5th August 2023

The Secretary,	The Secretary,
Bombay Stock Exchange Ltd (BSE)	**National Stock Exchange,**
Phiroze Jheejheebhoy Towers,	Exchange Plaza, 5th Floor Plot No.C/1, 'G' Block
Dalal Street,	Bandra - Kurla Complex
Mumbai - 400 001.	Mumbai - 400 051.
Scrip Code - 543308	**Symbol** - KIMS
ISIN: INE967H01017	**ISIN: INE967H01017**

Dear Sirs,

Subject: Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015- Submission of Annual Report for the FY 2022-23.

Pursuant to the provisions of Regulation 34(1) of the Listing Regulations, please find attached a copy of the integrated 21st Annual Report of the Company for the Financial Year 2022-23, which is being sent only through electronic mode to the Members, who have registered their e-mail addresses with the Company/ Depositories.

The 21st Annual Report is available on the website of the Company at https://www.kimshospitals.com/investors/> ***Disclosures under Regulation 46 of SEBI (LODR) Regulations, 2015*** ***> Financial Information > Annual Report***.

Request you to take the above information on record.

Thanking you,
Yours truly,
For Krishna Institute of Medical Sciences Limited

MANTHA UMASHANKAR
Digitally signed by MANTHA UMASHANKAR
Date: 2023.08.05 19:54:38 +05'30'

Umashankar Mantha
Company Secretary & Compliance Officer

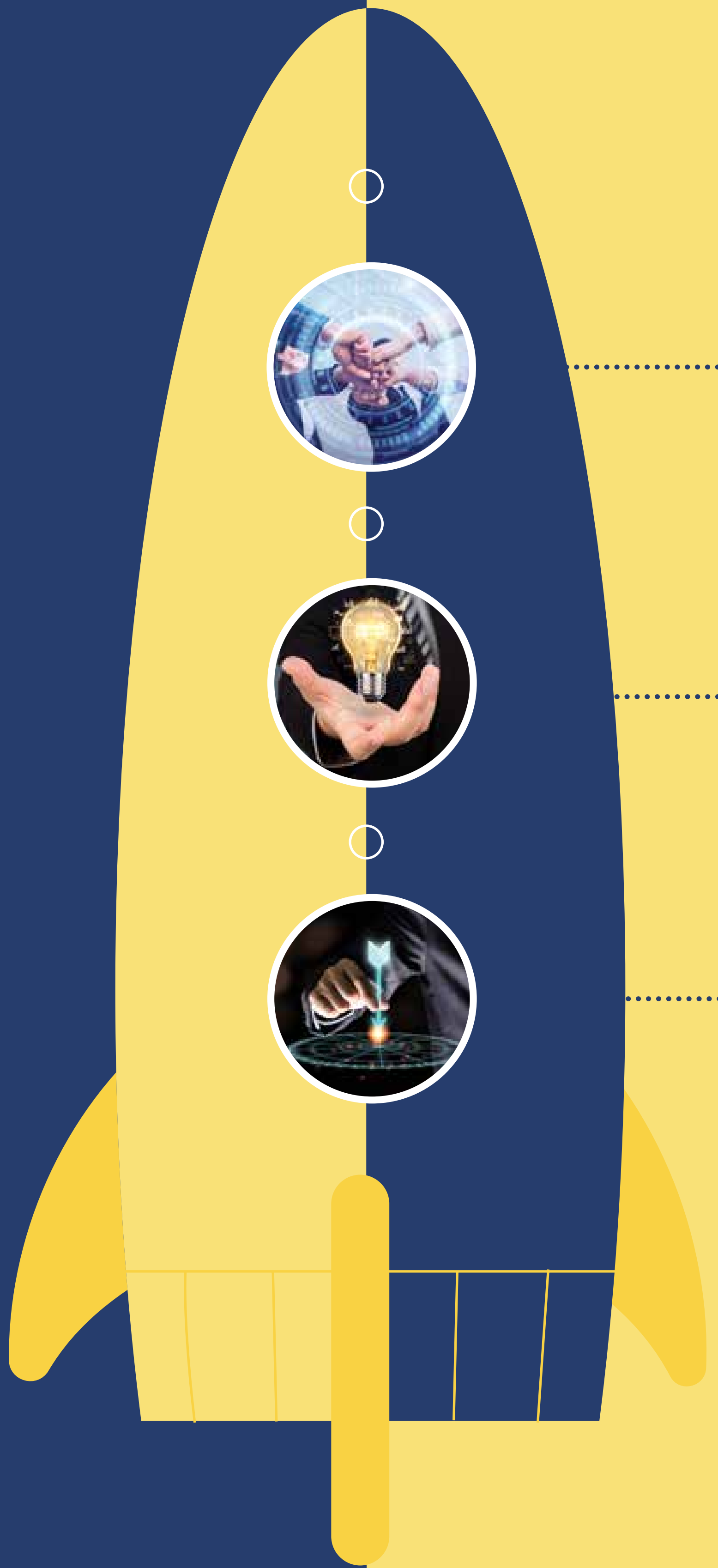
Enc: As Above

www.kimshospitals.com

KIMS HOSPITALS™

REAL WEALTH IS GOOD HEALTH

21ST ANNUAL REPORT | 22 23



OUR VALUES

Our values drive everything that we do.

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

OUR MISSION

Provide affordable quality care to our patients with patient-centric systems and processes.

Enable clinical outcome-driven excellence by engaging modern medical technology.

Provide a strong impetus for doctors to pursue academics and medical research.

OUR VISION

To maximise our reach and to be the most preferred healthcare services brand by providing affordable care and the best clinical outcomes to patients.

And to be the best place to excel for doctors and employees.

CONTENTS

CORPORATE INFORMATION

Composition of the Board of Directors

Name of Director	Designation
Dr. Bhaskara Rao Bollineni	Chairman & Managing Director
Dr. Abhinay Bollineni	Director & CEO
Ms. Anitha Dandamudi	Whole-time Director
Mr. Shantanu Rastogi	Non-Executive Director
Mr. Rajeswara Rao Gandu	Independent Director
Mr. Saumen Chakraborty	Independent Director
Mr. Pankaj Vaish	Independent Director
Mr. Venkata Ramudu Jasthi	Independent Director
Mr. Kaza Ratna Kishore	Independent Director
Mrs. Prameela Rani Yalamanchili	Independent Director

Senior Management

Mr. Vikas Maheshwari	Chief Financial Officer (Resigned w.e.f. 01.06.2023)
Mr. Sachin Ashok Salvi	Chief Financial Officer (Appointed w.e.f. 01.08.2023)
Mr. Uma Shankar Mantha	Company Secretary & Compliance Officer

Board Committees

Audit Committee	Nomination and Remuneration Committee
1) Mr Saumen Chakraborty	1) Mr. Pankaj Vaish
2) Mr. Rajeswara Rao Gandu	2) Mr. Rajeswara Rao Gandu
3) Mr. Pankaj Vaish	3) Mr. Venkata Ramudu Jasthi
4) Mr. Shantanu Rastogi	4) Mr. Shantanu Rastogi

Corporate Social Responsibility Committee	Stakeholders Relationship Committee
1) Dr. Bhaskara Rao Bollineni	1) Mr. Rajeswara Rao Gandu
2) Dr. Abhinay Bollineni	2) Mr. Kaza Ratna Kishore
3) Mr. Venkata Ramudu Jasthi	3) Dr. Bhaskara Rao Bollineni

Risk Management Committee	Finance and Investment Committee
1) Mr. Rajeswara Rao Gandu	1) Mr. Saumen Chakraborty
2) Mr. Saumen Chakraborty	2) Dr. Bhaskara Rao Bollineni
3) Dr. Abhinay Bollineni	3) Mr. Shantanu Rastogi
4) Ms. Anitha Dandamudi	

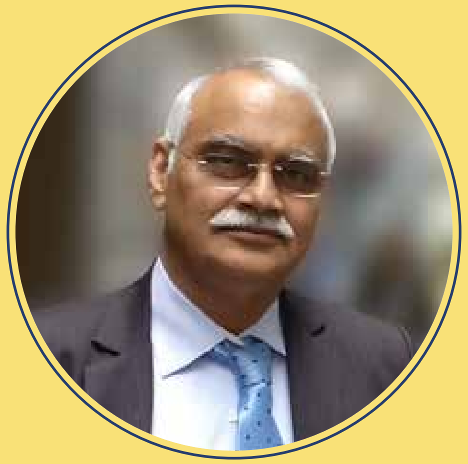
IT Steering Committee	
1) Mr. Pankaj Vaish	3) Dr. Abhinay Bollineni
2) Mr. Saumen Chakraborty	4) Mr. Shantanu Rastogi

Registered Office:
D.No. 1-8-31/1, Minister Road, Secunderbad-500003

Registrars & Transfer Agents:
Link Intime India Private Limited

Statutory Auditors:
M/s. S. R. Batliboi & Associates LLP

Internal Auditors:
M/s. PricewaterhouseCoopers Services LLP



Dr. Bhaskara Rao Bollineni
Chairman & Managing Director

Dear Shareholders,

I extend a hearty welcome to all of you for the annual general meeting of your company. I eagerly look forward to this event as it enables me to directly share with you the progress of your Company and other developments.

National Perspective

It is a matter of pride that India is hosting the prestigious G20 summit that will be attended by world leaders who will deliberate upon various issues including HEALTHCARE.

The theme of G20 for this year is 'VASUDAIVAKUTUMBHAM" – The whole world is one family is a holy and holistic concept enshrined in our age old scriptures. The G20 will benefit India, and indeed, the whole world in creating a better health order of wider reach and reduced costs through collective wisdom, innovations and collaborations.

Infrastructure of roads, Railways and airports denote the development of a Nation. But equally important is **Health Infrastructure** to ensure quality healthcare that is accessible and affordable. **A Healthy nation is a wealthy Nation.** It is healthy men and women that can build a nation strong. Both the private and public sectors have to work in tandem to build synergy of their strengths to provide quality health care that is accessible and affordable.

It is a matter of concern that lifestyle diseases like Diabetes and Cardiovascular ailments are growing at an alarming pace in our country. Essentially, one in every four Indian adult is either fully diabetic or in an early stage of diabetes. Every one in three Indians is Hypertensive. One in every four have deranged cholesterol levels. The reason for the spurt can be attributed to changes in food habits and lifestyles of people during last two decades. In this scenario, prevention assumes lot of importance for which awareness is to be created on a large scale by the industry and government in guiding and persuading the citizens to make appropriate lifestyle changes. Many diseases, if not all, in young adults are preventable and it requires interventions from individuals, society and the government. **The health care reforms have to come more from our kitchens and our homes, rather than from authorities alone.**

Financial and Operational Highlights

a. Our consolidated revenue stood at Rs. 22,235.50 Mn for FY 23 compared to Rs. 16,710.85 Mn in FY 22, showing a growth of 33%.
b. EBIDTA stood at Rs. 6,299 Mn against Rs. 5,360 Mn in FY 22 recording a growth of 17.5%.
c. PAT for the year stood at Rs. 3,658.13 Mn against Rs. 3,437.95 Mn in previous year FY 22 recording a growth of 6.4%.
d. IP & OP volumes grew by 30% & 40% respectively.
e. ARPOB for FY 23 stood at Rs. 29,946 against Rs. 25,323 in FY 22, registering a increase of 18%.

Quality and Safety

Quality and Safety are the two cardinal essentials for any hospital. Quality does not happen by accident. It is a product of conscious and continuous effort. It is leadership that can deliver quality and it is quality, in turn, makes a leadership. It is quality that distinguishes a leader from rest. The leaders in healthcare need to ensure, enable, enforce and inspire quality. As a result of our steadfast adherence to high quality standards, KIMS has come to be considered synonymous with quality.

Safety of patients as well as that of doctors and staff is a matter of primary importance. My heart goes out to the young lady doctor in Kerala whose career was nipped in the bud due to a fatal attack made by a patient. The incidence of such violence against doctors and staff is on rise. The Govt. has to formulate determent policies to curb such trend and the hospitals also have to enforce adequate security measures.

Journey so far:

Propelled by a passion to provide affordable quality healthcare. KIMS was started by a group of likeminded doctors in the year 2000 at Nellore. We made rapid strides in a short time on account of our clinical outcomes coupled with affordable tariffs. Our flagship hospital at Secunderabad was opened in the year 2004. We continued expanding and our presence received overwhelming response in both states of Telangana and Andhra Pradesh culminating in our going public in the year 2021. Post the public issue we expanded our reach further with strategic acquisition like Sunshine hospitals - a premier hospital in orthopedics. The year 2022 signals our foray into Maharashtra at important centers of Nagpur and Nashik.

While Nagpur unit is already functioning, the Nashik unit is expected to be operationalized soon. We have active plans to open KIMS at Thane, Mumbai and strengthen our presence further in Maharashtra. These new centers are in the process of stabilization and will start yielding results in due course. Thus the stream of KIMS continues to grow wider in service, span and size.

Patient is Paramount

Patient care is the nucleus to all our plans, initiatives and activities. We begin everything with the end in mind, the end being patient safety, cure and care. Our aim is to ensure that every single patient who comes to KIMS feels at home with our personalized attention and stands reassured.

KIMS is a symphony of passion, experience, expertise and dedication. We make sure that we just don't treat patients but we treat every patient with care. With over 40 specialties and super specialties, there is virtually no part of human anatomy that is not treated and our family of over 10000 personnel comprising of doctors, nurses and support staff are adept at caring for all those whoever step into KIMS.

Human Resources (HR)

An organization succeeds not because it is big or because it is long established or it has latest technology but because there are people in it, Who live it, sleep it, dream it and build a future for it.

Our HR comprising of doctors, nurses and various others who keep the wheels moving blend together in being **responsive, responsible** and **respectful** in their attitude demonstrating ownership and trust.

Our Doctors and other staff work with a rare passion and precise cohesion to excel on a daily basis in what all they do, in realizing the corporate goals and also enhancing their own self-worth and growth.

To be great, truly great, you have to be the kind of person who makes the others around you great – Mark Twain

The above spirit is inculcated in the staff from the beginning so that the leaders continue to breed next level leaders by mentoring and motivating. It is not buildings, machinery and equipment and technology but it is our HR that constitutes our best asset.

Technology

As a hospital, we know that technology has become an indispensable part of our lives. We have always been in the forefront to harness the technology for optimum results. For advancing comprehensive and accessible healthcare the digital health is a transformative breakthrough that supersedes the barriers of distance, time and cost.

Insurance

Health Insurance is a vital segment of Healthcare. The poorer sections of the society are being addressed by the government under its schemes. The rich can take care of themselves. However, there is a vast section that lies in between, neither here nor there. Recently we have seen in news that all the residents in Kalagummkal ward in Kollam district of Kerala have insurance, thanks to a local Councilor's initiative who contributed half the Premium. Making this a national reality requires a public-private effort to insure sections left out under Ayushman Bharat. Data suggests that every year 6% Indian population drops below poverty line because of unexpected healthcare expenditure. It would be a good idea to include this in CSR activities of Corporates to contribute for coverage of those not covered under Govt. schemes.

There is yet another section of those who can afford, yet don't go for insurance out of negligence or ignorance. They need to cover themselves with adequate insurance since a sudden illness can shake the financial edifice. Finally, all people are to be brought under the insurance cover to pave way for universal healthcare.

Corporate Social Responsibility (CSR)

We are totally committed to serve the communities through our CSR activities covering a wide range of areas that include healthcare, education, skill development, subsidized food to the needy, old age homes, orphanages and infrastructure support to schools in tribal areas and other places. Our implementing agency KFRC is carrying out many research activities in medical field and currently there are about 7 ongoing projects. Besides KFRC has also ambitious plans to construct a building to house a school and a skill development center for providing free education to BPL families.

Organ Donations

I applaud the call given by our Prime Minister for organ donation and the need for greater education in this regard. The fact of Prime Minister making such an appeal underlines the importance and the burning need for awareness in the matter. KIMS occupies the top place in India in Thoracic organ transplants having performed 75 cases during the year.

Academics

We are proud of the fact that our doctors take active part in international events and extensively contributed to the journals and won laurels.

As a healthcare provider, we are well-concerned about your wellness. We are coming out with a periodical newsletter on Wellness and the same is mailed to all our shareholders evoking good response from them. Basically, a balanced diet, adequate sleep, regular exercise, stress-free lifestyle and periodical health checkups can help one in keeping good health. The newsletter covers a wide range of health and wellness issues that are beneficial in general.

Investor interest is at the core of our concerns and our initiatives and efforts are directed to add real value to your investment. We thank you for your support.

I thank my colleagues on board for their enlightened contribution in taking the company forward. Their visionary approach and commitment have together shaped the growth of the company.

The following sums up our philosophy
The best single word - WE NOT I
Best two words - SERVE OTHERS
Best three words - BE THE BEST
Best four words - LET US ALL GROW
Best five words - FRUITS OF EFFORTS TO SOCIETY

Best regards,

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director

Dr. Abhinay Bollineni
Chief Executive Officer

Dear shareholders,

Greetings and hearty welcome to the Annual General Meeting.

Our Outlook

For KIMS, healthcare is not just a profession but a calling where patients and their families become an essential part of our existence.

RESPONSIBILITY is the key philosophy of KIMS.

RESPONSIBILITY towards Profession

RESPONSIBILITY towards Patients

RESPONSIBILITY towards Investors

RESPONSIBILITY towards Community

and RESPONSIBILITY towards Government

Each of us at KIMS is committed to changing lives by promoting good health, fostering hope and transforming healthcare delivery. The KIMS EFFECT ripples out to all those who come into contact with us.

Our agenda is to REACH OUT to more and more Patients i.e. Accessible and to bring services WITH IN REACH i.e. Affordable. Access to quality healthcare should be a common basic right, not a privilege.

The three broad elements that exemplify KIMS are

- Consistently good clinical outcomes
- Transparent and affordable pricing
- Quality experience with fusion of technology and personalised care.

HR

Our endeavor is to make the workplace happier and more fulfilling. It is not WORK VS LIFE BUT WORK WITH LIFE. A quality life boosts the quality in work. We focus on the wellbeing and career development to retain talent and fuel innovation. There is a commitment to ensure that employees realize their true potential at work. We engage them, connect with them and reward them. There exists a conscious and continuous process for creation, augmentation, promotion and retention of Leadership.

We nurture a stimulating, rewarding and inclusive work culture and environment where SPIRIT DE CORPS pervades the whole organization.

It is said that any institutions is an extension of one Man's vision. KIMS reflects our CMD Dr. Bhaskara Rao's vision, values and relentless efforts. Even today, every day he is available and accessible to every patient who comes to him with his reassuring smile and radiant goodwill.

Technology:

Technology is integral to KIMS and it is always with a focus for enhancing patient safety and comfort and not technology for its own sake. Technology can support healthcare institutions by streamlining the data and collection process, aiding development of innovative treatment and improving communications across demographics.

However, technological outcomes will be only as good as data put into them and depends on how technology is used. In order to make healthcare truly inclusive, tech products within healthcare should be truly representative. They must consider needs of all patients and support the delivery of empathetic care based on individual patient needs.

Healthcare organisations are searching for ways and means to integrate and harmonize their data to make meaningful connections that lead to actionable insights. The data has to be accurate, relevant, complete and accessible in real time.

Our approach for adopting new technologies is based on following.

Does it help in serving the Patient better?

Does it reduce the pain and recovery period?

Does it lead to cost reduction in long run?

Growth and Expansion:

It gives me pleasure to inform that the year 2022-23 is signified by consolidation and expansion. The Sunshine hospitals came into our fold in late 2021 and the process was consolidated in 22-23 yielding a revenue contribution of 19%. The KIMS SUNSHINE will be shifted soon to company's own premises that will add 300 new beds. It is a sprawling and state of the art building in a better location with latest equipment and amenities that will enhance patient comfort and add to the volumes.

The year marks our foray into Maharashtra at important centers like Nagpur and Nashik through strategic alliances. The Nagpur unit brings another 330+ beds into our arms besides vast untapped potential of the town and surrounding areas. The Nashik unit is under advanced stage of construction and expected to be operationalized in next year.

We are all set to enter Karnataka in the ensuing year with a 250 bed hospital in the heart of Bangalore. We have immediate plans to expand our wings to Thane, Mumbai in the next year. All these initiatives will lead to doubling of our capacity to 8000 beds in the next 2-3 years spanning across the states of Telangana, AP, Maharashtra and Karnataka.

We are actively adding new therapies and exclusive departments to shore up our specialized services. We have opened an exclusive Gastroenterology unit at Vizag. We are gearing up to open Mother & Child facility at Secunderabad and Nagpur besides four units in AP. Oncology will be another focused area wherein we are planning to come up with 7 units.

KIMS'S unique model of affordable pricing, Doctor Equity participation and low financial leverage approach to both Organic and inorganic expansions have resulted in strong regional leadership.

Thus, new frontiers are being explored across the entire value chain system to add significant impetus. Existing facilities will be further fortified and the new units will be groomed to power growth.

Our presence is predominantly in tier 2 and 3 centers. It is heartening that complex major surgeries are taking place at these centers, there by obviating the hardships to patients in going all the way to far off cities saving them valuable time and money and more importantly, sparing them the stress and strain of staying away from home.

In this dynamic journey of KIMS to the next horizon, several strategic initiatives are being explored to achieve sustained, competitive and profitable growth. Accordingly, portfolios are being revitalized to make them future ready and address emerging trends.

We are set to explore new vistas, expand our horizons, enhance patient care and comfort and excel in what all we do.

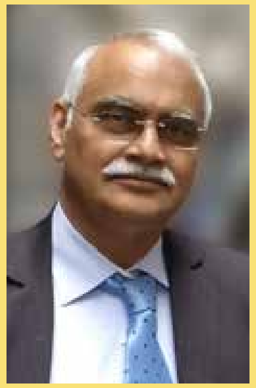
The trust of our investors, dedication of our Doctors and staff, goodwill of our patients and their families propel our forward voyage to scale greater heights.

I place on record my sincere gratitude and appreciation to my colleagues on board for their invaluable guidance and contribution.

Best regards,

Dr. Abhinay Bollineni
Chief Executive Officer

BRIEF PROFILES OF DIRECTORS



Dr. Bhaskara Rao Bollineni - the founder and Chairman and MD is a veteran Cardio-theorisis surgeon with more than 3 decades of experience and above 30,000 surgeries to his credit. He is an entrepreneur par excellence who conceptualised, conceived and concretized KIMS over the past twenty years. He is fiercely committed to the cause of providing affordable and quality health care on a large scale.

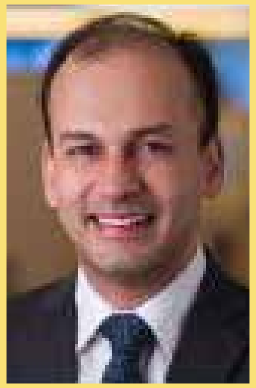
He is one of the Chief architects of Arogyasri Scheme of the Government of AP in 2007 that made corporate healthcare available to millions of poor people.

The scheme is considered a role model for implementation by many other states in catering to the health needs of marginalised sections of the society.

He is a team player who puts others' interest ahead of his own and demonstrating all along that ethics and entrepreneurship can go hand in hand. He is a visionary embedded with pragmatism and dynamism. KIMS is poised for exponential growth under his visionary stewardship.

