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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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 is 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.

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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.

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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:

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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.

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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

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Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption for those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

The Group also applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets, with a value of up to Rs. 10 mn on date of recognistion. 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

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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.

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

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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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

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		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.

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		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 after12 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.

		As at 31 March 2026	As at 31 March 2025
(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.

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	As at 31 March 2026	As at 31 March 2025
2.7 Trade receivables (at amortised cost)		
(Unsecured)		
Trade receivables - Considered good - Unsecured*	6,173	4,529
Less: Allowance for expected credit loss	(631)	(575)
	5,542	3,954
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	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	Outstanding for following periods from due date of payment						Total
	Current but not due	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	Outstanding for following periods from due date of payment						Total
	Current but not due	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

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	As at 31 March 2026	As at 31 March 2025
2.8 Cash and bank balances		
a) Cash and cash equivalents		
Cash on hand	29	32
Balances with banks		
- in current accounts	391	461
- in deposit accounts (with original maturity of 3 months or less)	134	67
	554	**560**
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	193	245
	193	**245**
Total	**747**	**805**

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. 193 (31 March 2025: Rs. 245) 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. Includes interest accrued but not due of Rs.8 (March 2025: Rs 8) reclassified to deposits for better presentation.

c) Changes in liabilities arising from financing activities:

	As at 31 March 2026	As at 31 March 2025
Borrowings (Non-current and current):		
Opening balance	19,060	10,463
Proceeds from borrowings, net	(133)	7,938
Acquisition of subsidiaries (Refer note 2.34)	-	659
Closing balance	**18,927**	**19,060**
Lease liabilities:		
Opening balance	6,507	3,092
Additions	3,634	2,649
Acquisition through business combination (Refer note 2.34)	-	790
Interest accrued on lease liabilities*	692	411
Payment of lease liabilities	(744)	(401)
Others	-	(34)
Closing balance	**10,089**	**6,507**

* Includes interest capitalised to CWIP amounting to Rs 341 (31 March 2025: Rs 280)

2.9 Non-current tax assets (net)		
Advance tax (net of provision for taxation)	550	438
Total	**550**	**438**

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2.10 (a) Equity share capital	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.

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2.10 (b) Other equity

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

	31 March 2026	31 March 2025
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:

i. 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.

ii. 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.

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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.

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(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
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 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.	Nil	Repo Rate + 3.25% p.a	152	162

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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 installment 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		

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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 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 October2026	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

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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. Bhaskar 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 immoveable 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.

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	As at 31 March 2026	As at 31 March 2025
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)

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

	As at 31 March 2026	As at 31 March 2025
2.13 Non-current provisions		
Provision for employee benefits		
Gratuity (Refer Note 2.26)	457	335
Total	**457**	**335**

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	As at 31 March 2026	As at 31 March 2025

2.14 Trade payables (at amortized cost)

Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer Note 2.30)	534	150
- total outstanding dues of creditors other than micro enterprises and small enterprises	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)	80	49
Compensated absences	246	215
Total	**326**	**264**

2.16 Other current liabilities

(a) Non-current		
Deferred Government grants*	608	357
Total	**608**	**357**
(b) Current		
Statutory dues payable	269	205
Contract liabilities (refer note 2.31)	506	324
Staff reimbursement liabilities	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)

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		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

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		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

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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

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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).

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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

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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.

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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. 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

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(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 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 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.

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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.	-	-

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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.

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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 31 March 2026	As at 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.

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2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2026	Carrying value	Fair value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	5,542	5,542	NA
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)			
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)	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 financials liabilities at fair value through equity (Refer note below)			Level 3
Put option liability	583	583	
Other financials liabilities at fair value through profit or loss (Refer note below)			
Liability on business combination	581	581	
Total	**1,164**	**1,164**	

As at 31 March 2025	Carrying value	Fair value	Fair value level
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)			
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 financials liabilities at fair value through profit or loss (Refer note below)			Level 3
Liability on business combination	588	588	
Total	**588**	**588**	

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B. Measurement of fair Values

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

(a) 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.

(b) The values for loans were calculated based on cash flows discounted using a current lending rate.

(c) The values of long term borrowings and lease liabilities are based on discounted cash flows using a current borrowing rate.

(d) The fair values of trade receivables, trade payables, other financials 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.

(e) The fair values of Investments in other equity are measured at fair value through Other comprehensive income in accordance with Ind AS 109.

(f) 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.

(g) 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.

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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.

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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

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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**

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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.

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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.

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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)

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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)

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2.37 Disclosure of additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013:

31 March 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 Kurnool 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 Kurnool Private Limited	0%	(59)	1%	38	0%	-	1%	38
Sarvejana Healthcare Private Limited	21%	5,054	13%	535	9%	(2)	13%	533
KIMS Manavata Hospital Private Limited	3%	761	-2%	(92)	0%	-	-2%	(92)
SPANV Medisearch Lifesciences Private Limited	6%	1,530	0%	(18)	4%	(1)	0%	(19)
Chalasani Hospitals Private Limited	-2%	(363)	-1%	(60)	0%	-	-1%	(60)
Meda Institute of Podiatry Private Limited	0%	5	0%	(8)	0%	-	0%	(8)
Associate								
Kondapur Healthcare Limited	NA	NA	0%	-	NA	NA	0%	-
Non-controlling interests in all subsidiaries	12%	2,810	7%	303	13%	(3)	7%	300
Eliminations	-49%	(11,964)	-2%	(86)	0%	-	-2%	(86)
Total	**100%**	**24,188**	**100%**	**4,148**	**100%**	**(23)**	**100%**	**4,125**

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2.38 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	-

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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
	In cash	**Yet to be paid in cash**	**Total**
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
	In cash	**Yet to be paid in cash**	**Total**
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.

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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.

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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

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

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*	**J R Nagajayanthi** *Company Secretary* Membership no: FCS7148

Place: Hyderabad
Date: 15 May 2026

Institute of Medical Sciences
Secunderabad