Dr. Abhinay Bollineni is the Executive director and youngest of the team with a matured temperament and steely determination. He looks after administration, financial management and strategic expansion. He played a key role in setting up new branches and exploring collaborations with new health partners to maximise our reach - starting from establishing second branch of KIMs in twin cities at Kondapur in 2014, and branches in Ongole (2017), Vizag (2017), Anantapur (2018} and Kurnool (2019). He was the key player in acquisition of Sunshine hospitals and opening of first KIMS establishment outside the Telugu states in Maharastra at Nagpur & Nashik. He has a penchant for modernisation and innovation. He played a dynamic part in motivating the doctors and staff during the pandemic. He is a shrewd administrator with eyes and ears to the developments around the world in the Medical sphere.

Anitha Dandamudi is a Whole-time Director of our Company. She holds a diploma in business management from the ICFAI University. She also holds certifications for the auditing of quality systems as per ISO 9001-2000 and ISO 9004-2000, and has completed a training programme on internal quality audit for the NABH. She served as Vice President-Administration at e-Talent Software Limited and has over 16 years of experience in the hospital industry, having held various position with our Company. She oversees the administration and patient-care services with dedication and dexterity.



Shantanu Rastogi is a Non-executive Director of our Company. He holds a Bachelor's degree and Master's in technology from IIT, Bombay.He also did his Master's in Business Administration from Wharton School of Business at University of Pennsylvania. He is currently the Managing Director at General Atlantic, where he is responsible for investments in the financial services, healthcare, and retail and consumer sectors in India and Asia-Pacific. He has previously worked as a business consultant with McKinsey & Company. He is highly analytical and pragmatic in his approach to the issues on hand with his bright academic background and rich corporate experience.

Rajeswara Rao Gandu IRS (Retd), is an independent director of the Company. He has over 37 years of experience as a civil servant. He retired as Chief Commissioner of Income Tax and held various prime positions including that of the Under Secretary and Deputy Secretary, Central Board of Direct Taxes (New Delhi), Joint/Additional Director of Income Tax (Investigation) Commissioner of Income Tax in his distinguished career. He also held positions of Ombudsman for the states of Andhra Pradesh and Karnataka and the union Territory of Yanam. He has also won the Finance Minister's Gold Medal for academic excellence. He has extensive knowledge of various facets of Government functioning and Corporate Affairs.

Saumen Chakraborty is an independent director of the Company with brilliant academic background and rich corporate experience of over 37 years. He is an alumnus of IIM Ahmedabad and has also been conferred with the title of "Executive fellow in Management" by Indian School of Business (ISB), Hyderabad.

He was previously associated with Dr. Reddyy's Laboratories, Tecumseh, Eicher, C-DOT and CMC and held many vital positions in the fields of Finance, HR, IT, Legal and Business process. He had played a significant role in evolution of Dr. Reddy´s as a Global Pharmaceutical Company, while handling various CXOs role over 20 years. As a Global CFO at Dr. Reddy's, he built robust financial systems and strong corporate governance thereby enhancing shareholders value. He won a series of Management Excellence awards in his distinguished career from various bodies including CNBC, IMA and BW-Yes Bank. He is the founder and Managing Director of Samarjita Management Consultancy Private Limited. He has been an acclaimed speaker at various global and national conferences. He has deep insights into various issues of Corporate Management with a glowing track record.

Pankaj Vaish is an independent director of our Company. He graduated in Mechanical Engineering from IIT, Banaras and did his Master's in Business Administration from the University of Minnesota. He has over 35 years of corporate experience at the top level, including 28 years with Accenture Services Private Limited (Accenture), where he was a founding member of the Company's consulting practice in India. He held various positions at the apex level in Accenture in a wide array of fields. He has wide-ranging experience in Technology Led Transformation, Consulting, BPO, Offshoring and Outsourcing. He is actively engaged in the financial services and technology industries and is associated with companies across segments of these industries. He is a Professor of Practice of Management at the Amrut Mody School of Management (AMSOM), Ahmedabad University (AU). He is involved with Executive Education, industry collaboration and the development and delivery of a new course to help MBA students prepare for a career via hands on experiential learning. Thus, he distinguished himself in many areas with aplomb. He is an accomplished corporate executive, a management expert, an academician and an educationalist.

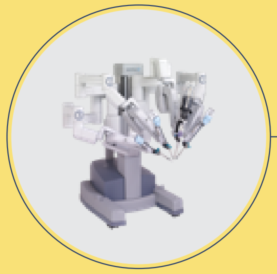
Venkata Ramudu Jasthi IPS (Retd), is an independent director who retired as the Director General of Police (DGP) of erstwhile Andhra Pradesh State. Post-retirement he enrolled with the Bar Council of India. He is post-graduate in Economics and Law. Besides, he holds a post-graduate certificate in Criminal Justice and Police Management from the University of Leicester. He is endowed with a robust understanding on the issues of public importance and has a practical view of various matters concerning administration.

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

Mrs. Prameela Rani, is women Independent Director of our Company. She is a veteran banker with 36 years of varied experience with Andhra Bank where she retired as General Manager. She served as a member of the Indian Banks Association sub-committee on Joint lending arrangements. She has the unique experience of overseeing the governance of diversified industrial companies as a member of their Boards, both while in service in the bank as Nominee Director and subsequently thereafter. Her experience and expertise in credit management and administration during her distinguished career in the bank will be of great help to the Company.

KNOW MORE ABOUT US

MODERN MEDICAL TECHNOLOGY



4-Arm HD da Vinci Robotic Surgical System

Facilitates complex surgeries that are virtually scar less

Novalis Tx Linear Accelerator

Machine used in radiosurgery and radiotherapy for treating cancer patients

EBUS

Used to diagnose lung cancer, infections, and other diseases causing enlarged lymph nodes in the chest

O-Arm Scanner

Multi-dimensional surgical imaging platform optimized for use in spine, orthopaedic, and trauma-related surgeries

3 Tesla MRI

Non-invasive diagnostic imaging technique performing faster scans and gives improved diagnostic sensitivity and specificity

STEALTH STATION S8

Provides the Neuro surgeon to use data intraoperatively for advanced visualization.

Spy Glass

State of the art add on to ERCP that allows doctors to observe patients' biliary duct system and other tiny ducts in the pancreas

Mako Robotic for Knee Replacement

Produces minimal blood loss and a smaller scar. Helps preserve healthy bone and soft tissue. Results in less post-operative pain than manual techniques.

IMPELLA

Impella, the world's smallest heart pump, is a percutaneous catheter-based technology that provides hemodynamic support to the heart

Fibroscan

Specialized non-invasive diagnostic ultrasound-based device that measures fibrosis and steatosis caused by different liver diseases

Cuvis Ortho Robo

The most advanced surgical equipment capable of 3D pre-planning, virtual surgery and precise cutting to provide accurate and precise surgery results

EVIS X1 Endoscopy System

The most advanced Endoscopy system helps improving clinical outcomes by providing Endoscopist with innovative and proven tools.

2008	KIMS Secunderabad received its first ISO 9001-2008 certification from AQA International LLC
2011	KIMS Secunderabad received its first accreditation from NABH
2015	KIMS Secunderabad was awarded the 'Healthcare Excellence Award' by the Indo Global Healthcare Summit and Expo
	KIMS Secunderabad was awarded 'Nursing Excellence' award by AHPI
	KIMS Secunderabad was accredited with ISO 9001:2015 certification
2016	The neurology department at KIMS Secunderabad was ranked third in India by the Neurology India Journal in terms of number of epilepsy surgeries carried out in the year 2016 (until July 31, 2016)
2017	KIMS Secunderabad was awarded by AHPI as a 'Patient Friendly Hospital'
	KIMS Secunderabad became laureate of the Asia Pacific Society of Infection Control CSSD Center of Excellence Silver Award 2015-2016
	KIMS Secunderabad was awarded 'Best Hospital of the Year' in the multispecialty hospital category in Hyderabad and eight other specialities by Times Healthcare Achievers Awards
2019	KIMS Secunderabad received certificate of excellence in the category of 'Best Super-Speciality Hospital in Telangana' at the National Quality Excellence Awards, 2019 hosted by Praxis Media Institute
	KIMS Secunderabad was awarded 'Best Hospital to Work For' from AHPI Global Conclave
	KIMS Secunderabad was recognised as the 'Energy Efficient Unit' at the 20th National Award for Excellence in Energy Management 2019, hosted by CII
	KIMS Secunderabad was accredited by NABL
	KIMS Secunderabad was issued ISO 22000:2005 certificate for receipt, storage, preparation cooking, hold and serving of food items (vegetarian and non-vegetarian) within the hospital by TUV NORD Cert GmbH
	KIMS Kondapur was awarded by the MOHFW under the Kayakalp Guidelines established by MOHFW for its efforts towards excellence in promoting cleanliness, hygiene and infection control in the hospital for the year 2019-20
	KIMS Nellore was issued a certificate of accreditation by NABH for being compliant with NABH pre-accreditation entry level hospital requirements

2020	KIMS Secunderabad ranked the third best hospital in Hyderabad by The Week magazine
	KIMS Secunderabad was issued a certificate of accreditation for being compliant with the 'NABH Standards for Emergency Department in Hospitals' by the National Accreditation Board for Hospitals and Healthcare Providers
	KIMS-Livlife Centre ranked third in Bariatrics Category (Hospitals) in Hyderabad at the Times Excellence Award 2019-20 Hyderabad
	KIMS Kondapur was accredited with a certificate of assessment for exhibition of its intent and commitment towards ensuring safety and hygiene at workplace by IRClass Systems and Solutions Private Limited
2021	KIMS Secunderabad ranked the second best hospital in Hyderabad by The Week magazine
	KIMS Hospital, Secunderabad has received CSSD - ACE Certification
2022	KIMS Secunderabad - Ranked 2nd Best Hospital in Hyderabad by The Week magazine
	KIMS Hospital, Gachibowli received its first accreditation from NABH
	KIMS Saveera Hospital, Anantapur received its first accreditation from NABH
	KIMS Hospital, Ongole received its first accreditation from NABH
	KIMS Hospital, Srikakulam received its pre-entry level accreditation from NABH
2023	KIMS Saveera Hospital, Anantapur has received CSSD - ACE Certification
	AHPI Healthcare Excellence Award in the category of "Excellence in Nursing Practices"
	Appreciation award for conducting pre-conference workshop at KIMS Hospitals by CAHOCON 2023

2000
NELLORE
250 BEDS

2002
RAJAHMUNDRY
180 BEDS

2004
SECUNDERABAD
1000 BEDS

2011
SRIKAKULAM
200 BEDS

2014
KONDAPUR
200 BEDS

2017
ONGOLE
350 BEDS

2018
ANANTAPUR
250 BEDS

2018
VIZAG
469 BEDS

2019
KURNOOL
200 BEDS

2022
SUNSHINE HOSPITALS
525+ BEDS

2022
NAGPUR
334+ BEDS

• BEDS (3,950+) • DOCTORS (1,500+) • NURSES (3,700+)
• PARAMEDICS (1,900+) • ADMIN (6,000+)

RESEARCH INITIATIVES

KIMS Foundation and Research Center (KFRC)

KFRC is founded by Dr. Bhaskara Rao Bollineni, Chairman & Managing Director, KIMS Hospitals in 2010 for undertaking advanced scientific research in healthcare and disease management. Since then KFRC has achieved several milestones in terms of obtaining a DSIR certificate for doing scientific and academic activities and NAC-SCRT certification for stem cell research. KFRC has published several research articles with suitable clinical applications in international journals and developed scientific collaborations with Govt. and private institutions as part of recognition for collaborative research.

A. Mission and Vision

- To promote Science and Technology in all areas of healthcare and undertake scientific work of national and international importance addressing diverse medical needs of the society.
- To provide outreach and support to the community and disseminate knowledge gained through research for the betterment of society.
- To be recognized as a leader in developing innovative medical therapies and reducing the cost of healthcare.

B. R&D Activities

1. **Sensor instrumentation for Ex-vivo lung perfusion:** This instrument will help to profuse the lung using special STEEN solution before the transplantation to increase the success rate of transplantation as compared with current methods.
2. **3D Bio-Scaffold Research:** Bio-scaffold are research at KFRC will enable the researchers to grow stem cells into any desired cells for repair and damage purpose.
3. **Exosomes research as prognostic Glioma biomarkers:** This is one of the novel approaches towards the development of non-invasive bio-markers which will aid in Glioma diagnosis, treatment and prognosis.
4. **Corneal cell research:** Corneal research will device techniques to preserve the cornea for larger use and increase the transplantation rate and improves the overall health of the patients.
5. **Importance of Serine/Threonine Protein Kinase in Glioma:** Understand the function Kinase in the development of new therapeutic approaches that may be useful in the management of glioma and could also serve as prognostic biomarkers.
6. **Glial-Mesenchymal (GM) Transition markers in Glioma:** Glial-mesenchymal transition similar to EMT-like process could be tapped as the prognostic markers in the management of glioma long been considered as a contributory factor for clinical aggravation of malignant glioma.
7. **Role of Aspirin and clopidogrel gene in recurrent stroke patients:** Study of Aspirin and clopidogrel gene is important as significant inter-individual variability has been observed to the response to antiplatelet therapy with aspirin or clopidogrel among stroke patients.
8. **Biomarkers in Focal Cortical Dysplasia:** Study of FCD biomarkers will help to understand the patient condition, disease management and prognosis. These markers will aid in to radiological and histological findings.

C. Clinical trials being conducted at KIMS Hospitals:

(2022- 2023): Multiple departments of KIMS hospitals are engaged in carrying out the clinical trial using medicines of various distributors

S.No.	Conducted by the Department	No.
1	Cardiology	13
2	Rheumatology	11
3	Infertility	2
4	Gastroenterology	3
5	Neurology	1
6	Pulmonology	2
7	Critical care	3
8	Gynecology	1
9	General Surgery	1
10	Orthopedics	1

D. Research partners:

KIMS-KFRC has signed MoU with the following research partners for collaborative research.

1. University of Hyderabad (UoH)
2. Indian Institute of Chemical Technology (IICT)
3. National Innovation Foundation, DST, Govt of India for research on cataract
4. Centre for DNA Finger Printing & Diagnostics (CDFD)
5. Great Eastern Medical School (GEMS) and Hospital, Srikakulam

E. Future Plans:

1. Development of Heart box for Ex-vivo heart perfusion.
2. Infertility Research.
3. Predictive biomarkers for malignant glioma:
4. Prognostic significance of Fibromodulin and Annexin A6 in Glioma patient survival:
5. Polyvinyl alcohol as embolization particles:
6. Design and development of vagal nerve stimulation system:
7. Laser Manufacturing of Cerebral Stents:

E. Corporate Social Responsibility (CSR):

KIMS-KFRC is engaged in various social responsibilities as follows.

S.No.	Areas	Description
1	Camps	Conducted over 20 free medical camps in Hyderabad region benefiting over 3000 participants
2	Free Clinics	Two free clinics running since 2 years and 6 months respectively
3	Vocational training	50 students have been trained and suitably employed
4	Skill development	More than 200 students trained and deployed in various hospitals
5	School Infrastructure	1. Provided 73 computers to 9 schools in Hyderabad region. 2. Building dining room set up for a school in Nellore Dist. 3. Purchased 2 acre land at Kistmatpur to commence free school in 2025 Academic year
6	Sponsoring projects with social benefits	Budget sanctioned for 2 projects Other 2 projects budget will be released soon
7	Miscelleneous	1. Donation to TS Disaster Mgt and Response Dept for building fire station 2. Donation for old age homes 3. Donation for bright students who cannot afford Further Education

F. Publications:

a. Research:

1. Hygriv Rao et al., Metabolic risk factors in first acute coronary syndrome (MERIFACS) Study. Indian Heart Journal, 2022-07-01, Volume 74, Issue 4, Pages 275-281.
2. Radhika Chowdary et al., Prognostic Significance of Systemic Cholesterol Profile in Patients with Breast Cancer, Cancer Research Journal. Volume 10, Issue 2, June 2022,
3. Syed Sultan Beevi et al., DNMT3A Co-Mutation with SF3B1, ASXL1 and TET2 in Indian Patients with Myelodysplastic Syndrome (MDS), Biochemistry and Molecular Biology. Volume 7, Issue 1, March 2022.
4. Jaimy Jose et al., Annexin A6 and NPC1 regulate LDL-inducible cell migration and distribution of focal adhesions. Scientific Reports volume 12, Article number: 596 (2022)
5. Krishna M et al., Etiological spectrum of cardioembolic strokes in a tertiary care hospital of India: Analysis of one-year data. J Med Sci Res. 2022; 10(3):118-122.
6. Vedula RR et al., Clinical and imaging features in surgically verified patients over 11 years and literature review. J Med Sci Res. 2022; 10(2):47-59.
7. Pannala K et al., Purple urine bag syndrome in catheter-associated urinary tract infection: A case report. J Med Sci Res. 2022; 10(1):39-41.

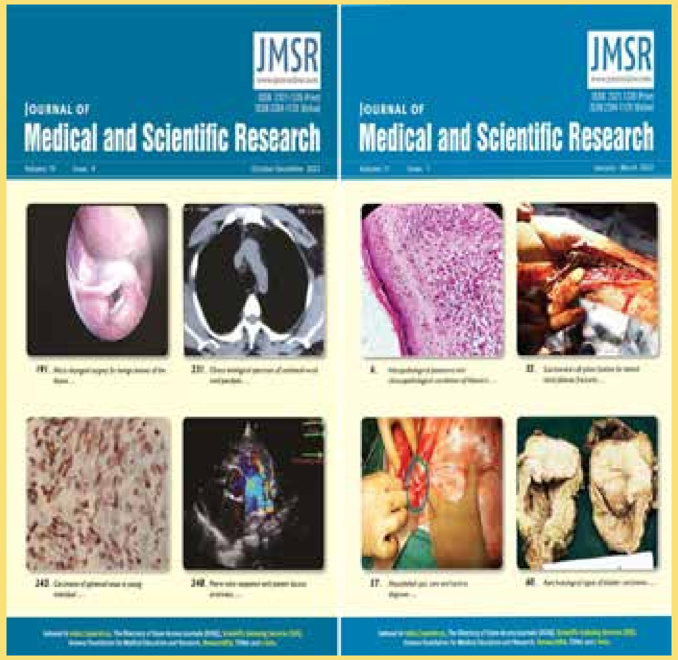
b. KIMS e-newsletter on wellness:

1. Stress is bad but the good news is it's manageable, Issue-1, May 2022.
2. Healthy habits for happy living, Issue-2, August 2022
3. Eat right live healthy. Issue-3, October 2022
4. Talk to your babies a lot, Issue-4, December 2022
5. Engage your brain-power your memory, Issue-5, March 2023
6. Know Your Heart, Issue-6, May 2023

C. Journal of Medical Science & Research (JMSR):

KIMS-KFRC invites and accepts articles for publications on clinical research (quarterly)

Journal of Medical and Scientific Research (JMSR) is an international, peer-reviewed, open access, journal published quarterly by the KIMS Foundation and Research Centre since 2013. The Journal got International Standard Serial Number (ISSN 2321-1326). The journal has been indexed in Directory of Open Access Journals (MCI recognized indexing agency), Scientific Indexing Services; Geneva Foundation for Medical Education and Research, ResearchBib, TDNet, J-Gate and Scientific Journal Impact Factor. JMSR has released 41 issues, published more than 20 international articles and more than 450 Indian research papers.



KIMS doctors save life of preterm twin babies

Hans News Service
Anantapur

A woman belonged to Tadipatri of Anantapur district, successfully delivered twins at KIMS Saveera hospital, at 28 weeks of pregnancy. Senior gynaecologist Dr Udayini said the preterm babies, one was weighing 1 kg and the other 1.4 kgs, were kept in NICU as a preventive measure. She said the lungs in ... gists and NICU facilities have saved both the twins and her mother, said Dr Mahesh and Dr

Doctors perform rare surgery on woman to prevent cancer recurrence

EXPRESS NEWS SERVICE @ Visakhapatnam

DOCTORS at KIMS Icon hospital, Visakhapatnam, performed a rare surgery on a 47-year-old woman who is at risk of recurring cancer.

Saying that only 5 to 15 per cent of normal cancer patients are at risk of contracting cancer in the same part or other parts due to genetic causes, but it will be severe when the recurrence occurs, the doctors explained such surgeries are performed in advance to prevent recurrence of cancer.

They said that the woman, a native of Gajuwaka, had breast cancer in the past and her right breast was removed in 2018.

As she is likely to develop uterus or ovarian cancer at some point in the future, she underwent genetic tests as a precautionary measure, in which BRCA gene 1 was found to be positive.

She consulted the doctors at KIMS seeking to remove her uterus, ovaries, and left breast to keep the risk of recurred cancer away. Under the leadership of Dr D Leela, consultant gynecologist and gynecological oncologist of the hospital, the woman's uterus and ovaries were removed.

All the organs in the stomach are disorganized in a road accident

Gastroenterologist explained the case details. "Other than COVID, there will be several reasons for low saturation. We performed emergency laparoscopic surgery. We found that due to the severe accident, he had an injury to the diaphragm (A wall between the lungs and stomach). There was a 7 cm rent in the diaphragm with the stomach colon and omentum slipped from the abdomen into the chest cavity. As traumatic liver was very close to the injured diaphragm. Because of all these complex conditions, the surgery was quite challenging. We have performed technically difficult surgery in emergency laparoscopically. All the

KIM's doctors give the advantage of minimally invasive surgery to a high-risk patient

KIMS doctors perform rare surgery on 9-day-old baby

Hans News Service
Anantapur

A 9-day-old baby suffering from neural tube defect called meningomyelocele is successfully operated at KIMS hospital, Anantapur. Consultant Neurosurgeon Dr Rohith Reddy said the baby was suffering with a complaint of swelling in lower back since birth. It was undiagnosed before birth. Immediately after the birth, they have observed but thought that it will heal itself and neglected. Then, they have presented the child with fecal incontinence. It is the inability to control bowel movements, causing stool (feces) to leak unexpectedly from the rectum, whenever the child gets strained. The nerves which come out from the swelling is called meningomyelocele. The nerves which go to the bowel, bladder and lower limbs are entangled. In this case, the nerves were involved with the bowel. So, the child has fecal incontinence. "We have operated by excising the meningomyelocele and repairing it. Post operatively, the child came for the follow-up after nearly one month. Now, the child has no deficits, the fecal incontinence has also resolved and the child is neurologically intact now," Dr Rohith Reddy said. Consultant neurosurgeons Dr Rammohan Naik, Consultant Paediatrician Dr Mahesh, Consultant anesthetists Dr Chandrasekhar and Dr Ravishankar have participated in the surgery.

First ever cadaveric kidney transplant in Kurnool

Done at KIMS hospital under the Jeevandan program
A woman in Gadwal declared brain dead, Proddatur woman gets a kidney

Hospitals remove 12 kg liver to achieve an India first

(Standard Post Bureau)

A liver weighing 12 kg is too preposterous a thought and hard to believe even by the best of medical brains. And if the patient is a woman with polycystic liver and kidney disease, then saving her life will present itself as a major challenge for surgeons. A miracle, by way of simultaneous liver and kidney transplantations, was performed by a team of reputed surgeons, including three liver transplant surgeons and a kidney transplant surgeon ... abdomen.

It was difficult for her to walk with such a heavy liver and collection of water (Ascites) in the belly and hernia. She started feeling heaviness in 2019, which was when she was advised transplantation ... dialysis due to worsening kidney functions. This patient had all these symptoms apart from a huge hernia, which had ruptured.

"Understandably, it was one of the most difficult operations for one

KIMS Cuddles saves three-day-old boy rushed from Nanded in emergency situation

Doctors remove almond stuck in 11-year-old's right lung for two days

Swollen Dry Fruit Posed Challenge In Life Saving Op

KIMS doctors remove 2-cm stone from 9-month-old baby boy's kidney

Kurnool

THE doctors in KIMS Hospital successfully removed a 2-cm stone from a kidney of 9-month-old baby boy on Saturday. When the parents took him to a local doctor, he performed an ultrasound scan and informed them about the stone. As the stone was large and the boy was only 9 months old, he was referred to urologist Dr Manoj Kumar at KIMS hospital. Considering the young age of the baby boy, Dr Manoj Kumar removed the large stone using endoscopic method with a very small incision. This is the first time in Kurnool town that such a large stone is being removed in an endoscopic manner from a 9-month old baby. "Technically, it is a very challenging surgery for children of such a young age. However, we have successfully operated it. Complete metabolic evolution, urine analysis has to be done and medicines need to be used to control any unusual conditions if any," Dr Manoj Kumar explained.

12-year-old boy suffering from rare bleeding disorder treated

The Hindu Bureau
HYDERABAD

Doctors of KIMS Hospital here performed a rare surgery on a 12-year-old boy suffering from incessant nose bleeding.

The boy is a native of Giddalur in Prakasam district of Andhra Pradesh. Initially, he was taken to local doctors in Giddalur, who gave him an injection. Two days later, the bleeding started again after which the doctors performed a scan of his nose and found a tumour. The boy's parents were advised to take him to Hyderabad for further treatment.

Consultant ENT Surgeon at KIMS Hospital, C.Subramanyam said that a CT scan of the boy was conducted, after which they came to know it was due to a rare tumour called angiofibroma. "Angiofibromas appear normal but contain a lot of blood. As soon as we touch the nose from outside, it starts bleeding. If we operate, the patient might lose 2-3 litres of blood and his life will be at stake. Usually, most doctors perform embolisation to prevent bleeding, but it is expensive," he said.

The KIMS doctors identified the point from where blood was being transmitted to the tumour and clamped the blood vessel. As a result, the bleeding was controlled.

58-year-old woman undergoes a complex surgery

- A team of doctors achieves a rare feet by performing Whipple procedure
- It takes seven hours to complete the complex surgery successfully

Hans News Service
Visakhapatnam

A 58-year-old patient suffering from periampullary carcinoma has undergone a complex surgery and was

Nurse from Zambia undergoes life saving surgery at KIMS

Telangana Today

CITY BUREAU

A 36-year-old nurse from Zambia received a new lease of life after undergoing a life-saving surgery at city-based Krishna Institute of Medical Sciences (KIMS).

The nurse, who is a mother of three children, had undergone hysterectomy at the hospital where she was employed in Zambia. The surgery developed complications and her intestines were damaged in the process.

The nurse had undergone hysterectomy in Zambia but developed complications and was airlifted to Hyderabad

"She had undergone repeated surgeries, seven in all, to get the intestinal damage rectified and all of them failed. She became critical and was unable to eat food and was airlifted to Hyderabad," senior Surgical Gastroenterologist, KIMS hospitals, Dr G. Parthasarathy said. In a 7-hour-surgery, the injured intestines were sutured and some parts were removed as the infection had already spread. Kept in ICU for 10 days, she recovered well and was able to eat normally and regained her health completely, doctors said. The team of doctors include Dr. M Sudheer, Dr. C. Naresh Kumar Reddy HOD – Anesthesiology, Dr Ann Campos – ICU, and Dr Pavan – ICU.

Iraqi youth suffering from severe bowing of the knee

He has a congenital gene-related problemKIMS doctors correct with modern technology surgery

MANY FIRSTS...

First in Asia in to do Trans catheter Tricuspid Valve replacement procedure done in 2018

Largest Joint replacement program in South Asia.

One of the largest neuroscience programs for epilepsy among private hospitals in the country

Largest ECMO program (18 machines) in the country.

First hospital in Hyderabad to use an ECMO machine in 2013.

First hospital in Hyderabad to do a Neonatal ECMO

First in India to do TOF repair using CorMatrix patch for pulmonary valve reconstruction in 2017

First in the country to do Robotic spleen preserving distal pancreatectomy

India's first COVID Double Lung transplant done in 2020

India's first Breathing Lung transplant done in 2021

First hospital in South India to introduce Da Vinci Robotic System

The first hospital in Andhra Pradesh and Telangana to have been Green OT certified in 2016

First hospital in India to perform Arch Repair in Neonates and infants without TCA

First Hospital in South India to do Total Skin Electron Beam Radiation therapy in 2018

Number 1 player in Organ transplantation speciality (Heart, Lung, Liver and Kidney)*

Number 1 in Nephrology treatments in Andhra Pradesh*

Number 1 in Neurosurgery & Poly trauma treatments in Andhra Pradesh*

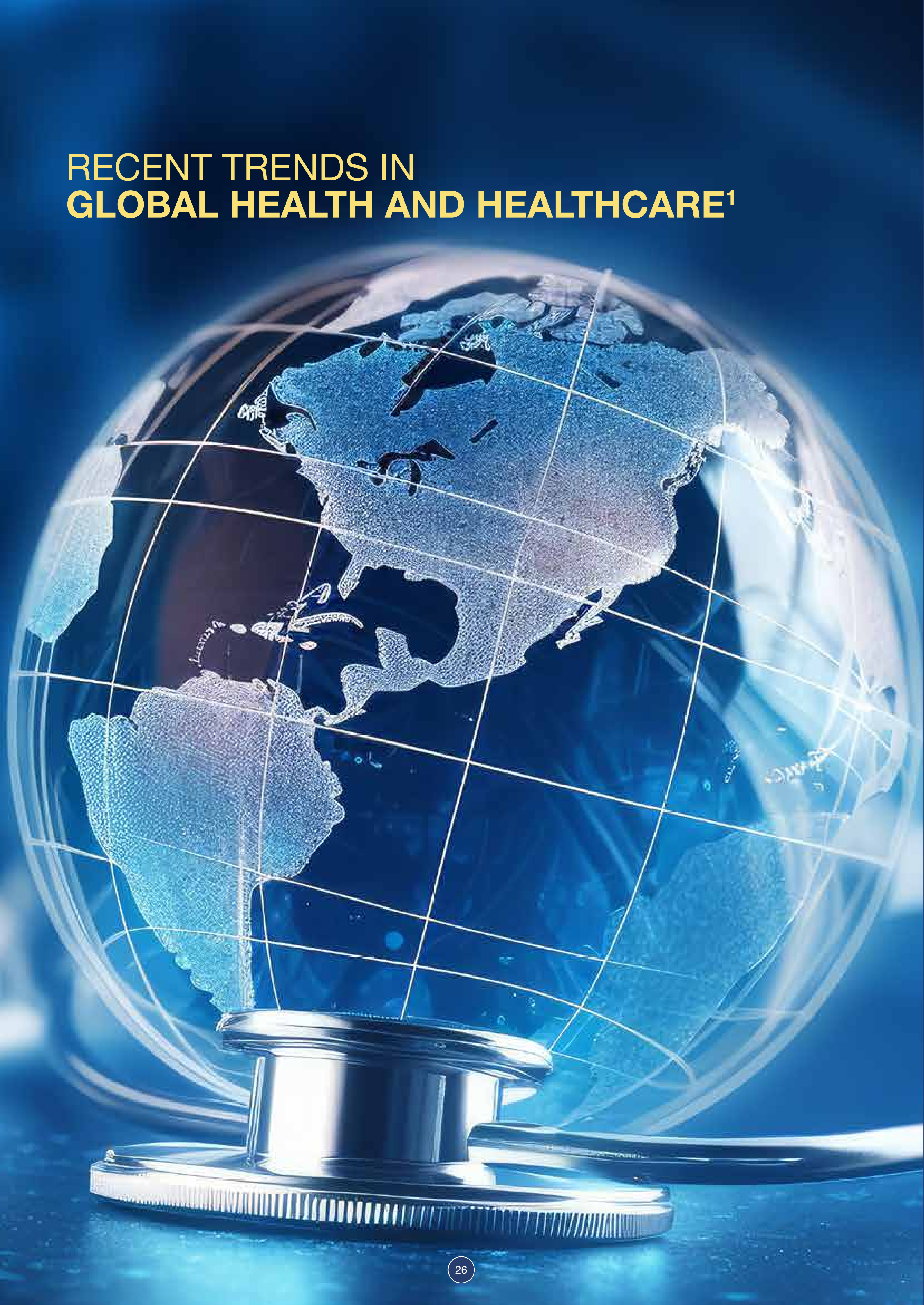
Number 1 in Cardio related surgeries and treatments programs in Andhra Pradesh *

Number 1 in Urology (Genito-Urinary) surgeries performed in Andhra Pradesh*

*As per CRISIL Report 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

RECENT TRENDS IN **GLOBAL HEALTH AND HEALTHCARE**[1]



The global health industry outlook for 2022-2023 encompasses a range of trends and developments. While specific details and events can vary, here is a comprehensive overview of the anticipated outlook during this period:

Continued focus on COVID-19 recovery: In 2022-2023, the global health industry continued to prioritize COVID-19 recovery efforts. This includes vaccine distribution and administration, testing strategies, and ongoing monitoring and management of the virus. Countries will work to balance vaccination coverage, address vaccine hesitancy, and adapt their response to emerging variants. The focus will also shift towards understanding the long-term effects of COVID-19 and providing appropriate care for individuals experiencing post-COVID complications.

Digital health transformation: The adoption of digital health technologies, which accelerated during the pandemic, will continue to shape the healthcare landscape. Telemedicine and virtual care will become integral parts of healthcare delivery, providing convenient and accessible options for patients. Remote patient monitoring tools and wearable devices will facilitate continuous monitoring of health conditions and enable early intervention. Healthcare providers will increasingly invest in digital infrastructure, interoperability, and cybersecurity to ensure the safe and efficient exchange of health information.

Integration of artificial intelligence and data analytics: Artificial intelligence and data analytics will play an expanding role in healthcare. AI algorithms will assist in medical imaging interpretation, helping radiologists and other specialists detect and diagnose diseases more accurately. Predictive analytics will enable proactive identification of high-risk patients and assist in targeted interventions for preventive care. Real-time data analysis will support public health surveillance, outbreak detection, and response planning. Machine learning algorithms will aid in drug discovery, clinical decision-making, and personalized treatment plans.

Focus on mental health and well-being: The pandemic has highlighted the importance of mental health, and efforts to address mental health issues will intensify in 2022-2023. Governments, employers, and healthcare systems will prioritize mental health support, allocating resources to expand access to mental health services, promote mental health literacy, and reduce stigma. Digital mental health platforms will continue to develop, offering therapy, counseling, and self-care resources to individuals in need. Workplace wellness programs will focus on promoting mental well-being and resilience among employees.

Precision medicine advancements: Precision medicine, which aims to customize treatment based on individual characteristics, will continue to advance. Genomic research and biomarker identification will contribute to the development of targeted therapies, especially in oncology and rare diseases. Companion diagnostics will become more prevalent, allowing healthcare providers to match patients with the most suitable treatments and minimize adverse effects. The integration of genomics and other "omics" data into clinical practice will enable more precise and personalized approaches to healthcare.

Emphasis on health equity and social determinants of health: Addressing health disparities and social determinants of health will be a key focus. Governments, healthcare organizations, and public health agencies will work to reduce inequalities in access to care and health outcomes. Efforts will be made to tackle social determinants such as education, income, housing, and environment, which significantly impact health. Initiatives will include community-based interventions, policy changes, and targeted programs to improve health equity and ensure that underserved populations have equal access to healthcare services.

Drug pricing and access: The affordability and accessibility of medications will remain a prominent issue globally. Governments, healthcare systems, and pharmaceutical companies will explore strategies to ensure fair pricing and improve access to essential medications. This may involve negotiations with drug manufacturers, promoting generic drug utilization, implementing price transparency measures, and considering value-based pricing models. Efforts will be made to strike a balance between incentivizing innovation and ensuring affordable access to life-saving treatments.

Public health infrastructure strengthening: The importance of strong public health infrastructure will be recognized, leading to investments in disease surveillance, preparedness, and response capabilities. Countries will strengthen their public health agencies, enhance laboratory capacity, and improve information sharing and collaboration between national and international entities. Investments in research and development will focus on emerging health threats, such as antimicrobial resistance and potential future pandemics. Resilience and sustainability will be key considerations in developing healthcare systems that can withstand future challenges.

https://www3.weforum.org/docs/WEF_Global_Health_and_Healthcare_Strategic_Outlook_2023.pdf

INDIA'S OUTLOOK ON HEALTHCARE

India, with its large population, places great importance on public health. In the Union Budget 2023-24, the government allocated INR 88,956 crore for healthcare expenditure, a 2.71 percent increase from the previous year. A major focus in India's public health strategy has been combating tuberculosis (TB) and reducing its fatalities. The World Health Organization (WHO) has set targets to reduce TB deaths by 90 percent and new cases by 80 percent between 2015 and 2030. India has seen a 24 percent decline in TB cases from 2015 to 2019 due to increased efforts. The Revised National TB Control Program (RNTCP) is a crucial strategy implemented by the Indian government, offering free diagnostic and treatment services for all forms of TB across the nation.

The COVID-19 pandemic has disrupted TB services as patients avoid healthcare facilities. However, advancements in digital healthcare, such as artificial intelligence (AI) and telemedicine, have helped address this challenge. Global investments in digital healthcare have doubled to nearly $57 billion in 2021. The pandemic has emphasized the need to deliver medical care effectively in lower-acuity settings, including homes and primary health clinics. India's health-tech industry has grown significantly, outpacing other segments of the healthcare sector, and is projected to reach $50 billion by 2047.

India faces the challenge of delivering healthcare to remote areas and ensuring coverage to the last mile. Initiatives like the Ayushman Bharat Digital Mission (ABDM) have overcome this challenge by providing healthcare through telemedicine to remote or inaccessible areas. ABDM allows users to create an Ayushman Bharat Health account (ABHA), linking their health records and accessing government-provided healthcare services. It has already seen 100 million patients linking their health records and offers digital health services like e-Sanjeevani for telemedicine and 'Scan and Share' for OPD registration.

The development of technologically-enabled medical devices, known as 'medtech,' has been supported by both the private sector and the Indian government. The medtech market in India is projected to reach $50 billion by 2025, with a CAGR of 28 percent. The government allows up to 100 percent FDI in medical device manufacturing and has announced the establishment of dedicated 'Medical Device Parks.'

To provide universal healthcare coverage, India has implemented the Ayushman Bharat - Pradhan Mantri Jan Aarogya Yojana (AB-PMJAY) scheme, benefiting up to 500 million beneficiaries. The scheme covers hospitalization expenses, provides cashless services, and was allocated INR 7,200 crore in the India Budget 2023-24. The Ayushman Bharat Health Infrastructure Mission (PM-ABHIM) initiative supports the development of critical healthcare infrastructure.

India has also emerged as a leading medical tourism hub, leveraging its ancient medical practices, lower treatment costs, skilled professionals, and streamlined travel facilities. India's pharmaceutical sector is a significant contributor to its healthcare successes, being the largest producer and exporter of generic medicines.

India's exemplary healthcare system showcases its commitment to achieving universal healthcare and serves as a model for other nations to follow in achieving "Health for all."

OVERVIEW OF INDIA's HEALTHCARE INDUSTRY

The healthcare industry in India encompasses various sectors, including hospitals, medical devices and equipment, health insurance, clinical trials, telemedicine, and medical tourism. As the population ages and the middle class expands, there is a growing preference for preventive healthcare, leading to increased diversification within these market segments. Additionally, the rise in lifestyle diseases attributed to factors such as high cholesterol, high blood pressure, obesity, poor diet, and alcohol consumption in urban areas has resulted in a heightened demand for specialized care services. This trend highlights the need for comprehensive healthcare solutions to address these health concerns and cater to the evolving healthcare needs of the population.

Hospitals: Hospitals provide medical, diagnostic, and treatment services to inpatients and some outpatient services.

Pharmaceutical: Pharmaceutical industry develops, produces, and markets drugs or pharmaceuticals licenced for use as medications.

Diagnostics: Comprises businesses and laboratories that offer analytical or diagnostic services, including body fluid analytics.

Healthcare Professionals: This category includes Medical Practitioners, Chiropractors, Homeopaths, Psychologists, Social Workers & Marriage Counselors, Dermatologists, Nutritionists & Dietitians, Optometrists, Physical Therapists, and other alternative Healthcare Providers.

Equipment and hospital supplies: These are medical companies at the forefront of the latest medical technology offering their products across the whole spectrum of medical equipment, hospital supplies, products, and services, including specialist applications.

GOVERNMENT INITIATIVES:

Some of the major initiatives taken by the Government of India to promote the Indian healthcare industry are as follows:

- In the Union Budget 2023-24, the Ministry of Health and Family Welfare has been granted a budget allocation of Rs. 89,155 crore (US$ 10.76 billion), reflecting a 3.43% increase from the previous year's allocation of Rs. 86,200.65 crore (US$ 10.4 billion) in 2022-23. Various healthcare initiatives also received funding under this budget. The Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was granted Rs. 3,365 crore (US$ 0.41 billion), while Rs. 6,500 crore (US$ 780 million) was allotted for Human Resources for Health and Medical Education. The National Health Mission received a budget of Rs. 29,085 crore (US$ 3.51 billion), and the Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allocated Rs. 7,200 crore (US$ 870 million). Additionally, Rs. 5,156 crore (US$ 675.72 million) was designated for the newly introduced PM-ABHIM, aimed at strengthening India's health infrastructure and enhancing primary, secondary, and tertiary healthcare services in the country.
- In July 2022, the World Bank approved a US$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.
- In order to promote medical tourism in the country, the government of India is extending the e-medical visa facility to the citizens of 156 countries.
- In May 2022, the Union Government approved grants for five new medical colleges in Gujarat with a grant of Rs. 190 crore (US$ 23.78 million) each. These colleges will come up in Navsari, Porbandar, Rajpipla, Godhra and Morbi.
- In July 2022, the Indian Council of Medical Research (ICMR) released standard treatment guidelines for 51 common illnesses across 11 specialties to assist doctors, particularly in rural regions, in diagnosing, treating, or referring patients in time for improved treatment outcomes.
- In July 2022, the National Pharmaceutical Pricing Authority (NPPA) fixed the retail prices for 84 drug formulations, including those used for the treatment of diabetes, headache, and high blood pressure.
- The first pilot project of "Medicine from the Sky," a flagship initiative by the Arunachal Pradesh government and the World Economic Forum, was successfully launched in Arunachal Pradesh as a part of the Azadi Ka Amrit Mahotsav celebration on August 15, 2022, from Seppa to Chayang Tajo in East Kameng District.
- The Ayushman Bharat Digital Mission (ABDM), launched by the Indian Government aims to develop the backbone necessary to support the integrated digital health infrastructure of the country. It will bridge the existing gap amongst different stakeholders of Healthcare ecosystem through digital highways.

POLICIES AND SCHEMES

Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN) and Health and Education Cess

The introduction of the 4% Health and Education Cess on income took place in 2018-19. However, the Comptroller and Auditor General (CAG) highlighted in reports for the years 2018-19 and 2019-20 that although the Cess was established, there were no specified principles for allocating the funds to the health sector, and no dedicated fund was created to receive the money for this purpose. Starting from 2021-22, the collections from this cess that are intended for healthcare are now credited to a dedicated non-lapsable fund called the Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN). In the fiscal year 2023-24, a sum of Rs. 14,589 crore will be transferred to the PMSSN from the cess collections. This amount is 29% lower than the transfer made in the previous fiscal year of 2022-23. However, it is estimated that the collections from the cess will increase by 19% during the same period, reaching Rs. 69,063 crore. The funds from the PMSSN will be utilized for the National Health Mission and the Pradhan Mantri Jan Arogya Yojana (PMJAY).

Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM ABHIM)

Financial assistance is provided to states through the PM ABHIM program to expand comprehensive primary healthcare services. This initiative involves the establishment of 17,788 Health and Wellness Centers (HWCs) at the sub-center level in rural areas and 11,244 HWCs in urban areas. Additionally, the mission supports the creation of 3,382 block public health units, public health laboratories in all districts, and critical care blocks in districts with a population exceeding 5 lakh. The scheme has a planned total budget of Rs. 64,180 crore from 2021-22 to 2025-26. A portion of these funds is transferred to states as part of the Centrally Sponsored Scheme component, while the Central Sector component is utilized directly by the Department of Health and Family Welfare to establish health facilities such as critical care blocks.

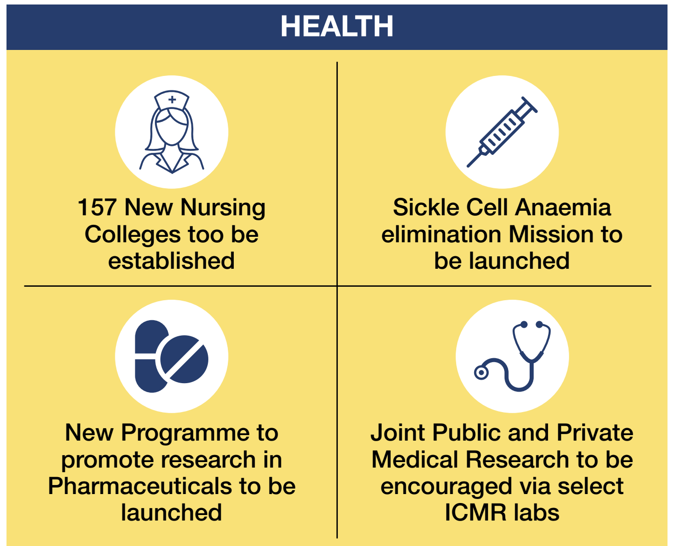
Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)

The primary objective of the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) is to address the shortage of human resources and educational capacity within the tertiary care system. This is achieved by establishing new All India Institutes of Medical Sciences (AIIMS) and upgrading existing Government Medical Colleges. The scheme aims to establish a total of 22 new AIIMS, out of which six are already operational. In the fiscal year 2023-24, a budget allocation of Rs. 3,365 crore has been assigned to PMSSY, while a separate budget head of Rs. 6,835 crore has been allocated for the establishment expenses of new AIIMS. This totals to Rs. 10,200 crore, which is 23% higher than the revised estimates for 2022-23, amounting to Rs. 8,270 crore.

Digital Health Technology Eco-System

The National Health Policy of 2017 aims to establish a "Digital Technology Eco-System" to enhance the efficiency of the healthcare system by utilizing information technology. This initiative involves the development of infrastructure, standards, databases, and governance frameworks for collecting, storing, and sharing medical information. In line with this objective, the National Digital Mission (NDHM) has been implemented, which ensures that every citizen has their health records stored digitally in a centralized database, making it easier to access their medical information during treatment. As part of this scheme, patients are assigned an Ayushman Bharat Health Account (ABHA) number, which serves as a unique identifier for their medical records. As of February 13, 2023, more than 32 crore accounts have been created, and over 22 crore medical records have been linked to the database. To support the implementation of the Ayushman Bharat Digital Mission (ABDM), the proposed allocation for the project has increased by 144% from the revised estimates of 2022-23, reaching Rs. 341 crore in the fiscal year 2023-24.

UNION BUDGET 2023-24



For the fiscal year 2023-24, the Ministry of Health and Family Welfare has been granted a budget allocation of Rs. 89,155 crore. This reflects a significant increase of 13% compared to the revised estimates for the previous fiscal year, 2022-23. The Department of Health and Family Welfare receives the majority of the allocated funds, amounting to Rs. 86,175 crore, which accounts for approximately 97% of the ministry's total expenditure. Additionally, the Department of Health Research has been allocated Rs. 2,980 crore to support its specific initiatives and research endeavors.

One key development is the establishment of 157 new nursing colleges alongside existing medical colleges. This demonstrates the government's emphasis on bolstering the healthcare workforce and addressing the shortage of frontline medical professionals. By increasing the number of nursing colleges, the goal is to ensure an adequate nurse-to-patient ratio as India strives to become a preferred healthcare destination. Additionally, there is a focus on expanding healthcare facilities in tier 2 and tier 3 cities.

Another important announcement made by the finance minister is the government's mission to eradicate sickle cell anemia by 2047. This initiative will involve universal screening of 7 crore individuals aged between 0 and 40 years in tribal areas affected by the disease. To support these initiatives, the health sector has been allocated a budget of Rs. 89,155 crore for the 2023-24 fiscal year.

The increased funding in the healthcare sector will not only support the expansion of healthcare facilities but also facilitate advancements in the Indian Council of Medical Research (ICMR). This development will enable both public and private medical college faculty members to conduct research within these facilities, fostering collaboration with the private sector's research and development teams. This inclusive approach will promote collaborative research and innovation in healthcare, aligning with the budget's forward-looking focus on medical research, collaboration, and development, which are crucial for improved care delivery.

Additionally, the Ministry of Ayurveda, Yoga & Naturopathy, Unani, Siddha, and Homoeopathy (AYUSH) has seen a substantial increase in its budget allocation, receiving Rs. 3,647 crore, a 28% increase from the previous year's Rs. 2,845 crore. This enhanced allocation will further support the ministry's efforts in promoting healthcare through traditional systems of medicine.

STATE GOVERNMENT INITIATIVES

Andhra Pradesh:

The state of Andhra Pradesh is committed to the vision outlined in its objective for 2029: to create a healthy society by establishing a sustainable ecosystem that ensures universal access to high-quality health and nutritional services. This objective serves as the foundation for the development and implementation of all health policies in the state. In addition to the national health programs and schemes, the government of Andhra Pradesh has taken several initiatives to address health concerns that have been overlooked or insufficiently addressed. For example, while the emergency ambulance service 108 was introduced back in 2005, the government has now launched another emergency ambulance service, 104, specifically catering to rural areas through the "Fixed Day Health Services" program. These ambulances are equipped with diagnostic kits, medicines, and a medical officer. The government of Andhra Pradesh is making dedicated efforts to reduce infant and maternal mortality rates and bring them in line with international standards. To facilitate safe transportation for pregnant women and newborn babies from public hospitals to their homes, a dedicated express service called "Talli-Bidda" has been established. Additionally, post-pregnancy child and mother care kits are being distributed to prevent infections. Over the past three years, the reported number of maternal and infant deaths has decreased, although there was a spike in infant deaths in 2015. Although the Infant Mortality Rate (IMR) and Maternal Mortality Ratio (MMR) in Andhra Pradesh are lower than the national average, the state still lags behind the best-performing states. Similarly, there are significant disparities between Andhra Pradesh and the leading state in terms of the prevalence of underweight and stunted children below the age of 5, as well as women diagnosed with anemia.

To combat malnutrition and anemia, the government has introduced various supplementary nutritional programs such as "Gorumuddalu," "Anna Amrutha Hastham," and the Take Home Ration scheme for both mothers and children. Adequate nutrition is crucial as one-third of deaths among children under the age of ten are attributed to a lack of nutritious food. Additionally, a "Mata-Shishu" tracking system has been developed to provide improved medical assistance to pregnant women and infants. In order to improve healthcare accessibility, the Andhra Pradesh government has deployed mobile medical units offering healthcare services at the village level. Furthermore, the state government offers health insurance coverage of up to Rs 2.5 lakhs for secondary and tertiary care to all families below the poverty line (BPL) without any premium charges. For above poverty line (APL) families, a health insurance cover of Rs 2 lakhs is provided under the "Aarogya Raksha" scheme with a nominal premium. With these measures in place, Andhra Pradesh is making significant strides towards achieving universal health coverage.

Telangana:

1. Super-specialty government healthcare services- With the aim of bolstering healthcare services, the state government has undertaken infrastructure upgrades at major government teaching hospitals in Hyderabad. Simultaneously, efforts are underway to upgrade affiliated super-specialty teaching hospitals in other parts of the city. Furthermore, substantial investments are being made throughout Telangana to develop super-specialty government healthcare services, while ongoing initiatives are dedicated to establishing 33 new medical colleges and 350-bed specialty teaching hospitals.
2. KCR Nutrition Kits - In December 2022, the KCR administration took a proactive step to address the high incidence of anaemia in nine districts of Telangana by initiating the distribution of "KCR Nutrition Kits" to expectant mothers. Each comprehensive package includes essential items such as one Albendazole tablet, a plastic cup, a plastic basket, one kilogramme of unseeded dates, 500 millilitres of ghee, three bottles of iron syrup, and one kilogram of nutrition drink powder. These nutrition kits serve as an additional measure to the existing "KCR Kits" scheme implemented by the BRS government in 2017, which provides support to pregnant women choosing to deliver their babies in government health centers or hospitals.
3. Adolescent Health Program - In a significant move to promote menstrual hygiene among adolescent females, the Telangana government has earmarked Rs 69.52 crore for an Adolescent Health Program. This initiative aims to provide sanitary napkins to female students in government schools and colleges. As per a government order issued in November 2022, a total of 11 lakh adolescent health kits will be distributed within the next six months. Each kit will consist of a zipper bag, sanitary napkins, and water bottles. Additionally, during the fiscal year 2023-2024, an additional 22 lakh sanitary napkin kits will be distributed to girl students in classes VIII to XII. This program highlights the commitment of Arogya Telangana to ensure the well-being and hygiene of adolescent girls in educational institutions.
4. Targeted Imaging For Foetal Anomalies (TIFFA) machines- Aarogya Telangana has made significant strides in improving healthcare services by establishing 56 TIFFA scan machines across 44 health facilities in the state. The inauguration of these scanning machines took place virtually on November 26, 2022, with Telangana Health Minister Harish Rao presiding over the event at the Government Modern Maternity Hospital in Petlaburj, Hyderabad. The procurement of these machines cost approximately Rs 20 crore, and they are expected to cater to the scanning needs of around 20,000 pregnant women every month. Notably, a single session of TIFFA scanning at a private healthcare facility can range between Rs 2,000 and Rs 3,000. This initiative under Aarogya Telangana is aimed at ensuring accessible and efficient healthcare services for pregnant women in the state.

Strength:
- Reputation
- Medical Expertise
- Comprehensive services
- Patient centered approach

Weakness:
- Capacity limitation
- Regulatory compliance
- Financial constraints

Opportunity:
- Technological advancements
- Community outreach
- Specialized departments

Threat:
- Government regulations
- Data security
- Intense competition
- Dependency on supply chain

STRENGTHS

Reputation:
Over the years, KIMS Hospitals has earned an outstanding reputation as a leading healthcare institution dedicated to providing exceptional medical care and services. KIMS Hospitals has consistently demonstrated a commitment to excellence, making it a trusted name in the healthcare industry. The hospital's reputation as a center of excellence extends beyond its local community, attracting patients from various parts of the country who seek world-class healthcare services. Through its unwavering commitment to safety, innovation, and patient satisfaction, KIMS Hospitals continues to strengthen its reputation as a beacon of healthcare excellence, dedicated to transforming lives and delivering superior medical care.

Medical Expertise:
KIMS Hospitals is widely recognized for its exceptional medical expertise, positioning it as a frontrunner in the healthcare industry. With a team of highly skilled and renowned doctors, surgeons, specialists, and healthcare professionals, KIMS Hospitals excels in providing advanced and comprehensive medical care. Their unwavering dedication to staying at the forefront of medical advancements ensures that patients receive the highest level of expertise and the most innovative treatment options available. Whether it's complex surgeries or intricate procedures, or specialized treatments, the hospital's medical professionals bring a wealth of knowledge and experience to each case.

Comprehensive services:
KIMS Hospitals has established a remarkable reputation for its comprehensive range of healthcare services, setting itself apart as a premier destination for all medical needs. With an extensive array of specialties and departments, the hospital offers a one-stop solution for patients seeking diverse medical treatments and interventions. From emergency care to advanced surgeries, from diagnostics to rehabilitation, KIMS Hospitals caters to the full spectrum of healthcare requirements. The hospital's commitment to providing holistic care is evident in its multidisciplinary approach, where teams of experts collaborate seamlessly to deliver integrated and personalized treatment plans. With cutting-edge medical technology and state-of-the-art facilities, KIMS Hospitals ensures that patients receive the highest standard of care across various medical disciplines.

Patient-centered approach:
At KIMS Hospitals, a patient-centered approach lies at the heart of every interaction and decision. The hospital is dedicated to putting patients and their well-being at the forefront, ensuring that their needs, preferences, and concerns are valued and addressed. From the moment a patient steps through the doors, they are greeted with empathy and respect. The medical professionals at KIMS Hospitals actively listen to patients, taking the time to understand their unique circumstances and develop a personalized care plan tailored to their specific needs. Clear and open communication is fostered, allowing patients to actively participate in their healthcare journey and make informed decisions about their treatment. The hospital's staff members create a warm and supportive environment, alleviating any anxiety or apprehension that patients may have. KIMS Hospitals goes above and beyond to provide comprehensive support to patients and their families, ensuring that they feel heard, cared for, and involved in their healthcare decisions.

WEAKNESSES

Capacity Limitations:
As a renowned healthcare institution, the hospital's services are in high demand, leading to potential constraints in terms of bed availability and infrastructure. The hospital strives to accommodate all patients efficiently, but the limited capacity may result in longer wait times for certain procedures or services. Efforts are continually made to optimize resource allocation and streamline patient flow to mitigate the impact of capacity limitations. KIMS Hospitals recognizes the importance of expanding its infrastructure and bed capacity to meet the growing healthcare needs of the community. By investing in infrastructure development and strategic planning, the hospital aims to overcome these limitations and ensure that patients receive timely access to the care they require.

Regulatory compliance:
Healthcare regulations and policies are constantly evolving, requiring hospitals to stay updated and ensure compliance with various local, regional, and national regulatory bodies. Adhering to a multitude of compliance requirements can be demanding and time-consuming, potentially diverting resources and attention from core healthcare activities. Moreover, the consequences of non-compliance, such as penalties, legal issues, or reputational damage, can pose significant risks to the hospital. KIMS Hospitals acknowledges the need to dedicate substantial efforts and resources to maintain compliance, including investing in training, infrastructure, and compliance monitoring systems.
Despite these challenges, the hospital remains committed to addressing regulatory compliance weaknesses, adopting a proactive approach, and partnering with regulatory experts to navigate the complex landscape and ensure the highest level of compliance across all aspects of its operations.

Financial constraints:
Like any healthcare institution, the hospital may have budget limitations and financial pressures that can impact its operations and ability to invest in critical areas. Limited financial resources may hinder the hospital's capacity to upgrade equipment, expand facilities, recruit top-tier medical professionals, and invest in advanced technologies. Additionally, reimbursement challenges from insurance providers or government programs can further strain the hospital's finances. These financial constraints can potentially limit the hospital's ability to provide the latest treatments and technologies, longer waiting periods for certain services.
Despite these limitations, KIMS Hospitals actively explores cost-effective strategies, seeks partnerships, and optimizes resource allocation to overcome financial constraints and maintain its commitment to delivering high-quality healthcare.

OPPORTUNITIES

Technological advancements:
KIMS Hospitals is at the forefront of embracing technological advancements in healthcare. Recognizing the transformative potential of innovative technologies, the hospital consistently invests in state-of-the-art medical equipment, cutting-edge diagnostic tools, and advanced treatment modalities. KIMS Hospital remains committed to fostering a culture of innovation, regularly evaluating emerging technologies and exploring opportunities to leverage them for the benefit of patients.

Community outreach:
Community outreach is a core pillar of KIMS Hospitals' commitment to serving the broader community. Recognizing the importance of promoting health and well-being beyond the hospital's walls, KIMS Hospitals actively engages in various community outreach programs. These initiatives aim to educate and empower individuals to make informed decisions about their health, provide access to healthcare services for underserved populations, and create a positive impact on the overall community health. The hospital organizes health camps, awareness campaigns, and educational sessions on topics ranging from preventive care to chronic disease management. Through collaborations with local organizations and community leaders, KIMS Hospitals actively participates in initiatives addressing public concerns in a wide range of areas covering skill development, education, employment etc.

Specialized departments: With a range of specialized departments staffed by expert physicians and healthcare professionals, the hospital ensures comprehensive and specialized treatment options. These departments cover a wide spectrum of medical specialties, including cardiology, neurology, oncology, orthopedics, gastroenterology, and many more. Each specialized department is equipped with state-of-the-art technology, advanced diagnostic capabilities, and specialized facilities tailored to meet the unique requirements of patients. The collaboration and expertise within these departments enable the hospital to offer advanced treatments, minimally invasive procedures, and personalized care plans. By having dedicated departments focused on specific medical areas, KIMS Hospitals ensures that patients receive the highest standard of specialized care, leading to improved outcomes and enhanced patient satisfaction.

THREATS

Government regulations:
The process of navigating through complex and ever-changing regulatory frameworks can be time-consuming and expensive, diverting valuable resources away from innovation and growth. Moreover, stringent regulations can stifle competition and deter new entrants, leading to reduced market opportunities for companies. In some cases, overly restrictive regulations may even force companies to restructure their operations or limit their product offerings, hindering their ability to adapt to market demands. Striking the right balance between regulations and fostering a business-friendly environment is crucial to avoid impeding economic growth and innovation.

Data security:
As a healthcare institution, the hospital collects, stores, and manages sensitive patient information, including personal health records and confidential medical data. Protecting this data from unauthorized access, breaches, or cyber-attacks is of paramount importance. The increasing sophistication of cyber threats and the evolving landscape of data security pose constant challenges. The consequences of data breaches can be severe, including compromised patient privacy, potential legal implications, damage to the hospital's reputation, and financial repercussions. KIMS Hospitals recognizes data security as a top priority and invests in robust cybersecurity measures, including encryption, access controls, and regular security audits. The hospital ensures that staff members receive comprehensive training on data protection practices and adheres to industry standards and regulations. By adopting proactive measures to safeguard patient data, KIMS Hospitals mitigates the risks associated with data security and maintains patient trust in the confidentiality and integrity of their sensitive information.

Intense competition:
In the healthcare industry, there is often a high level of competition from other hospitals and healthcare providers within the region. Competitors may offer similar services, advanced technologies, or specialized expertise, making it challenging for KIMS Hospitals to differentiate itself. This competition can potentially lead to a decrease in patient volume, difficulty in attracting and retaining top talent, and a strain on financial resources. To address this threat, KIMS Hospitals continually focuses on enhancing its strengths, such as affordable pricing, medical expertise, and patient-centered care, to differentiate itself in the market. The hospital also strives to stay innovative, adapting to changing patient needs and healthcare trends. By continuously improving services, expanding span of services and effectively communicating its unique value proposition. KIMS Hospitals aims to maintain a competitive edge and ensure its position as a preferred healthcare provider notwithstanding intense competition.

Dependency on supply chain:
Disruptions or delays in the supply chain can have detrimental effects on the hospital's ability to deliver quality care and meet patient needs. Factors such as global events, natural disasters, transportation issues, or supplier shortages can impact the availability and timely delivery of critical supplies. Such disruptions may lead to increased costs and imparing the ability to provide certain treaments or procedures. KIMS Hospitals actively addresses this threat by implementing robust supply chain management strategies, diversifying suppliers, and maintaining contingency plans to mitigate potential disruptions. The hospital also fosters collaborative relationships with suppliers to ensure open communication and proactive problem-solving.

ESG (ENVIRONMENT, SOCIAL, GOVERNANCE)

KIMS Hospitals is committed to upholding Environmental, Social, and Governance (ESG) norms, recognizing the significance of sustainability and responsible practices in the healthcare industry. As part of our dedication to ESG, KIMS Hospitals has prepared a comprehensive BRSR (Business Responsibility and Sustainability Reporting) report to transparently communicate their initiatives and progress in these areas.

In terms of environmental responsibility, we have implemented various measures to minimize our ecological footprint. We have invested in energy-efficient systems, incorporated renewable energy sources, and adopted waste management practices to reduce their environmental impact. By promoting sustainable practices, such as water conservation and recycling, we strive to create a greener and healthier environment.

KIMS Hospitals understands the importance of social responsibility and actively contributes to the welfare of the communities it serves. We prioritize patient safety and quality care, ensuring the well-being and satisfaction of our patients. Additionally, we actively engage in community development programs, supporting initiatives that address healthcare disparities, promote health education, and improve access to healthcare services for underprivileged sections of populations.

Governance is a key pillar for us, and we uphold high standards of ethical conduct and transparency. We maintain robust corporate governance practices, ensuring accountability, integrity, and fairness across all levels of the organization. KIMS Hospitals also encourages diversity and inclusion, fostering a supportive and equitable work environment for their employees.

HUMAN RESOURCES

Values are the foundation of any organization, and at KIMS Hospitals, they define the very essence of the company. With a strong sense of unity and collaboration, KIMS Hospitals has fostered a family-like atmosphere where employees work together, overcome obstacles, and celebrate shared victories. These core values are ingrained in the fabric of KIMS Hospitals, propelling it to the forefront of the healthcare industry.

KIMS Hospitals has always been deeply committed to excellence and innovation, recognizing that its employees are its greatest asset. The organization places utmost importance on cultivating a highly skilled workforce that can consistently deliver the highest standards of care. At the heart of KIMS Hospitals are the dedicated individuals who embody the group's vision of positively impacting a vast many lives.

Understanding the critical role of effective human resource management in providing exceptional healthcare, KIMS Hospitals has established a robust and proactive Human Resources department. This department serves as a driving force behind the organization's sustainable and responsible growth. It empowers employees through progressive policies, fosters an inclusive work culture, and nurtures a strong talent pipeline. KIMS Hospitals believes in continuous development, ensuring that its workforce is equipped with the necessary skills and capabilities to excel in their roles.

With a workforce comprising over 10,000 employees as of March 31, 2023, including subsidiaries, KIMS Hospitals thrives on the diversity of its teams. These individuals bring a wealth of experiences, cultures, and unwavering dedication to their daily work of improving patient health. KIMS Hospitals places great emphasis on cultural integration, implementing learning initiatives that focus on individual and team competencies to cultivate a patient-centric culture.

RISKS AND CONCERNS

Finance Risks: Any business is subject to various financial risks and KIMS is no exception. Ensuring strict adherence to financial ethics and governance standards is essential to mitigate the potential impact of such risks. Interest rate volatility also poses a challenge, as fluctuations can affect borrowing costs and debt servicing capabilities. Changes in tax laws present additional financial risks, requiring careful monitoring and adaptation to maintain compliance and minimize potential liabilities. Moreover, credit risk is a concern, as KIMS Hospitals relies on timely payments from patients, insurers, and government entities. Proactive credit risk management and effective revenue cycle management practices are crucial to minimize potential financial losses. By addressing these finance risks proactively, KIMS Hospitals can safeguard its financial stability and maintain its commitment to delivering quality healthcare services.

Clinical Risk: There may arise various clinical risks that demand constant attention to ensure patient safety and quality of care. One significant risk is medical errors, including diagnostic errors, medication errors, or procedural mistakes. Robust protocols, stringent quality control measures, and continuous staff training are implemented to mitigate these risks. Surgical site infections pose another challenge, and infection control practices, sterile techniques, and adherence to guidelines are essential to prevent such complications. Fall or slip incidents are also considered clinical risks, necessitating vigilant monitoring of patient safety, regular risk assessments, and adequate preventive measures. Additionally, needle stick injuries can occur, highlighting the importance of proper sharps disposal and adherence to safety protocols. KIMS Hospitals prioritizes patient safety through comprehensive risk management strategies, continuous improvement initiatives, and a culture of accountability to minimize clinical risks and provide optimal care to patients.

Pharmacy Risk: There are several pharmacy risks that require diligent management to ensure patient safety and effective medication management such as pharmacy dispensing errors, which can lead to incorrect medications or dosages being provided to patients, Stock damage that may impact the availability and quality of medications and Non-compliance with the Narcotic and Psychotropic Drugs policy By proactively addressing pharmacy risks through robust systems, stringent protocols, staff training, and adherence to regulations, KIMS Hospitals maintains a safe and efficient pharmacy environment, thereby ensuring patient well-being and the delivery of high-quality pharmaceutical care.

Branding Risk: Branding risks include negative news, reduced footfall, unauthorized media responses, and perceived medical negligence issues. To mitigate these risks, KIMS focuses on effective crisis management, delivering high-quality care, maintaining open communication, designating spokespersons, and prioritizing patient safety. These efforts protect the hospital's reputation, build trust, and ensure its position as a trusted healthcare provider.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

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

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

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

For more details, please refer to KIMS's corporate governance report.

Key to our success:

- Doctor Partnerships
- Affordable Quality Care
- Modern Medical Infra with personalised care

Cautionary Statement

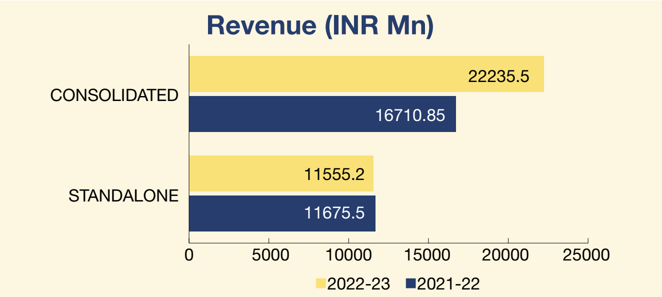
Certain statements in this Management Discussion and Analysis regarding KIMS Hospitals' objectives, projections, estimates, expectations, and predictions may constitute "forward-looking statements" as defined by applicable laws and regulations. These statements and forecasts involve inherent risks and uncertainties as they are based on future events and circumstances. Various factors may cause actual events or trends to significantly differ from the expectations expressed or implied in these forward-looking statements and predictions. Key developments that could affect the company's performance include rising material costs, advancements in technology, substantial shifts in the political and economic landscape, changes in tax regulations, and fluctuations in labor relations.

FINANCIAL RESULTS

REVENUE

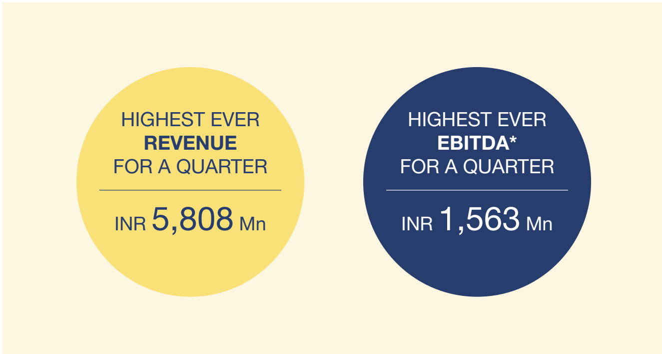
During the year under review, the consolidated total revenue of the Company increased by 33.06% to Rs. 22,235.50 million compared to Rs. 16,710.85 million. Profit after tax for the group increased by 6.40% to Rs. 3658.13 million compared to Rs. 3,437.95 million in the previous year.

During the year under review, the total revenue on standalone basis decreased by 1.03% to Rs. 11,555.20 million in FY23 compared to Rs. 11,675.50 million in the previous year. The profit after tax for the year decreased by 9.30% to 2,524.89 million compared to Rs. 2,783.67 million in the previous year.



EXCEPTIONAL PERFORMANCE

During the 4th Quarter of 2023, the company witnessed stellar performance across parameters. The company generated highest ever revenue for a quarter and highest ever EBITDA for a quarter.



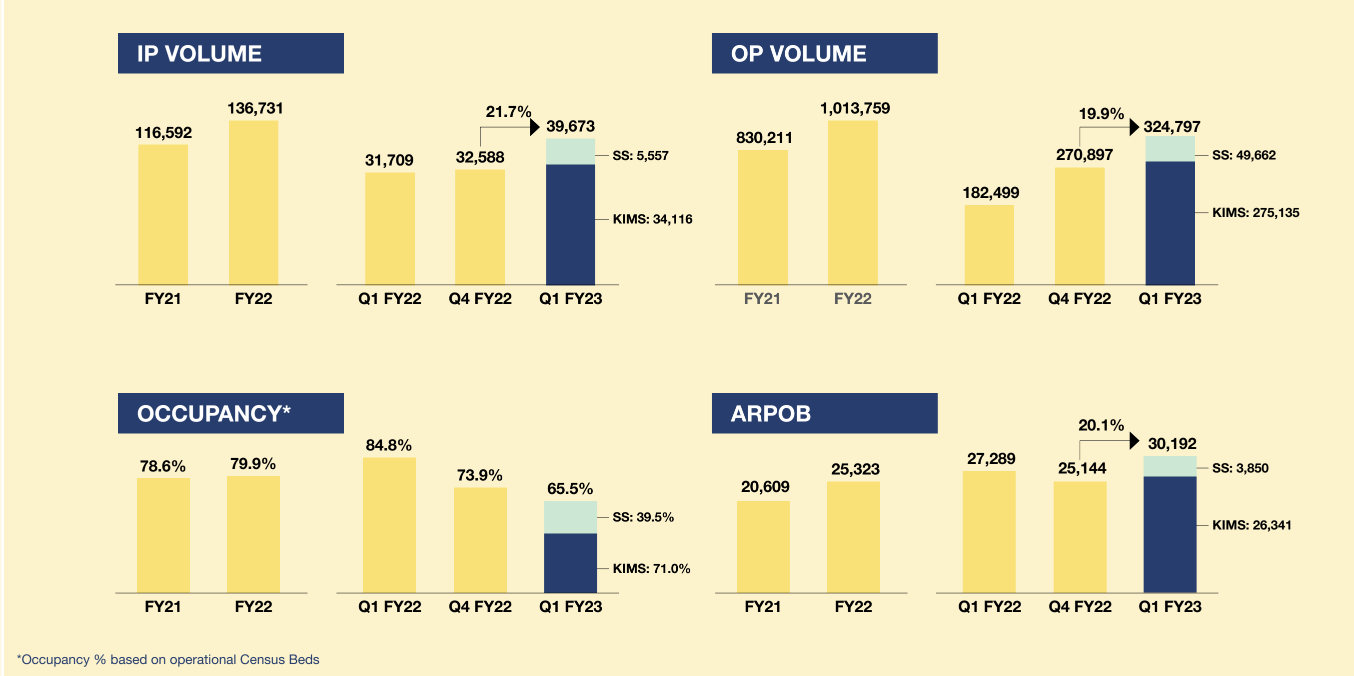
*EBITDA excludes other income and IND AS 116

OPERATIONAL HIGHLIGHTS

Quarter 1 2023:

All operational parameters (IP, OP volume, ARPOB) had shown improvements at the group level.

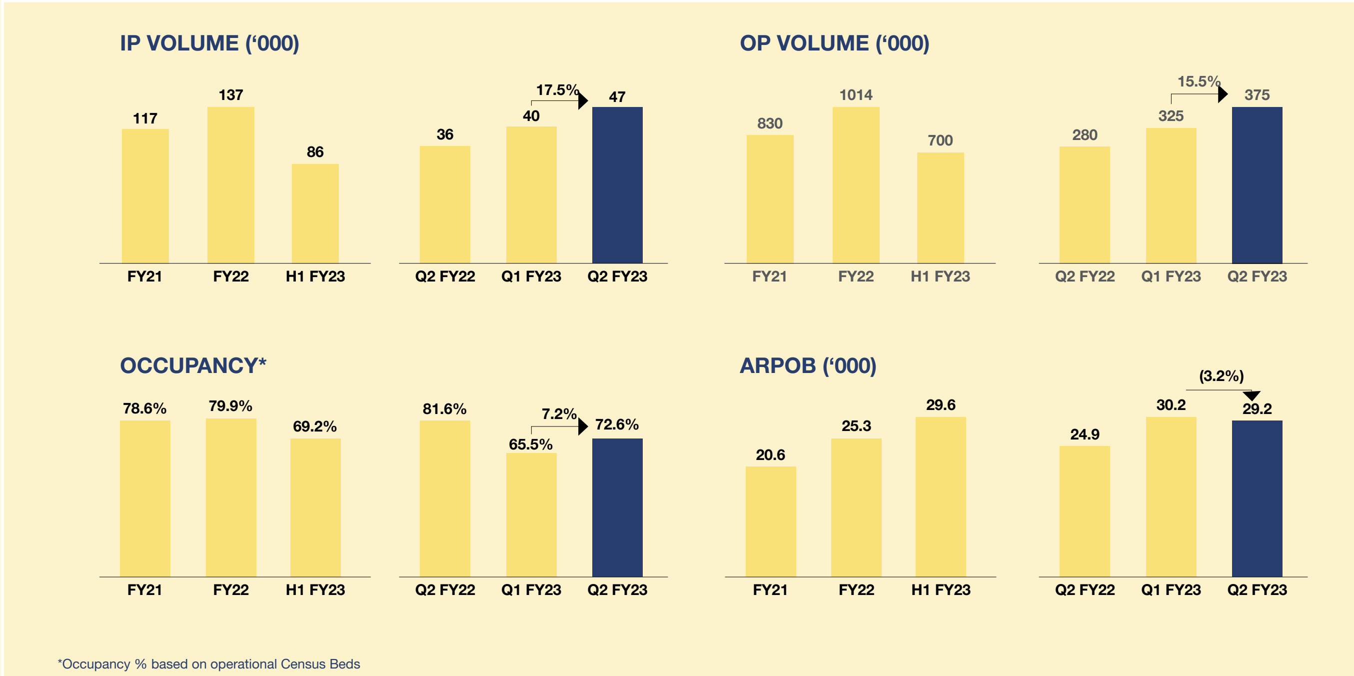
- IP volume and OP volume grew by 21.7 & 19.9% respectively on QoQ basis.
- ARPP has improved by 8.5% to Rs. 125,141 on QoQ basis.
- ARPOB has improved by 20.1% to Rs. 30,192 on QoQ basis.
- ALOS has improved to 4.14 from 4.59 on QoQ basis



Quarter 2 2023

All Operational parameters (IP, OP volume, ARPP & ARPOB) had shown improvements at the group level on YoY basis.

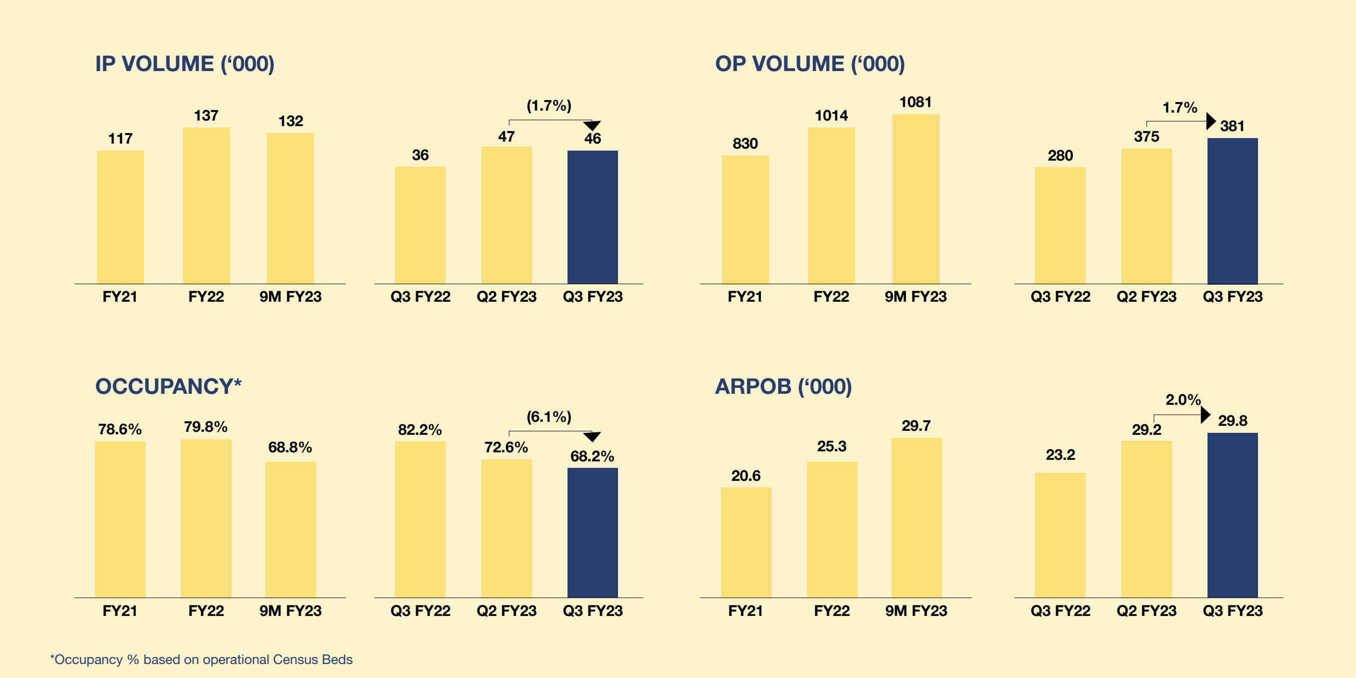
- IP Volumes and OP Volumes grew by 17.5% & 15.5% respectively on QoQ basis and 28.8% & 33.8% on YoY basis
- ARPP has declined slightly by 3.1% to Rs 1,21,302 on QoQ basis and improved by 5.8% on YoY basis
- ARPOB has declined slightly by 3.2% to Rs 29,237 on QoQ basis and improved by 17.52% on YoY basis
- Bed Occupancy has improved from 65.5% to 72.6% on QoQ basis



Quarter 3 2023

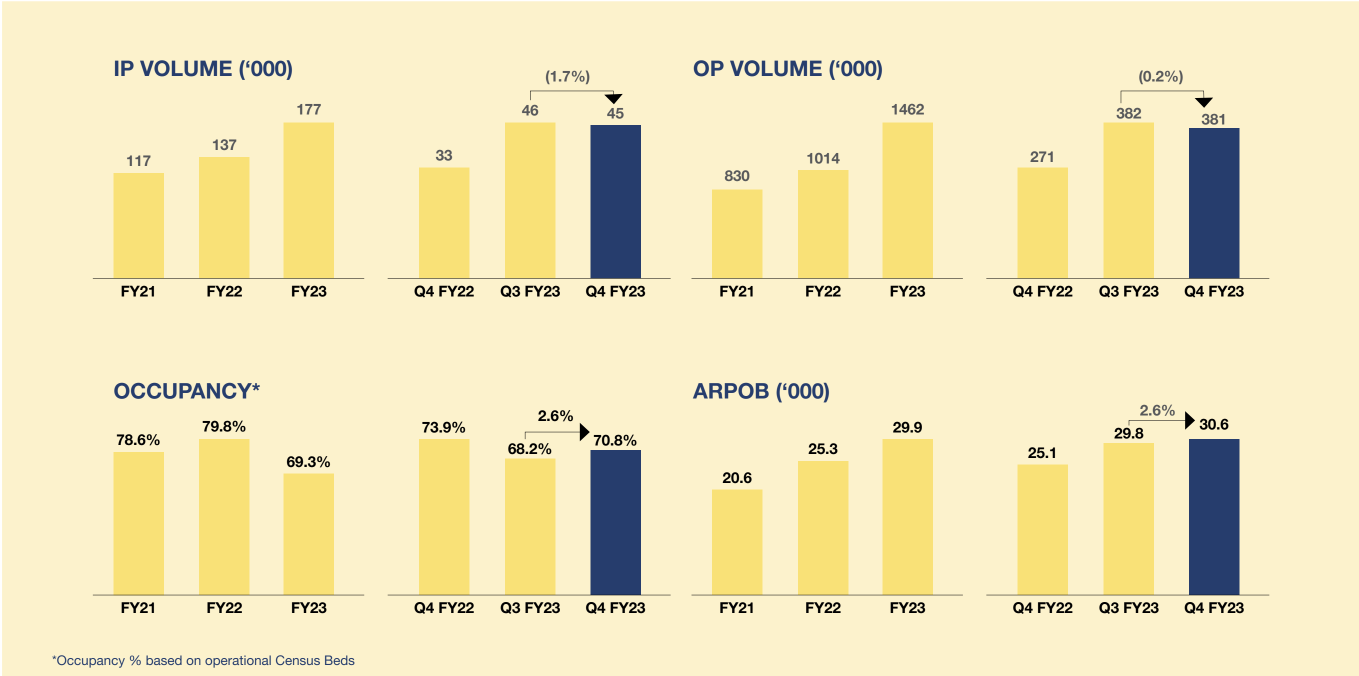
The new Unit for Sunshine Secunderabad Hospital was in its final stages of completion, and we aim to shift to this new stateof-art facility by FY 24.

- ARPP and ARPOB had shown improvements at the group level, though IP volume has declined due to the festive season



Quarter 4 2023

The ARPP and ARPOB registered improvements both on QoQ and YoY basis. The IP and OP volumes also displayed strong growth on YoY basis



Profit and Loss chart (Consolidated)

Minority share of EBITDA for FY23 stands at 12.4%

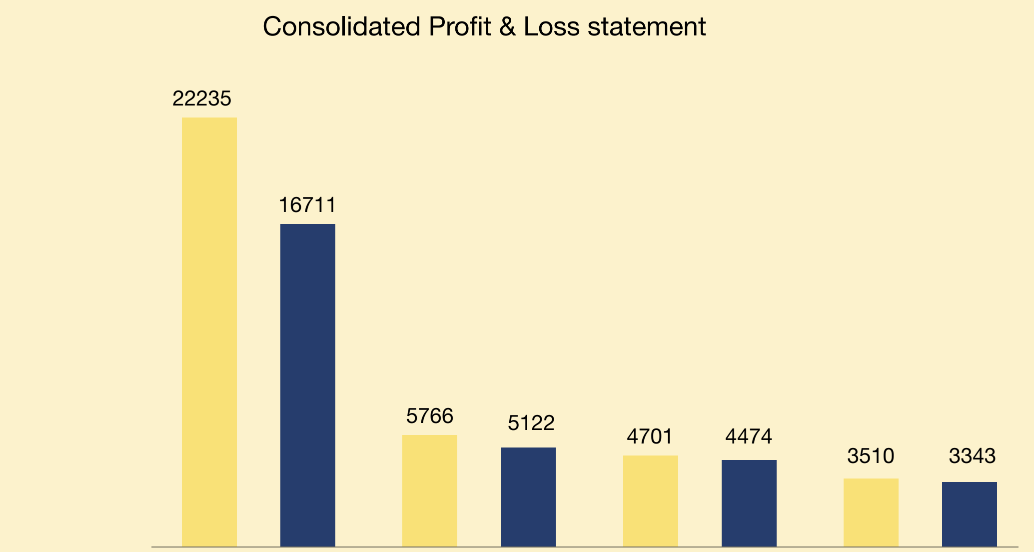
*EBITDA before IND AS 116 and other income

**PBT and PAT are excluding items of:

1) Associates share of profit of Rs. 19.7 Mn and Rs. 75.4 Mn in FY22 Q3 & Q4 and FY22

2) Fair value gain on aquisition of control of Rs. 148.3 Mn in Q2 FY23 and FY23

Particulars	FY 23	FY 22
Operating Revenue	21,977	16,508
Other Income	259	203
Total Revenue	22,235	16,711
EBITDA *	5,766	5,122
EBITDA (%) on operating revenue	26.2%	31.0%
PBT**	4,701	4,474
PBT (%) on total revenue	21.1%	26.8%
PAT**	3,510	3,343
PAT (%) on total revenue	15.8%	20.0%
Basic EPS(Rs.)	42.0	41.9
Diluted EPS (Rs.)	42.0	41.9
IND AS 116	273.6	35.4



	Total Revenue	EBITDA*	PBT**	PAT**
2022-23	22235	5766	4701	3510
2021-22	16711	5122	4474	3343

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CIN: L55101TG1973PLC040558

Notice of the 21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting (AGM) of the Members of Krishna Institute of Medical Sciences Limited will be held on Wednesday, 30th August 2023 at 4.00 p.m. through video conference ("VC") / other audio visual means ("OAVM") to transact the following business:

A. ORDINARY BUSINESS:

1. To consider and adopt:

(a) the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and the Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon and in this regard pass the following resolutions as Ordinary Resolutions:

(i) **"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

(ii) **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Ms. Dandamudi Anitha (DIN: 00025480) who retires by rotation and, being eligible, offers herself for re-appointment

Explanation: Based on the terms of appointment, executive directors of the company are subject to retirement by rotation. Ms. Dandamudi Anitha, last appointed on April 01, 2022, and whose office is liable to retire at the ensuing AGM, being eligible, seeks reappointment.

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

"RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act 2013, the approval of the members be and is hereby accorded to reappoint Ms. Dandamudi Anitha (DIN: 00025480) as a director, who is liable to retire by rotation."

B. SPECIAL BUSINESS:

3. To ratify the remuneration payable to the Cost Auditors, M/s. Sagar & Associates, for the financial year 2023-24:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 6.00 Lakhs excluding applicable taxes, payable to M/s. Sagar & Associates, Cost Accountants who were appointed as the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year 2023-24, as approved by the Board of Directors, be and is hereby ratified.

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

Date: 18.05.2023
Place: Hyderabad

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

Sd/
Uma Shankar Mantha
Company Secretary & Compliance Officer
M.No: A21035

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19", General Circular no. 2/ 2022, dated 05 May 2022 read with other circulars dated 13 January 2021, 5 May 2020, 8 April 2020, 13 April 2020 and 28 December 2022 respectively (collectively referred to as "MCA Circulars") and SEBI vide its Circular dated January 15, 2021, May 13, 2022 and January 5, 2023 ('SEBI Ciruclars') and other applicable circulars issued in relation to "Clarification on the holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)", has permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 of the Notice, is annexed hereto..
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip, and route map of AGM are not annexed to this Notice.
4. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2022-2023 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Depositary Participants.
6. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the respective Depository Participants, in case the shares are held by them in electronic form and with the Registrar and Share Transfer Agent, in case the shares are held by them in physical form. The registered e-mail addresses will be used for sending future communications, electronically.
7. As per Regulation 40 of the SEBI Listing Regulations as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings into dematerialized form
8. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to krishna@ikrassociates.com Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login
9. Members desiring any information, as regards the financials, are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information available.
10. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an email to cs@kimshospitals.com
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in the requisite Form as the case may be.
12. The Notice of the AGM along with the Annual Report for the financial year 2022-2023, is available on the website of the Company at www.kimshospitals.com, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.

13. **Voting Through Electronic Means**

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

    I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as on 23rd August, 2023, may refer to this Notice of the Annual General Meeting, posted on Company's website https://www.kimshospitals.com/investors/ for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

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

    III. The voting period begins on 27th August 2023 at 9.00 AM (IST) and ends on 29th August 2023 at 5.00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd August 2023 may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter.

14. **The instructions for members for voting electronically are as under: -**

    Remote e-Voting Instructions for shareholders:

    As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

    Login method for Individual shareholders holding securities in demat mode is given below:

1. **Individual Shareholders holding securities in demat mode with NSDL**

    I. Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

    II. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

    III. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. **Individual Shareholders holding securities in demat mode with CDSL**

    I. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

    II. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

    III. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

    IV. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. **Individual Shareholders (holding securities in demat mode) login through their depository participants**

   You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

15. **Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

    Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in
2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

   Shareholders holding shares in **NSDL form, shall provide 'D' above*

   ► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

   ► Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

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

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

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

16. **Process and manner for attending the Annual General Meeting through InstaMeet:**

    Open the internet browser and launch the URL: https://instameet.linkintime.co.in and click on "Login".

► Select the **"Company"** and **'Event Date'** and register with your following details: -

A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

► Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

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

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

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

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

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

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

17. Guidelines to attend the VC Meeting (Webex) of Link Intime India Pvt. Ltd.: InstaMEET

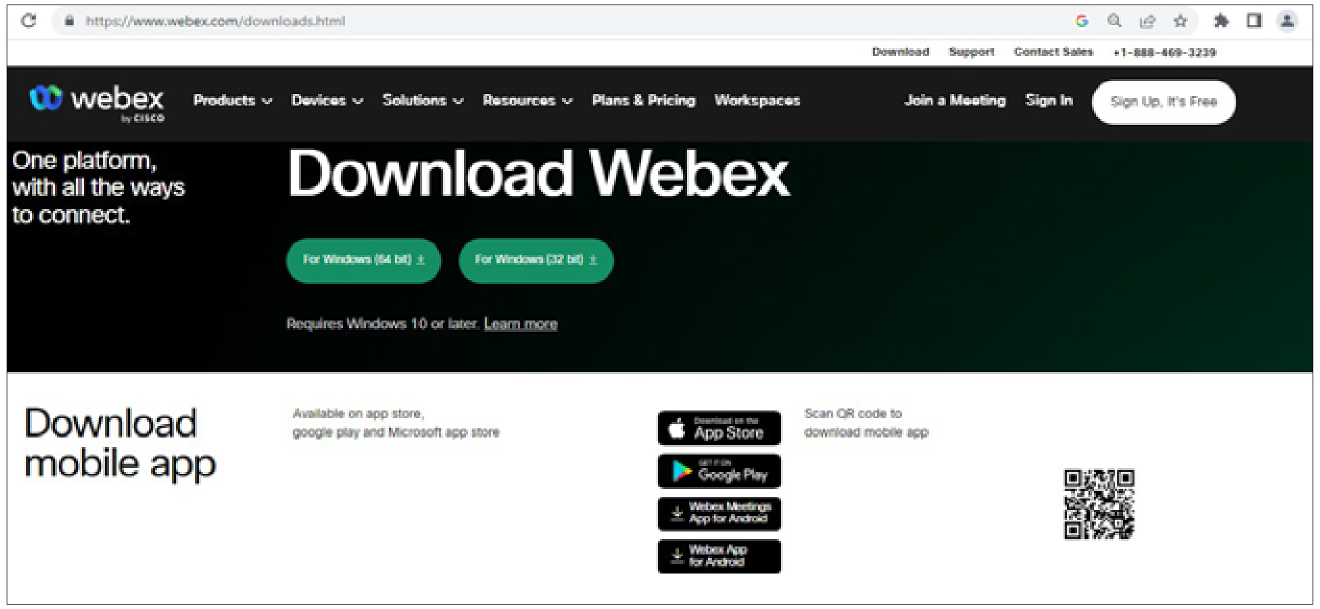
How do I install the WebEx meetings desktop app?

For a smooth experience of viewing the general meeting proceedings of Link Intime India Pvt. Ltd. through webex, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application.

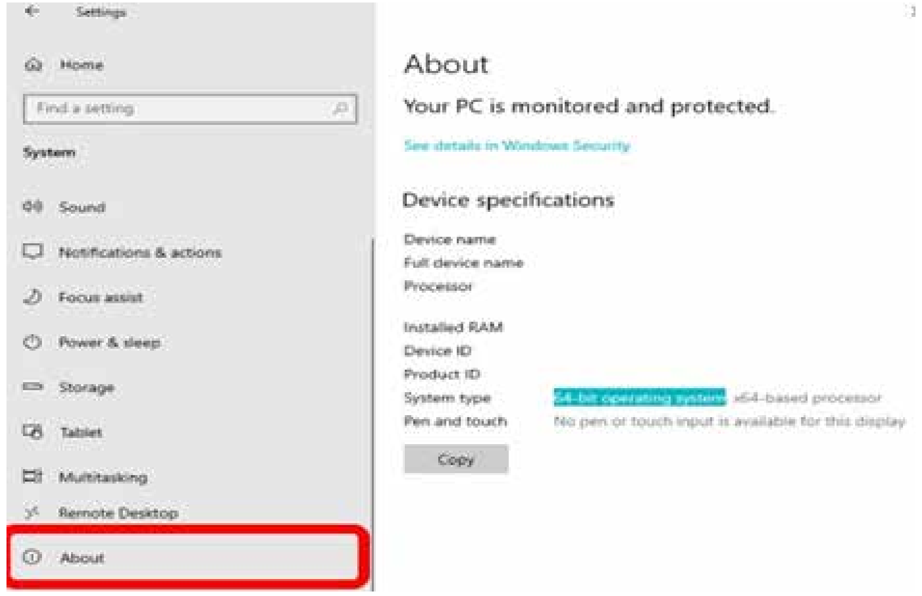
Refer to instructions as under:

Step 1: Download and install the Webex application by clicking on the link https://www.webex.com/downloads.html

Select download option as per device windows configuration i.e. (64 bit or 32 bit).



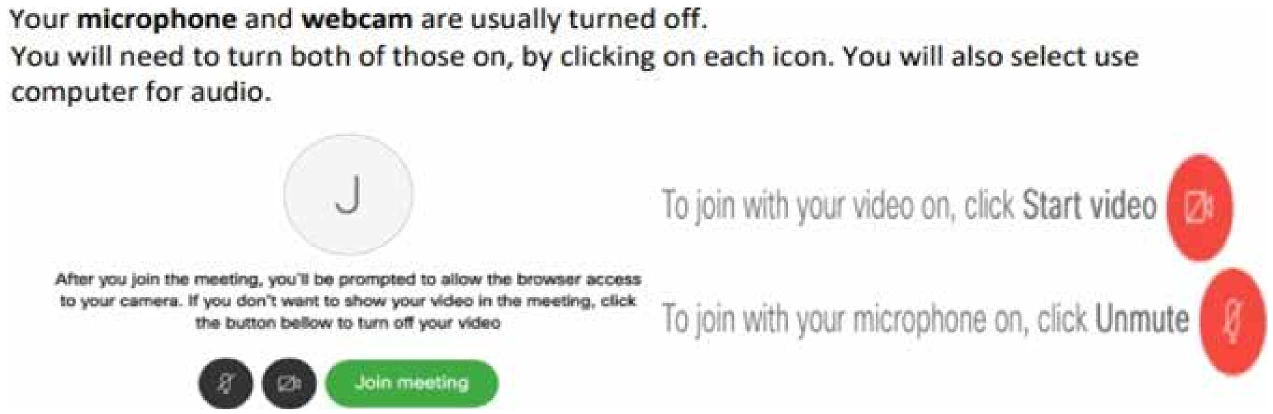
To check windows configuration i.e. (64 bit or 32 bit) Go to Desktop/PC Device "Setting", click on "About" to check the system type is 64 bit / 32 bit.



• Install the desktop app to get the full-featured Webex Meetings experience.

• You can still join from your web browser by clicking Join from your browser, If you can't install apps.

Checkpoints:



How do I join the WebEx meetings?

1. A. Open the internet browser and launch the Meeting URL shared to you. Or
   B. Open Webex App and further enter Meeting URL.

2. Enter your name and email address, click "Next" and further click "Join Webinar".
3. Click Join Meeting.

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EXPLANATORY STATEMENT
(Pursuant to Section 102(1) of the Companies Act, 2013)

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No 3

To ratify the remuneration payable to the Cost Auditors for the financial year 2023-24

The Board of Directors, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Sagar & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2023-24 at a fee of Rs. 6.00 Lakhs, exclusive of applicable taxes.

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

Accordingly, consent of the members is being sought by passing an ordinary resolution as set out under Item No.3 of the Notice, for ratification of the remuneration payable to the cost auditors for the financial year ending 2023-24.

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

Date: 18.05.2023
Place: Hyderabad

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

Sd/
Uma Shankar Mantha
Company Secretary & Compliance Officer
M.No: A21035

BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the 21st Annual Report on the business and operations of the Company along with the audited financial statements (Consolidated as well as Standalone) for the financial year ended March 31, 2023.

1. Financial Summary of the Company

Particulars	Standalone Rs. In Million		Consolidated Rs. In Million	
	2022-23	2021-22	2022-23	2021-22
Total Revenue	**11555.20**	**11,675.50**	**22235.50**	**16,710.85**
Profit/(Loss) Before Interest and Depreciation	**3837.80**	**4,203.94**	**6298.83**	**5,360.33**
Less: Finance Cost	11.52	44.68	305.45	160.33
Less: Depreciation and amortization expenses	452.95	449.22	1292.60	726.73
Profit before share of profit of Joint Venture and Tax	**3373.33**	**3,710.04**	**4700.78**	**4,473.43**
Add: Share of Profit / (Loss) in Joint Venture			0	95.10
Profit before Tax	**3373.33**	**3,710.04**	**4700.78**	**4,568.53**
Fair value gain on acquisition of control			**148.29**	
Less: Income Tax				
- Current Tax	837.62	909.27	1183.91	1141.55
- Deferred Tax Charge	10.82	29.73	24.84	1.66
- Tax Pertaining to earlier years	0	(12.63)	(17.81)	(12.63)
Profit After Tax	**2524.89**	**2,783.67**	**3658.13**	**3,437.95**
Add: Other Comprehensive Income	8.23	1.97	8.51	1.20
Total Comprehensive Income	**2533.12**	**2,785.64**	**3666.64**	**3,439.15**

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

During the year under review, the total revenue on standalone basis decreased by 1.03% to Rs. 11,555.20 million in FY23 compared to Rs. 11,675.50 million in the previous year. The profit after tax for the year decreased by 9.30% to 2,524.89 million compared to Rs. 27,83.67 million in the previous year.

During the year under review, the consolidated total revenue of the Company increased by 33.06% to Rs. 22,235.50 million compared to Rs. 16,710.85 million. Profit after tax for the group increased by 6.40% to Rs. 3658.13 million compared to Rs. 3,437.95 million in the previous year.

3. Consolidated Financial Statements

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

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

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

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

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

5. Dividend

As the Company, is undertaking multiple semi brownfield projects (i.e. Nashik, Bangalore, Mumbai etc), for better long term value creation to shareholders, the Company is not declaring any dividend for the Financial Year 2022-23.

6. Transfer of Reserves

The Company has recorded a profit of Rs. 2533.12 million (Standalone) for the period 2022-23 and the same was transferred to the head of other Equity.

7. Share Capital

The paid up share capital as on March 31, 2023 is Rs. 80,02,77,870.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As of March 31, 2023, the details of shareholding in the Company held by the Directors are set out in the Corporate Governance Report forming part of the Board's Report and none of the directors hold convertible instruments of the Company.

8. Directors and Key Managerial Personnel

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

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

As on date of this report, the Board comprises of 10 (Ten) Directors, of whom, 3 (Three) are Executive Director and 7 (Seven) are Non-Executive Directors. Amongst the Non-Executive Directors, 6 (Six) are Independent Directors and 1 (one) is Non-Independent Director. The Non-Executive Directors bring an external and wider perspective in Board's deliberations and decisions. The size and composition of the Board conforms to the requirements of the Companies Act, 2013.

Independent Directors

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

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

Key Managerial Personnel and Change in Directors during the year

a) The Company has Re-Appointed Dr. Bhaskara Rao, as Chairman cum Managing Director for further period of Five (5) years w.e.f. 1st April, 2022 vide Board of Directors Meeting held on 10th January, 2022 and obtained the shareholders' approval on 11th June, 2022 through postal ballot.

b) The Company has Re-Appointed Ms. Dandamudi Anitha as a Whole-time Director for further period of Five (5) years w.e.f. 01st April, 2022 vide Board of Directors Meeting held on 10th January, 2022 and obtained the shareholders' approval on 11th June, 2022 through postal ballot.

c) The Company has Re-Appointed Dr. Abhinay Bollineni as an Executive Director & CEO for further period of Five (5) years w.e.f. 18th January, 2022 vide Board of Directors Meeting held on 10th January, 2022 and obtained the shareholders' approval on 11th June, 2022 through postal ballot.

d) The Company has appointed Mrs. Y. Prameela Rani (DIN No. 03270909) as Additional Director – (Non-Executive, Independent Director) for a period of Three (3) years in the Board of Directors Meeting held on 19th May, 2022, Subsequently obtained the Shareholders approval in 20th Annual General Meeting held on 11th August, 2022.

e) Mr. Shantanu Rastogi (DIN: 06732021), Non-Executive Director (Nominee Director of General Atlantic Singapore KH. Pte. Ltd) has resigned from the board on 08th December, 2022 and re-appointed as Non- Executive Director of the Company w.e.f. 10th December, 2022 vide circular resolutions dated 08th December, 2022 and 12th December, 2022 respectively, Subsequently obtained the Shareholders approval for his re-appointment through Postal ballot on 12th February, 2023.

Retirement by Rotation

Pursuant to Section 152 of the Companies Act 2013, Ms. Dandamudi Anitha, Whole-time Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

9. Board Functioning & Meetings

The Board and Committee meetings are pre-scheduled and a tentative calendar of the meetings shall be finalized in consultation with the Directors to facilitate them to plan their schedule. However, in case of urgent business needs, approval is taken by passing resolutions through circulation. During the year under review, 9 (Nine) board meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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

10. Nomination and Remuneration Policy

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

11. Annual Return

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

12. **Details of Subsidiary/Joint Ventures/Associate Companies**

    a. **Arunodaya Hospitals Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of Rs.365.56 million during the financial year 2022-23.

    b. **KIMS Hospital Enterprises Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of Rs. 2528.72 million during the financial year 2022-23.

    c. **Iconkrishi Institute of Medical Sciences Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of Rs. 1078.39 million during the financial year 2022-23.

    d. **Saveera Institute of Medical Sciences Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of Rs. 942.43 million during the financial year 2022-23.

    e. **KIMS Hospital Kurnool Private Limited (Subsidiary Company):** The subsidiary company has recorded a total revenue of Rs. 715.18 million during the financial year 2022-23.

    f. **Sarvejana Healthcare Private Limited (Subsidiary Company):** This Company became a Subsidiary of the Company on 01st April 2022.The Subsidiary company has recorded a total revenue of Rs. 2883.19 million during the financial year 2022-23.

    g. **Rajyalakshmi Healthcare Private Limited (Step down Subsidiary):** This is the Subsidiary of Sarvajana Heathcare Private Limited. It has recorded a total revenue of Rs. 1401.28 million during the financial year 2022-23.

    h. **SPANV Medisearch Lifesciences Private Limited (Subsidiary Company):** This Company has become the Subsidiary of your Company on 01.09.2022. It has recorded a total revenue of Rs. 883.62 million during the financial year 2022-23.

    i. **KIMS Hospitals Private Limited., KIMS Swastha Private Limited. and KIMS Hospital Bengaluru Private Limited (formerly known as KIMS Hospital (Bhubaneswar) Private Limited, KIMS Manavata Hospitals Private Limited.**

       This are the subsidiaries of your Company, which are still under the process of setting up its infrastructure to run the hospital.

    j. **Suryateja Healthcare Private Limited (Step down Subsidiary):** During the year under review the Company ceases to be step down subsidiary of the Company w.e.f. December 01, 2022 as the Company was sold.

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

13. **Particulars of contracts or arrangements with related parties.**

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

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

    None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company except Dr. Bhaskara Rao Bollineni, Chairman & Managing Director who has drawn a professional fee of Rs. 17.23 million for the Financial year 2022- 23.

14. **Auditors**

    In the 17th Annual General Meeting, S. R. Batliboi & Associates LLP (having Registration Number: 101049W/ E300004) Chartered Accountants were appointed as Auditors of the Company for the term of 5 years i. e. from the conclusion of 17th AGM to the conclusion of 22nd AGM.

15. **Cost Auditors**

    Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Directors on the recommendation of the Audit Committee, appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN 000118) to audit the cost accounts of the Company for the financial year 2023-2024 on a remuneration of Rs. 6.00 Lakhs.

    As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN 000118) will be part of Notice convening the 21st Annual General Meeting.

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

16. **Adequacy of Internal Financial Controls:**

    The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

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

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

17. **Statutory Auditors Report and Secretarial Auditors Report**

    The Directors hereby confirm that the Statutory Auditors and Secretarial Auditors have reported that there are no qualification, reservation, adverse remark or any frauds made by the company in their respective audit reports for the year ended March 31, 2023.

18. **Secretarial Audit Report**

    In terms of Section 204 of the Act and Rules made there under, M/s IKR & Associates Practicing Company Secretary has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditors is enclosed as **ANNEXURE - III** to this report. The report is self-explanatory and do not call for any comments.

    In terms of Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report given by a company secretary in practice. In this regard the Secretarial Audit report of KIMS Hospital Enterprises Private Limited, material subsidiary company is enclosed as **ANNEXURE - IV** to this report.

19. **Vigil Mechanism/Whistle Blower Policy**

    The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, the details of which are given in the Corporate Governance Report. The policy on Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company https://www.kimshospitals.com/investors/.

20. **Dividend Distribution Policy:**

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

21. **Performance Evaluation of the Board and the Directors**

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

22. **Risk Assessment and Minimization**

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

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

    There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report i.e. between March 31, 2022 to March 31, 2023.

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

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

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

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

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

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

27. **Deposits**

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

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

The details of loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

29. Particulars of employees and related disclosures

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

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

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

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

30. Corporate Governance

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

31. Management Discussion and Analysis Report

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

32. Business Responsibility and Sustainability Report (BRSR)

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

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

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

a) Conservation of energy

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

b) Technology Absorption

Over the years, your Company has brought into the country the best that the world has to offer in terms of technology.

In its continuous endeavor to serve the patients better and to bring healthcare of international standards, your Company has introduced the latest technology in its hospitals.

c) Foreign exchange earnings and Outgo

Your Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. Your Company does not have any unhedged foreign currency exposure as at March 31, 2023.

Foreign Exchange Earnings : Rs. 108.82 Million

Foreign Exchange Outgo : 13.60 Million

34. Corporate Social Responsibility (CSR)

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

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Rural Development, Healthcare, Education & Skill Development and Research in Healthcare. These projects are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR activities for the financial year 2022-2023 is annexed herewith as **"ANNEXURE V"**.

35. Human Resources

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

36. Compliance with Secretarial Standards

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

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

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

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has received Nil complaints.

38. Directors' Responsibility Statement

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

a) In preparation of the annual financial statement for the year ended March 31, 2023, applicable accounting standards had been followed along with proper explanation relating to material departures if any;

b) Such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of March 31, 2023, and of the profit of the Company for the year ended on that date;

c) Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on a going concern basis;

e) Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, including the Audit, Risk Management Committee, the Board is of the opinion that proper internal financial controls are in place and such internal financial controls are adequate and are operating effectively.

f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively;

39. Transfer of Amounts to Investor Education and Protection Fund

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

40. Acknowledgment

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

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

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

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

Place: Hyderabad	**Dr. Bhaskara Rao Bollineni**	**Dr. Abhinay Bollineni**
Date: 18.05.2023	**Chairman & Managing Director**	**Director & CEO**
	(DIN No.00008985)	**(DIN No.01681273)**

ANNEXURE INDEX

Annexure	Content
I	AOC-1 Details of Subsidiary/Joint Ventures/Associate Companies
II	AOC-2 Particulars of contracts or arrangements with related parties
III	MR-3 Secretarial Audit Report
IV	MR-3 Secretarial Audit Report of Material Subsidiary Company
V	Report on CSR Activity

ANNEXURE – I

Form No. AOC - 1
(Pursuant to the first provision to sub-section 3 of Section 129, read with Rule 5 of Companies (Accounts) Rules, 2014); Salient Features of Financial Statements of Subsidiary/associate companies/joint ventures as per Companies Act, 2013

Part "A": Subsidiaries

Amount in Rs million.

1.	**Name of Subsidiary**	**Arunodaya Hospitals Private Limited**	**KIMS Hospital Enterprises Private Limited**	**Iconkrishi Institute of Medical Sciences Private Limited**	**Saveera Institute of Medical Sciences Private Limited**	**KIMS Hospital Kurnool Private Limited**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
4.	Share Capital	20.27	245.45	95.10	310.00	60.00
5.	Other Equity	248.37	1316.94	164.50	30.40	(206.61)
6.	Total Assets	365.01	2664.97	703.44	1072.71	651.05
7.	Total Liabilities	365.01	2664.97	703.44	1072.71	651.05
8.	Investments	-	-	-	-	-
9.	Turnover	365.56	2528.72	1078.39	942.43	715.18
10.	Profit/(Loss) Before Taxation	51.40	629.56	89.57	126.15	30.13
11.	Provision for Tax Expenses	10.91	159.31	23.05	48.50	(0.80)
12.	Profit after Taxation	40.50	470.25	66.52	77.64	30.92
13.	Proposed Dividend	Nil	Nil	Nil	Nil	Nil
14.	% of Shareholding	67.66	90.74	51.00	76.50	55.00

1.	**Name of Subsidiary**	**Sarvejana Healthcare Private Limited**	**Rajyalakshmi Healthcare Private Limited (Step down Subsidairy)**	**Spanv Medisearch Lifesciences Private Limited**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable
4.	Share Capital	365.16	690.1	17.49
5.	Other Equity	3283.56	7.25	1621.12
6.	Total Assets	4981.71	1418.63	3756.37
7.	Total Liabilities	4981.71	1418.63	3756.37
8.	Investments	-	-	-
9.	Turnover	2883.19	1401.28	1468.86
10.	Profit/(Loss) Before Taxation	492.47	115.39	(410.64)
11.	Provision for Tax Expenses	108.68	27.58	0.99
12.	Profit after Taxation	383.79	87.81	(411.63)
13.	Proposed Dividend	Nil	Nil	Nil
14.	% of Shareholding	56.61	100.00	51.00

Additional Information:

1	Names of subsidiaries which are yet to commence operations	1. KIMS Hospitals Private Limited. 2. KIMS Swastha Private Limited. 3. KIMS Hospital Bengaluru Private Limited. (formerly known as KIMS Hospital (Bhubaneswar) Private Limited) 4. KIMS Manavata Hospitals Private Limited
2.	Names of subsidiaries which have been liquidated or sold during the year.	Suryateja Healthcare Private Limited (Step down Subsidiary)

Additional Information:

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

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

Place: Hyderabad
Date: 18.05.2023

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN No.00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN No.01681273)

Annexure – II

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

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

Place: Hyderabad
Date: 18.05.2023

Dr. Bhaskara Rao Bollineni
Chairman & Managing Director
(DIN No.00008985)

Dr. Abhinay Bollineni
Director & CEO
(DIN No.01681273)

ANNEXURE – III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Krishna Institute of Medical Sciences Limited** (hereinafter called the 'Company') for the financial year from 1st April, 2022 to 31st March, 2023 (the 'Audit Period').

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

We are issuing this report based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

1.1 We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2023, according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India;

(iii) The Securities Contract (Regulation) Act, 1956 and the Rules made thereunder as amended from time to time;

(iv) The Depositories Act, 1996 and the Regulations and bye-laws framed there under as amended from time to time;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as amended from time to time to the extent of Foreign Direct Investment;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time ;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client ;

d. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 amended from time to time;

(vii) The following laws are specifically applicable to the Company;

(a) The Indian Medical Council Act, 1956
(b) Clinical Establishments (Registration and Regulation) Act, 2010
(c) Drugs and Cosmetics Act, 1940
(d) Biomedical Waste Management Handling Rules, 2016
(e) The Medical Termination of Pregnancy Act, 1971
(f) Pre-natal Diagnostic Techniques Act, 1994
(g) Transplantation of Human Organ Act, 1994
(h) The Pharmacy Act, 1961
(i) Atomic Energy Act, 1962
(j) Food Safety and Standards Act, 2006
(k) Indian Boilers Act, 1923.

1.2 In relation to the period under review, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, complied with the laws mentioned in clause (i) to (vi) of paragraph 1.1. Further the Company in general has reasonably complied with the laws specifically applicable to the Company mentioned in subparagraph (vii) of paragraph 1.1 and we have relied on the representations made by the Company, its officers and reports of other professionals engaged by the company for compliances under other acts, laws and regulations applicable to the Company as mentioned in subparagraph (vii) of paragraph 1.1.

1.3 We are informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under:

a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009.

b. The Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018.

c. The Securities and Exchange Board of India (Share Based Employee Benefits), 2014;

2. Board Processes

We further report that:

2.1 The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

2.2 There were changes in the composition of the Board of Directors and it has been carried out in compliance with the provisions of the Act during the period under review.

2.3 Adequate notice is given to all directors to schedule the Board Meetings atleast seven days in advance and few meetings at short notice complying the Secretarial Standard (SS-1), agenda and detailed notes on agenda were also circulated to the Board members prior to the meetings.

2.4 A system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings; and

2.5 All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

3. Compliance mechanism

We further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

3.2 The compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals engaged by the Company.

4. Some of Major events/ actions

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

4.1 The Company has obtained approval for Investments up to Rs. 48 Crores with the combination of equity and Preference shares in M/s. KIMS Manavata Hospitals Private Limited, a newly incorporated company vide Board of Directors Meeting held on 12th May, 2022 and invested Rs. 18,01,00,000/- in both equity and preference shares during the year under review.

4.2 The Company has obtained approval for acquiring 51 % equity stake by infusing Rs. 80 Crore as Primary Capital in M/s. SPANV Medisearch Lifesciences Private Limited (Kingsway Hospitals), Nagpur vide Board of Directors Meeting held on 27th June, 2022 and further investment approval for Rs. 50,000/- vide Finance and Investment Committee meeting dated 26th August, 2022 and Invested Rs. 80,00,32,793/- in equity shares during the year under review.

4.3 The Company has obtained approval for increasing the equity stake in M/s. Sarvejana Healthcare Private Limited (Sunshine Hospital) through a secondary purchase by making additional investments up to Rs. 250 Crores vide Board of Directors Meeting held on 11th November, 2022 and invested Rs. 1,08,50,52,381/- in equity shares during the year under review.

4.4 The Company has obtained approval for an additional investments up to Rs. 15 Crores in M/s. Arunodaya Hospitals Private Limited, a Subsidiary Company vide Board of Directors Meeting held on 11th November, 2022 and made an investment of Rs. 7,37,24,720 in equity shares during the year under review.

4.5 The Company has made an additional equity investment of Rs. 20,00,00,000 in M/s. KIMS Hospital Enterprises Private Limited, a Subsidiary Company during the year under review.

4.6 The Company has obtained the approval for an investment of surplus funds available in units of mutual funds (debt funds) and similar securities vide Board of Directors Meeting held on 10th August, 2022 and made an investment of Rs. 41,17,41,364/- in ICICI Prudential Mutual Fund during the year under review.

4.7 Mr. Shantanu Rastogi (DIN: 06732021), Non-Executive Director (Nominee Director of General Atlantic Singapore KH. Pte. Ltd) has resigned from the board on 08th December, 2022 and re-appointed as Non- Executive Director of the Company w.e.f. 10th December, 2022 vide circular resolutions dated 08th December, 2022 and 12th December, 2022 respectively, Subsequently obtained the Shareholders approval for his re-appointment through Postal ballot on 12th February, 2023.

4.8 The Company has appointed Mrs. Y. Prameela Rani (DIN No. 03270909) as Additional Director – (Non-Executive, Independent Director) for a period of Three (3) years in the Board of Directors Meeting held on 19th May, 2022, Subsequently obtained the Shareholders approval in 20th Annual General Meeting held on 11th August, 2022.

4.9 The Company has amended its Article 74 of the Articles of Association of the Company by deleting the terms about pre-existing IPO rights, in favour of M/s. General Atlantic Singapore KH Pte. Ltd vide Special Resolution passed on 12th February, 2023 through postal ballot.

4.10 The Company has Re-Appointed Dr. Abhinay Bollineni as an Executive Director & CEO for further period of Five (5) years w.e.f. 18th January, 2022 vide Board of Directors Meeting held on 10th January, 2022 and obtained the shareholders' approval on 11th June, 2022 through postal ballot.

4.11 The Company has Re-Appointed Ms. Dandamudi Anitha as a Whole-time Director for further period of Five (5) years w.e.f. 01st April, 2022 vide Board of Directors Meeting held on 10th January, 2022 and obtained the shareholders' approval on 11th June, 2022 through postal ballot.

4.12 The Company has Re-Appointed Dr. Bhaskara Rao, as Chairman cum Managing Director for further period of Five (5) years w.e.f. 1st April, 2022 vide Board of Directors Meeting held on 10th January, 2022 and obtained the shareholders' approval on 11th June, 2022 through postal ballot.

4.13 The Company has obtained the shareholders' approval for issuance of Non-Convertible Debentures (NCD) aggregating to Rs. 300 crores on 12th February, 2023 through postal ballot.

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

Place: Hyderabad
Date: 18-05-2023

Krishna Rao Inturi
Proprietor
ACS No.23071, COP No.10486
Peer Review no. 1255/2021
UDIN: A023071E000322018

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

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

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

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

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

Place: Hyderabad
Date: 18-05-2023

Krishna Rao Inturi
Proprietor
ACS No.23071, COP No.10486
Peer Review no. 1255/2021
UDIN: A023071E000322018

ANNEXURE – IV

Secretarial Audit Report of Material subsidiary
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED 31ST MARCH, 2023
[Pursuant to Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KIMS Hospital Enterprises Private Limited** (hereinafter called the 'Company') (hereinafter called the 'Company') for the financial year from 1st April, 2022 to 31st March, 2023 (the 'Audit Period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and based on the Management representations and undertakings, We hereby report that in our opinion, the Company has, during the audit period ended 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Audit period ended 31st March 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under read with the Companies (Amendment) Act, 2017;
(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

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

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

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

We further report that:

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

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

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

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

Place: Hyderabad
Date: 16-05-2023

Krishna Rao Inturi
Proprietor
ACS No.23071, COP No.10486
Peer Review Certificate no. 1255/2021
UDIN: A023071E000322260

ANNEXURE – V

ANNUAL REPORT ON CSR ACTIVITIES

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Bhaskara Rao Bollineni	Chairman	1	1
2	Dr. Abhinay Bollineni	Director	1	1
3	Mr. J. V. Ramudu	Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.kimshospitals.com/investors/.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - NIL

6. Average net profit of the company as per section 135(5) - Rs. 257.19 Million

7. (a) Two percent of average net profit of the company as per section 135(5) - Rs. 51.40 Million

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

   (c) Amount required to be set off for the financial year, if any - Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c) - Rs. 51.40 Million

8. (a) CSR amount spent or unspent for the financial year:

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Schools (Infra, Sanitization Etc)	Promoting Healthcare and Promoting Education	NA	Telangana & Andhra Pradesh		Ongoing	10.00	10.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
2	Skill Development	Promoting Education	NA	Telangana & Andhra Pradesh		Ongoing	10.00	10.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
3	Medical Camps - General	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	7.50	7.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
4	Medical Camps - Cochlear Implant	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	7.50	7.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
5	Free Medical Service Clinics	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	10.00	10.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
6	Infra for Free Medical Services (Ophthalmology)	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	0.20	0.20	Nil	No	KIMS Foundation & Research Center	CSR00001177
7	KRFC Existing Research	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	0.20	0.20	Nil	No	KIMS Foundation & Research Center	CSR00001177
8	Contribution to NGO for Healthcare benefits to generation population	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	1.50	1.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
9	Stress Management Education Workshop	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	0.50	0.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
10	Deaf enabled foundation	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	0.50	0.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
11	Women's Hygiene	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	1.50	1.50	Nil	No	KIMS Foundation & Research Center	CSR00001177
12	Patient Education Videos	Promoting Healthcare	NA	Telangana & Andhra Pradesh		Ongoing	1.00	1.00	Nil	No	KIMS Foundation & Research Center	CSR00001177
	Total						**50.40**	**50.40**				

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Rs. 1.00 Million

(1)	(2)	(3)	(4)	(5)		(76)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
1	Support to Non-Profit Organisations and Beneficiaries		No	Telangana		1.00	No	KIMS Foundation & Research Center	CSR00001177
	Total					1.00			

(d) Amount spent in Administrative Overheads : Nil
(e) Amount spent on Impact Assessment, if applicable : Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) = 5,14,00,000
(g) Excess amount for set off, if any : Nil

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

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

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

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

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

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

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

Sd/-

Dr. Abhinay Bollineni
Director & CEO

Sd/-

Dr. Bhaskara Rao Bollineni
Chairman of CSR Committee

CORPORATE GOVERNANCE REPORT

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

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS

The Company has an Executive Chairman. As per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), in case of an Executive Chairman, at least half of the Board should comprise Independent Directors. To this requirement, Independent Directors constitute more than 50 percent of the overall Board of your Company.

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

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

Name of Director	DIN	Category	Designation	Relationship with other Director	Shareholding in the Company
Dr. Bhaskara Rao Bollineni	00008985	Promoter	Chairman & Managing Director	Father of Dr. Abhinay Bollineni	2,10,19,929
Dr. Abhinay Bollineni	01681273	Promoter	Director & CEO	Son of Dr. Bhaskara Rao Bollineni	47,299
Ms. Dandamudi Anitha	00025480	Executive	Whole-time Director	-	-
Mr. Rajeswara Rao Gandu	05339318	Independent	Director	-	-
Mr. Saumen Chakraborty	06471520	Independent	Director	-	-
Mr. Pankaj Vaish	00367424	Independent	Director	-	-
Mr. Kaza Ratna Kishore	01152107	Independent	Director	-	-
Mr. Venkata Ramudu Jasthi	03055480	Independent	Director	-	-
Mrs. Y. Prameela Rani	03270909	Independent	Director	-	-
Mr. Shantanu Rastogi	06732021	Non-Executive	Director	-	-

Name of Director	No of Directorship in listed entities including this listed entity (Refer Regulation 17A of Listing Regulations)	Number of memberships / chairmanship in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)		Name of other listed companies where he/she is a Director excluding this listed Company	
		Chairman	Member	Name of Company	Category
Dr. Bhaskara Rao Bollineni	1	0	1	Nil	NA
Dr. Abhinay Bollineni	1	0	3	Nil	NA
Ms. Dandamudi Anitha	1	0	0	Nil	NA
Mr. Rajeswara Rao Gandu	1	5	6	Nil	NA
Mr. Saumen Chakraborty	2	2	2	Granules India Limited	Independent Director
Mr. Pankaj Vaish	4	0	6	• 360 ONE WAM Limited. • Xchanging Solutions Limited • Fusion Micro Finance Limited	Independent Director
Mr. Kaza Ratna Kishore	1	0	5	Nil	Nil
Mr. Venkata Ramudu Jasthi	3	1	4	• Avanti Feeds Limited • Suven Pharmaceuticals Limited	Independent Director
Mrs. Y. Prameela Rani	2	4	6	Vimta Labs Limited	Nil
Mr. Shantanu Rastogi	2	0	2	Kfin Technologies Limited	Nominee Director

As on 31st March, 2023, none of the Directors on the Board hold the office of Director in more than 10 Public Limited Companies, or Membership of Committees of the Board in more than 10 Committees and Chairmanship of more than 5 Committees, across all companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole- time director in any listed company, such director does not serve as an Independent Director in more than three listed companies.

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

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

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

c) Declaration of Independence

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

d) Board Meetings and attendance of Directors

Nine Board meetings were held during the financial year from 1st April 2022 to 31st March 2023. The dates on which the meetings were held are as follows:

(i) 29th April, 2022 (ii) 12th May, 2022 (iii) 19th May, 2022 (iv) 27th June, 2022 (v) 10th August, 2022 (vi) 11th November, 2022 (vii) 4th January, 2023 (viii) 9th February, 2023 (ix) 28th March, 2023.

Attendance details of each Director at the Board Meetings, at the last AGM.

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Last AGM Attendance (Yes/No)
Dr. Bhaskara Rao Bollineni	9	9	Yes
Dr. Abhinay Bollineni	9	9	Yes
Ms. Dandamudi Anitha	9	9	No
Mr. Rajeswara Rao Gandu	9	9	Yes
Mr. Saumen Chakraborty	9	9	Yes
Mr. Pankaj Vaish	9	8	No
Mr. Kaza Ratna Kishore	9	9	Yes
Mr. Venkata Ramudu Jasthi	9	6	Yes
Mrs. Y. Prameela Rani	6	6	Yes
Mr. Shantanu Rastogi	9	9	No

e) Availability of Information to Board Members

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

f) The Board reviews periodically the compliance reports of all laws applicable to the Company.

g) Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct.

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

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

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

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

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

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

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

j) Independent Directors' Meeting:

The Company's Independent Directors are required to meet at least once in every Calendar Year in compliance with the provisions of the Companies Act, 2013. Such meetings are conducted to enable Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views. Further, Independent Directors also review the performance of the Non-Independent Directors, Chairman (after considering the views of Executive and Non-Executive Directors of the Company) and the Board as a whole. During the year under review, the Independent Directors met on 21.03.2023 and majority of the Independent Directors attended the meeting.

3. COMMITTEES OF THE BOARD

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

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

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

I. Audit Committee

a) Composition of Audit Committee

i. Mr. Saumen Chakraborty
ii. Mr. Pankaj Vaish
iii. Mr. Rajeswara Rao Gandu
iv. Mr. Shantanu Rastogi

b) Meetings of the Audit Committee

The Audit Committee met five times during the financial year from 1st April 2022 to 31st March 2023. The dates on which the meetings were held are as follows:

(i) 19th May, 2022 (ii) 10th August, 2022 (iii) 11th November, 2022 (iv) 9th February, 2023 and (v) 21st March, 2023.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Saumen Chakraborty	Chairman	5	5
2	Mr. Pankaj Vaish	Member	5	3
3	Mr. Rajeswara Rao Gandu	Member	5	5
4	Mr. Shantanu Rastogi	Member	5	3

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

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

Mr. Saumen, Chakraborty was present in the 20th Annual General Meeting held on 11.08.2022.

II. Nomination & Remuneration Committee

a) Composition of Nomination & Remuneration Committee

i. Mr. Pankaj Vaish
ii. Mr. Rajeswara Rao Gandu
iii. Mr. Venkata Ramudu Jasthi
iv. Mr. Shantanu Rastogi

b) Meetings of the Nomination & Remuneration Committee

The Nomination & Remuneration Committee met twice during the financial year from 1st April 2022 to 31st March 2023. The meeting was held on 11th April, 2022 and 19th May, 2022.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Pankaj Vaish	Chairman	2	2
2	Mr. Rajeswara Rao Gandu	Member	2	2
3	Mr. Venkata Ramudu Jasthi	Member	2	1
4	Mr. Shantanu Rastogi	Member	2	2

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

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

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

The Chairman of the Committee was not present at the last Annual General Meeting of the Company held on 11th August, 2022.

d) Remuneration of the Directors

The details of the remuneration paid to the Directors for the year ended 31st March 2023 is given below:

Name of Director	Remuneration		Commission	Total
	Fixed	Variable		
Dr. Bhaskara Rao Bollineni	36.00	0.00	0.00	36.00
Dr. Abhinay Bollineni	15.00	5.00	0.00	20.00
Ms. Dandamudi Anitha	5.25	0.00	0.00	5.25
Mr. Rajeswara Rao Gandu	0.00	0.00	0.70*	0.70*
Mr. Saumen Chakraborty	0.00	0.00	3.00*	3.00*
Mr. Pankaj Vaish	0.00	0.00	1.50*	1.50*
Mr. Kaza Ratna Kishore	0.00	0.00	0.70*	0.70*
Mr. Venkata Ramudu Jasthi	0.00	0.00	0.70*	0.70*
Mrs. Y. Prameela Rani	0.00	0.00	0.60**	0.60**
Mr. Shantanu Rastogi	0.00	0.00	0.00	0.00

* The commission paid is excluding all applicable taxes.

** Mrs. Y. Prameela Rani was appointed as Independent Director of the Company from 19.05.2022, therefore she was paid the commission excluding all applicable taxes from her appointment date.

e) **Pecuniary relationships or transactions of Non-Executive directors vis-à-vis the Company**

The Company does not have any pecuniary relationship/transaction with any of its Non-Executive Directors.

f) **Performance Evaluation of the Board and the Directors**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, Annual Performance Evaluation was conducted for all the Board Members, functioning of Board, Committees and Chairperson.

Evaluation of the Board and the Directors was based on the criteria such as::

1. composition and role of the Board,
2. Board communication and relationships,
3. functioning of Board Committees,
4. review of performance and compensation to Executive Directors,
5. succession planning,
6. strategic planning,
7. participation and contribution in Board and Committee meetings,
8. representation of shareholder interests and enhancing shareholder value,
9. experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk,
10. understanding of the organization's strategy, risk and environment, etc.

III. Stakeholders Relationship Committee

a) **Composition of Stakeholders Relationship Committee**

i. Mr. Rajeswara Rao Gandu
ii. Mr. Kaja Ratna Kishore
iii. Dr. Bhaskara Rao Bollineni

b) **Meetings of the Stakeholders Relationship Committee**

The Stakeholders Relationship Committee met only once during the financial year from 1st April 2022 to 31st March 2023. The meeting was held on 28th March, 2023.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Rajeswara Rao Gandu	Chairman	1	1
2	Mr. Kaja Ratna Kishore	Member	1	1
3	Dr. Bhaskara Rao Bollineni	Member	1	1

c) **Terms of Reference for the Stakeholders Relationship Committee:**

i) Consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

ii) Review of measures taken for effective exercise of voting rights by shareholders;

iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

v) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

vi) To approve, register, refuse to register transfer or transmission of shares and other securities;

vii) To subdivide, consolidate and or replace any share or other securities certificate(s) of the Company;

viii) Allotment and listing of shares;

ix) Approval of transfer or transmission of shares, debentures or any other securities;

x) To authorize affixation of common seal of the Company;

xi) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

xii) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

xiii) To dematerialize or rematerialize the issued shares;

xiv) Ensure proper and timely attendance and redressal of investor queries and grievances;

xv) Carrying out any other functions contained in the Companies Act, 2013 and the rules notified thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended and/or equity listing agreements (if applicable), as and when amended from time to time; and

xvi) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s)

d) **The Company has received 4 complaints during the year 2022-23; resolved all the complaints and no complaints were pending as on March 31, 2023.**

e) **Mr. Uma Shankar Mantha, Company Secretary and Compliance officer is the Compliance officer**

IV. Corporate Social Responsibility Committee

a) **Composition of Corporate Social Responsibility committee**

i. Dr. Bhaskara Rao Bollineni
ii. Dr. Abhinay Bollineni
iii. Mr. Venkata Ramudu Jasthi

b) **Meetings of the Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee met only once during the financial year from 1st April 2022 to 31st March 2023. The meeting was held on 7th November, 2022.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Dr. Bhaskara Rao Bollineni	Chairman	1	1
2	Dr. Abhinay Bollineni	Member	1	1
3	Mr. Venkata Ramudu Jasthi	Member	1	1

c) **The CSR committee's primary functions are to:**

- Formulate, review and recommend to the board, a CSR policy indicating the activities to be undertaken by the company as specified in schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the initiatives as per the CSR policy;
- Provide guidance on various CSR initiatives undertaken by the company and monitor implementation and adherence to the CSR programs and policy of the company from time to time;
- Recommend to the board an annual CSR action plan delineating the CSR projects or programmes to be undertaken during the financial year; and
- Appoint an independent agency/firm to carry out impact assessment study, if any.

V. Risk Management Committee

To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities, it has constituted a Risk Management Committee to review the internal financial controls amongst other matters. The said Committee has also within its scope, the evaluation of significant risk exposures of the Company and to assess Management's actions to mitigate the exposures in a timely manner. The Committee considers activities at all levels of the organization, i.e. Enterprise level, Division level, Business Unit level and Subsidiary level in the risk management framework. The components are interrelated and ensure complete coverage of the entire enterprise from the Risk management angle with focus on three key elements i.e. Risk Assessment, Risk Management and Risk Monitoring.

As on March 31, 2023, the Company has constituted a Risk Management Committee, under the SEBI (LODR) Regulations, 2015.

Composition of the Risk Management committee

1. Mr. Rajeswara Rao Gandu
2. Mr. Saumen Chakraborty
3. Dr. Abhinay Bollineni
4. Ms. Dandamudi Anitha

During the year the Committee met twice on (i) 18th October, 2022 and (ii) 21st March, 2023.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Rajeswara Rao Gandu	Chairman	2	2
2	Mr. Saumen Chakraborty	Member	2	2
3	Dr. Abhinay Bollineni	Member	2	2
4	Ms. Dandamudi Anitha	Member	2	1

VI. Finance and Investment Committee

The Finance and Investment Committee is the sub-committee of the Board and the composition of the committee is as follows:

1. Mr. Saumen Chakraborty
2. Dr. Bhaskara Rao Bollineni
3. Mr. Shantanu Rastogi

During the year the two meetings were held i.e. on 28th July, 2022 and 26th August, 2022.

Sl. No.	Name of member	Designation	Number of meetings held	Number of meetings attended
1	Mr. Saumen Chakraborty	Chairman	2	2
2	Dr. Bhaskara Rao Bollineni	Member	2	2
3	Mr. Shantanu Rastogi	Member	2	2

VII. IT Steering Committee

The IT steering committee has been constituted to oversee the requirement of Information Technology for the entire organization. The composition of the committee is a mix of Executive, Non-Executive Directors who have hands-on experience in implementing the technology. The committee focuses on automation of processes in the organization.

The members of the committee are:

1. Mr. Pankaj Vaish
2. Mr. Saumen Chakraborty
3. Dr. Abhinay Bollineni
4. Mr. Shantanu Rastogi

4. GENERAL BODY MEETINGS

Details of the location, date and time of the Annual General Meetings held during the preceding three years are given below:

Year	Date	Venue	Time	Special Resolutions passed
2019-20	24th August, 2020	KIMS Hospitals # 1-8-31/1, Minister's Road, Secunderabad - 500003	3.00 PM	No Special Resolutions were passed in the meeting
2020-21	29th May, 2021	KIMS Hospitals # 1-8-31/1, Minister's Road, Secunderabad - 500003	11.00 AM	No Special Resolutions were passed in the meeting
2021-22	11th August, 2022	Through Video Conferencing and Other Audio-Visual Means	4.00 PM	a) Appointment of Mr s. Prameela Rani Yalamanchili (DIN: 03270909) as an Independent Director. b) Reinstatement of pre-existing IPO rights, in favor of M/s. General Atlantic Singapore KH Pte. Ltd by ratifying "Article 74" of the Articles of Association (AOA) of the Company.

Details of Postal Ballots

The Company had sought the approval of shareholders through postal ballot for the following resolution(s):

Date of Postal ballot Notice	Description of Resolutions	Type of Resolution	No. of Votes polled	Votes cast in favour	Votes cast Against
29.04.2022	Approval for reappointment of Dr. Bhaskara Rao Bollineni as Managing Director on a monthly all inclusive remuneration of Rs.30,00,000	Ordinary	4,88,60,777	4,88,60,186	591
29.04.2022	Approval for reappointment of Dr. Abhinay Bollineni as Executive Director & CEO on a monthly remuneration of Rs. 12,50,000 as fixed pay and target based variable pay of Rs. 50,00,000 per annum.	Ordinary	4,88,60,777	4,81,92,380	6,68,397
29.04.2022	Approval for reappointment of Ms. Dandamudi Anitha as Whole-time Director on an all-inclusive monthly remuneration of Rs.4,50,000.	Ordinary	6,98,80,706	6,98,80,267	439
29.04.2022	To make investments, give loans, guarantees and provide securities under Section 185 and Section 186 of the Companies Act, 2013	Special	6,97,54,874	6,52,73,448	44,81,426
04.01.2023	Appointment of Mr. Shantanu Rastogi as Non-Executive Director of the Company, liable to retire by rotation.	Ordinary	4,88,60,777	4,88,60,186	591
04.01.2023	Alteration of Article 74 of the Articles of Association of the Company.	Special	5,33,08,258	5,33,07,913	345
04.01.2023	issue of Non-Convertible Debentures	Special	5,33,08,264	5,33,07,936	328

IKR & Associates, Practicing Company Secretaries were appointed as scrutinizer for the above postal ballots. After receiving the approval of the Board of Directors, Notice of the Postal Ballot is sent to the shareholders to enable them to consider and vote for and against the proposal within a period of 30 days from the date of dispatch.

E-voting facility is made available to all the shareholders and instructions for the same are specified under instructions for voting in the Postal Ballot Notice. E-mails are sent to shareholders whose e-mail ids are available with the depositories. After the last day for receipt of ballots (e-voting), the Scrutinizer, after due verification, submits the results to the Company Secretary & Compliance officer. Thereafter, the Company Secretary & Compliance officer declares the result of the Postal Ballot as authorized by the Board of the Directors. The same is published in the Newspapers and displayed on the Company Website and submitted to Stock Exchanges.

Procedure for postal ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with various circulars, issued by the Ministry of Corporate Affairs.

5. Means of Communication:

The quarterly reports, along with additional information and official news releases, are posted on our website https://www.kimshospitals.com/investors/. Moreover, the quarterly / annual results and official news releases are generally published in Financial Express (English) and Nava Telangana (Telugu) newspapers.

Earnings calls with analysts and investors and their transcripts are also posted on the website. Further, all material information which has any impact on the operations of the Company is sent to the Stock Exchanges and also the same shall be placed on the Company's website.

NSE Electronic Application Processing System (NEAPS), https://digitalexchange.nseindia.com/ : BSE Corporate Compliance & Listing Centre : The NEAPS, https://digitalexchange.nseindia.com/ / BSE's listing center is a web-based application, designed for corporates. All periodic compliance related filings and other material information is filed electronically on the designated portals.

SEBI Complaints Redress System (SCORES): Investor Complaints are processed in a centralised web based complaints redress system. The salient feature of this system are a centralised database of all complaints, online upload of Action Taken Reports (ATRS) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

6. Other Disclosures

a) Related Party Transactions:

All transactions with related parties are placed before the audit committee and the board for review and approval, as appropriate. All details relating to financial and commercial transactions, where directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussions, nor do they vote on such matters. Transactions entered into with related parties during the financial year were at arm's length pricing and generally in the ordinary course of business.

The details of transactions are disclosed in the notes forming part of the Accounts as required under Indian Accounting Standard (IND AS) 24 notified by the Ministry of Corporate Affairs.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website https://www.kimshospitals.com/investors/.

b) Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, https://www.kimshospitals.com/investors/. during the financial year under review, no Complaints were received.

c) Subsidiaries

Your Company has one Material Non-Listed Subsidiary i.e M/s. KIMS Hospital Enterprises Private Limited whose turnover or net worth exceeded 10% of the consolidated turnover or net worth respectively of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the same has been posted on the website https://www.kimshospitals.com/investors/.

d) Acceptance of recommendations made by the Committees.

During the financial year 2022-2023, the Board has accepted all the recommendations of its Committees.

e) Accounting Treatment

The Financial Statement of the Company for FY 2022-2023 have been prepared in accordance with the applicable accounting principles in India and the Indian accounting standards (Ind As) prescribed under section 133 of the Companies Act, 2013 read with the rules made thereunder.

f) Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

g) Risk Management

Business Risk Evaluation and management of such risks is an ongoing process within the organization.

The Board has constituted a Risk Management Committee headed by the Independent Director which reviews the probability of risk events that adversely affect the operations and profitability of the Company and suggests suitable measures to mitigate such risks.

A Risk Management Framework is already in place and the Executive Management reports to the Board periodically on the assessment and minimization of risks

h) Proceeds of Public, Rights and Preferential Issues

During the year, the Company has not allotted any shares.

i) Management discussion and Analysis

The Management Discussion and Analysis Report is appended to this report.

j) Certificate from Practicing Company Secretary

A Certificate has been received from Krishna Rao Inturi, Partner of M/s. IKR & Associates, Practicing Company Secretaries annexure as **Annexure II,** that none of the Directors on the Board have been debarred or disqualified from being appointed or re-appointed as directors for the year ended 31st March 2023 by SEBI/Ministry of Corporate Affairs or any such statutory body.

k) Total Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Type of service	Amount in Million
Audit fees	Rs. 17.77
Other Services	Rs. 12.88
Total	**Rs. 30.65**

l) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	No.s
Number of complaints filed during the financial year 2022-2023	**Nil**
Number of complaints disposed off during the financial year 2022-2023	**Nil**
Number of complaints pending as on end of the financial year 2022-2023	**Nil**

m) Details of Non-Compliances

There are no non-compliances by the Company and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the financial year.

n) Compliance with Corporate Governance Norms

i. Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in the Listing Regulations. The requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent applicable to the Company have been complied with as disclosed in this report.

ii. Discretionary Requirements

The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations.

- **The Board**

  There is no Non-Executive Chairman of the Company.

- **Shareholder Rights**

  The Company communicates with investors regularly through emails, telephone calls and face to face meetings. The Company publishes the quarterly/half-yearly/annual financial results in leading business newspaper(s) as well as on the Company's website.

- **Modified opinion(s) in Audit Report**

  During the year under review, there was no audit qualification in the Company's financial statements.

- **Reporting of the Internal Auditor**

  The Internal Auditors' report to the Audit Committee of the Board of Directors and are requested to be present as invitees at the Audit Committee meetings held every quarter.

7. Certificate on Corporate Governance

The certificate issued by the Practicing Company Secretary on compliance of Corporate Governance norms is annexed to this Report **Annexure III**.

8. CEO/CFO Certification

The Chief Executive Officer and the Chief Financial Officer have issued a certificate pursuant to Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate from Dr. Abhinay Bollineni, Director & CEO and Mr. Vikas Maheshwari, Chief Financial Officer was placed before the Board of Directors at its meeting held on 18.05.2023.The certificate is annexed as **Annexure IV**.

9. **General Shareholder Information:**

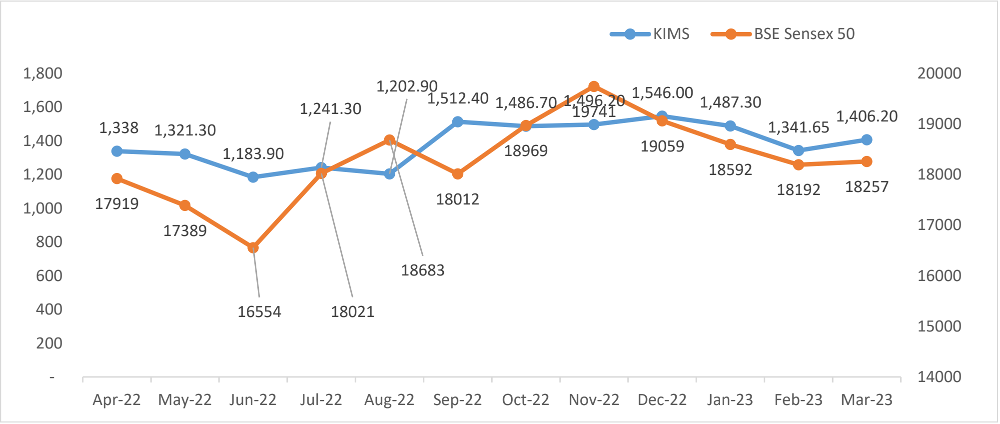
Annual General Meeting	Date : 30.08.2023 Time : 4:00 PM. Venue : KIMS Hospitals, 15th Floor, D.No. 1-8-31/1, Minister Road, Secunderabad - 500003
Financial Year	April 1, 2022 to March 31, 2023
Date of Book Closure	Not Applicable
Dividend Payment Date	Not Applicable
Name and address of the Stock Exchange where the Company is listed	i) BSE Ltd (BSE) PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel :91-22-2272 1234, 1233 Fax : 91-22-2272 3353/3355 Website : www.bseindia.com (ii) National Stock Exchange of India (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Tel : 91-22-2659 8100 – 8114 Fax : 91-22-26598237/38 Website : www.nseindia.com
Listing on Stock Exchanges BSE Ltd & NSE Ltd	June 28, 2021
Scrip/Stock Code	BSE Scrip Code: 543308 NSE Scrip Id: KIMS
ISIN Number for NSDL & CDSL	INE967H01017

10. **The listing fees have been paid to the above stock exchanges viz., BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).**

(a) Market Price Data: BSE Limited (BSE)

Sl.no.	Month	High during the month	Low during the month
1	April 2022	1484	1288
2	May 2022	1359.25	1204
3	June 2022	1307.95	1115.8
4	July 2022	1261.3	1168.1
5	August 2022	1298.4	1172.8
6	September 2022	1573.1	1200
7	October 2022	1522.2	1398.7
8	November 2022	1669.1	1434.05
9	December 2022	1599.9	1390.25
10	January 2023	1557.7	1420.85
11	February 2023	1500	1312.9
12	March 2023	1450	1283.95

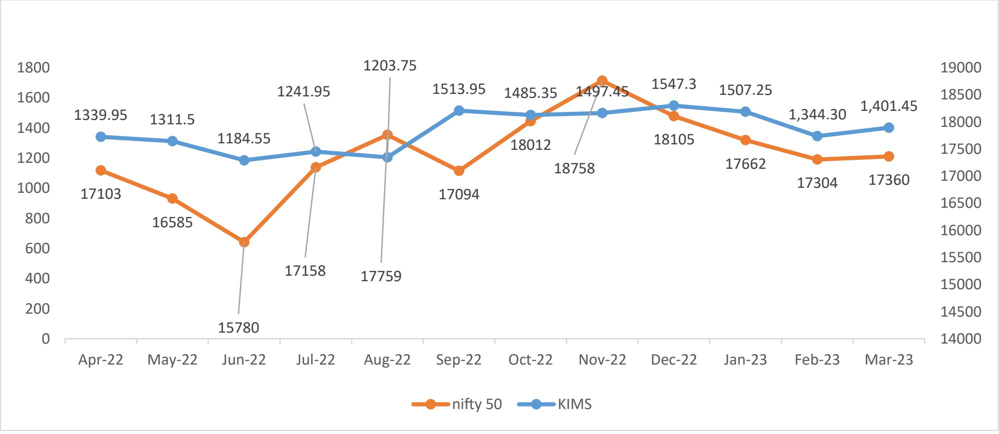
Performance in comparison to broad based indices of BSE SENSEX 50:



(b) Market Price Data: (National Stock Exchange of India Limited (NSE))

Sl.no.	Month	High during the month	Low during the month
1	April 2022	1487	1285.05
2	May 2022	1360	1202
3	June 2022	1314	1113.25
4	July 2022	1250	1167
5	August 2022	1297.95	1181.05
6	September 2022	1573.9	1200.5
7	October 2022	1525	1400
8	November 2022	1668.4	1432
9	December 2022	1550	1390
10	January 2023	1559.95	1400
11	February 2023	1500	1311.1
12	March 2023	1449.1	1282

Performance in comparison to broad based indices of NIFTY 50:



11. **Registrar to an issue & Share Transfer Agents:**

Registrar to an issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:

Link Intime India Private Limited
Surya 35, Mayflower Avenue
Behind Senthil Nagar
Sowripalayam Road
Coimbatore - 641028
Tel : 0422-2314792 / 2315792
E-mail: coimbatore@linkintime.co.in
Website : www.linkintime.co.in

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Share Transfer Agents.

Share Transfer Committee is authorized to approve transfer of shares in the physical segment. Such transfers take place on fortnightly basis.All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

In compliance with the SEBI Listing Regulations, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

12. **Distribution of shareholding as on 31st March, 2023.**

Shares holding of nominal value Of	No. of Shareholder	No. of Shares	% of total shares
1 - 500	60,723	14,71,213	1.84
500 - 1000	272	1,97,520	0.25
1001 - 2000	133	2,03,073	0.25
2001 - 3000	67	1,69,670	0.21
3001 - 4000	36	1,31,218	0.16
4001 - 5000	30	1,39,163	0.17
5001 – 10000	58	4,28,628	0.54
10001 & Above	209	7,72,87,302	96.58
Total	**61,528**	**8,00,27,787**	**100.00**

13. **Dematerialization of Shares and Liquidity.**

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.81 percent of the Company's equity share capital are dematerialized as on March 31, 2023.

14. **Reconciliation of Share Capital Audit Report**

As stipulated by the Securities and Exchange Board of India, a qualified Practicing Company Secretary carries out an Audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total listed and paid up capital.

This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, interalia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

15. **Address for correspondence:**

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/ Consolidation/ Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	Link Intime India Pvt. Ltd Surya 35, Mayflower Avenue Behind Senthil Nagar Sowripalayam Road Coimbatore - 641028 Tel : 0422-2314792 / 2315792 E-mail: coimbatore@linkintime.co.in Website : www.linkintime.co.in
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	Company Secretary Krishna Institute of Medical Sciences Limited D.No. 1-8-31/1, Minister Road, Secunderabad, Telangana - 500003 Tel: +91 40 4418 6433 Fax: +91 40 2784 0980 Email: cs@kimshospitals.com Website: www.kimshospitals.com

16. **Credit Rating:**

Name of Agency	Type of Rating	Ratings
CRISIL Rating Limited (A Subsidiary of CRISIL Limited)	**Long Term Rating**	**CRISIL AA-/Positive**
	Short Term Rating	**CRISIL A1+**

17. There are no firms./ Companies to which the Company or its subsidiaries gave any Loans and Advances in which Directors are interested by name or amount.

18. **Demat Suspense Account/Unclaimed Suspense Account**

The Company during the year under consideration does not have any Shares in demat suspense account or unclaimed suspense account.

19. **Details of material Subsidiary.**

The Company is having one material subsidiary. The details are as follows

a) Name of material subsidiary: KIMS Hospital enterprises Private Limited
b) Date of Incorporation : 15/02/2013
c) Place of Incorporation: Hyderabad, Telangana.
d) Statutory Auditors: S. R. Batliboi & Associates LLP
e) Date of appointment: 21.08.2019

Annexure I

Declaration under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct

I, Dr. Abhinay Bollineni, Director & CEO of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for its Board Members and Senior Management Personnel of the Company and they have affirmed compliance with the said code of conduct.

For Krishna Institute of Medical Sciences Limited

Sd/-
Dr. Abhinay Bollineni
Director & CEO

Place : Hyderabad
Date : 10.05.2023

Annexure II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Clause 10(i) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Krishna Institute of Medical Sciences Limited having CIN L55101TG1973PLC040558 and having registered office at D.No.1-8-31/1, Minister's Road, Secunderabad-500003, Telangana, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl.No	Name of the Director	DIN	Date of Appointment
1	Bhaskara Rao Bollineni	00008985	01/11/2002
2	Dandamudi Anitha	00025480	21/03/2008
3	Pankaj Vaish	00367424	08/01/2021
4	Kaza Ratna Kishore	01152107	08/01/2021
5	Bollineni Abhinay	01681273	18/01/2019
6	Venkata Ramudu Jasthi	03055480	08/01/2021
7	Rajeswara Rao Gandu	05339318	24/01/2017
8	Saumen Chakraborty	06471520	08/01/2021
9	Shantanu Rastogi	06732021	10/12/2022
10	Prameela Rani Yalamanchili	03270909	19/05/2022

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071E000292494

Place: Hyderabad

Date: 11.05.2023

Annexure III

CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Krishna Institute of Medical Sciences Limited ('the Company'), for the year ended 31st March 2023, as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

Management Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

Our examination is limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Krishna Rao Inturi
Proprietor
ACS No.23071, CP No.10486
Peer Review no. 1255/2021
UDIN: A023071E000292551

Place: Hyderabad

Date: 11.05.2023

ANNEXURE – IV

CEO & CFO DECLARATION

To
The Board of Directors
Krishna Institute of Medical Sciences Limited

We, Dr. Abhinay Bollineni, CEO and Mr. Vikas Maheshwari, CFO hereby certify as under:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended 31st March, 2023 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have disclosed, wherever applicable to the auditors and the audit committee

   i. that there are no significant changes in internal control over financial reporting during the year;

   ii. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and

   iii. that there are no instances of significant fraud of which we have become aware of and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Krishna Institute of Medical Sciences Limited

Sd/-
Dr. Abhinay Bollineni
Director & CEO

For Krishna Institute of Medical Sciences Limited

Sd/-
Mr. Vikas Maheshwari
Chief Financial Officer

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BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

FY 2022-23

ABOUT US

KIMS is one of the largest corporate groups in India, with hospitals in Telangana, Andhra Pradesh & Maharashtra providing multi-disciplinary integrated services with a focus on tertiary and quaternary healthcare at affordable cost. We operate 12 multi-specialty hospitals under the "KIMS Hospitals" brand, with an aggregate capacity of over 4,000 beds. We offer a comprehensive range of healthcare services in over 40 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother & child care.

ABOUT BRSR

This Business Responsibility and Sustainability Report (BRSR) is a document that outlines KIMS's initiatives and strategies related to Corporate Social Responsibility (CSR) and sustainability. The report also includes information on the company's Environmental, Social, and Governance (ESG) performance, and its efforts to minimize impact on the environment, promote social justice, and ethical business practices.

AWARDS & ACCOLADES FOR OUR DOCTORS

- Our CMD Dr. Bhaskara Rao was awarded Lifetime Achievement Award by Cardiological Society of India- Telangana Chapter.
- Our CMD, Dr. Bhaskara Rao was felicitated with the "Lifetime Achievement Award" by Honourable Governor of Telangana State Dr. Tamilisai Soundararajan at HMTV Business Excellence Awards 2022 function.
- Our CMD, Dr. Bhaskara Rao was awarded DR. Kakarla Subba Rao memorial award by Vamsi Art Theaters International in March 2023.
- Dr. Raghu Ram was conferred with OBE (Order of British Empire) by Prince Charles at Windsor Castle, London.
- Dr. Raghu Ram noted oncologist for Breast-Cancer was awarded with the Lifetime Achievement Award by the Telugu Association of London (TAL).
- Dr. Sandeep Attawar, a well-known Thoracic organ transplants Surgeon was given the "Indian of the Year Cardiology 2022" award at the 15th Annual Pharma Leaders Summit and Healthcare Power Brand Leadership Awards 2022 function.
- Dr. Sita Jayalakshmi, a Neurologist of repute received the prestigious A.M. BAKER TEACHER RECOGNITION AWARD from the American Academy of Neurology in United State of America.
- KIMS nursing team received the AHPI Award for Nursing Excellence.

AWARENESS & TRAINING

Hand Hygiene

Team at KIMS hospital came together to increase awareness on the importance of hand hygiene and educate our community that proper prevention techniques is critical for staying healthy and safe!

Deep Vein Thrombosis (DVT) Awareness

KIMS organized a DVT Awareness Walk to take a step towards creating awareness about Deep Vein Thrombosis (DVT) in the society.

Epilepsy Day Awareness

KIMS organized an International Epilepsy Day awareness with more than 100 epilepsy patients sharing their stories & dreams.

Basic Life Support (BLS) Training

On the occasion of National Bone and Joint Day, KIMS Hospitals organized Basic Life Support (BLS) Training for Ambulance drivers.

CORPORATE SOCIAL RESPONSIBILITY AT KIMS

KIMS's CSR wing - KFRC, as part of its outreach initiative, has launched the first Free Evening Clinic at Khairatabad on 8th January 2023, opened in association with Sri. Namitha Jain Shwetambar Moorti Pujak Trust. The event was inaugurated by Shri Talasani Srinivas Yadav, Minister of Animal Husbandry, Fisheries and Cinematography of Telangana and was graced by many dignitaries.




SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L55101TG1973PLC040558
2.	Name of the Listed Entity	Krishna Institute of Medical Sciences Limited
3.	Year of incorporation	26/07/1973
4.	Registered office address	D.NO.1-8-31/1, Minister Road, Secunderabad. Telangana, India - 500003
5.	Corporate address	D.NO.1-8-31/1, Minister Road, Secunderabad, Telangana, India - 500003
6.	E-mail	cs@kimshospitals.com
7.	Telephone	040-44885000
8.	Website	www.kimshospitals.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	Name of the Exchange: Stock Code Bombay Stock Exchange: 543308 National Stock Exchange: KIMS
11.	Paid-up Capital	INR 80,02,77,870
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Uma Shankar Mantha Company Secretary & Compliance officer Ph: 040-44885000 Email: cs@kimshospitals.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report are made on a standalone basis for Krishna Institute of Medical Sciences Limited (KIMS).

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Hospital and Medical Care	Hospital Activities	97.97%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	KIMS offer a bouquet of comprehensive healthcare services across 40 specialties including cardiac sciences, oncology, neurosciences, gastric sciences, orthopedics, organ transplantation, renal sciences, and mother & child care.	86100	97.97%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4*	0	4
International	0	0	0

*Operations of the entity (hospitals) take place at Secunderabad, Nellore, Rajahmundry and Ongole.

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	3
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

We are a healthcare provider and do not engage in export of goods/services. Hence this point is not applicable to us.

c. A brief on types of customers

The Company's customers include insured and non-insured patients across domestic locations, patients covered under various government sponsored schemes (CGHS/ ECHS/ other central & state government health schemes).

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	4588	2269	49.46%	2319	50.54%
2.	Other than Permanent (E)	0				
3.	Total employees (D + E)	4588	2269	49.46%	2319	50.54%
WORKERS						
4.	Permanent (F)	0				
5.	Other than Permanent (G)	1016	458	45.08%	558	54.92%
6.	Total employees (F + G)	1016	458	45.08%	558	54.92%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	16	12	75.00%	4	25.00%
2.	Other than Permanent (E)	8	1	12.00%	7	87.50%
3.	Total differently abled employees (D + E)	24	13	54.17%	11	45.83%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Nil				
5.	Other than Permanent (G)					
6.	Total employees (F + G)					

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	5	1	20%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	36.71	54.87	45.79	34.56	55.35	44.96	33.78	67.07	67.07
Permanent Workers	Nil								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ Subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	Arunodaya Hospitals Private Limited	Subsidiary	67.66	No
2.	KIMS Hospital Enterprises Private Limited	Subsidiary	90.74	No
3.	Iconkrishi Institute of Medical Sciences Private Limited	Subsidiary	51.00	No
4.	Saveera Institute of Medical Sciences Private Limited	Subsidiary	76.50	No
5.	Sarvejana Healthcare Private Limited	Subsidiary	56.61	No
6.	KIMS Hospital Kurnool Private Limited	Subsidiary	55.00	No
7.	KIMS Hospitals Private Limited	Subsidiary	100.00	No
8	KIMS Swastha Private Limited	Subsidiary	100.00	No
9	KIMS Hospital Bengaluru Private Limited. (formerly known as KIMS Hospital (Bhubaneswar) Private Limited)	Subsidiary	100.00	No
10	KIMS Manavata Hospitals Private Limited	Subsidiary	51.00	No
11	Rajyalakshmi Healthcare Private Limited (Step down Subsidiary)	Subsidiary	100.00	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.) – 1155,52,00,272

(iii) Net worth (in Rs.) – 1630,85,63,029

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
	(If Yes, then provide web-link for grievance redress policy)*	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of Nil the year	Remarks
Communities	Yes*	Nil					
Investors (other than shareholders)	Yes*	Nil					
Shareholders	Yes*	8	0	Nil	124	0	Nil
Employees and workers	Yes*	8	0	Nil	15	0	Nil
Customers	Yes*	515	0	Nil	715	0	Nil
Value Chain Partners	Yes*	Nil					
Other (please specify)	Yes*	Nil					

* https://www.kimshospitals.com/investors/

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Dependency on healthcare professionals	Risk	Our operations depend on the efforts, ability and experience of the healthcare professionals we employ, including our doctors, nurses, consultants and other medical staff at our hospitals.	We typically agree to pay our specialist physicians a professional fee based on the services they provide. Depending on market conditions and scarcity of the trained professionals, we may have to increase the fees and salaries (as applicable) paid to our healthcare Professionals and consultants.	If we are unable to attract or retain healthcare professionals as required, we may not be able to maintain the quality of our services and we may have to admit fewer patients to our hospitals, thereby having a material adverse effect on our business, financial condition, and results of operations, cash flows and prospects.
2.	Waste management	Risk	Waste management is a key material issue under the environment related risk.	We have a waste management system in place to regulate the waste disposal among other things.	Lack of initiatives towards environment preservation would impact business operations.
3.	Regulatory compliance	Risk	We are subject to various and extensive local laws, rules and regulations relating to, among other things, the establishment and operation of private medical care establishments.	We have on boarded a tool to monitor regulatory compliances. This tool directs these compliances to the relevant departments as per the requirements suggested by the authority.	Any non-compliance with the applicable laws, rules and regulations may subject us to regulatory action, including penalties and other civil or criminal proceedings, which may materially and adversely affect our business, prospects and reputation.
4.	Data security	Risk	Risk- Compliance with new and evolving privacy and security laws, regulations and requirements may result in increased operating costs and may constrain or require us to alter our business model or operations, which may in turn affect our business, financial condition, results of operations and prospects.	We have taken measures to maintain the confidentiality of our clients' medical and personal information such as IT and monitoring system, anti-virus etc.	Negative- Breach of our confidentiality obligations to our patients could expose us to fines, potential liabilities and legal proceedings, such as litigation or regulatory proceedings, which would adversely impact our reputation.

5.	Technological advancements	Opportunity	A commitment to data security can help build customer trust and loyalty.	-	Strong hold on data security principles with the use of innovative technologies and regular evaluations will prevent data breach.
6.	Dependency on supply chain	Risk	Any failure to procure equipment, reagents or drugs on a timely basis, or at all, from such third parties and on commercially suitable terms could affect our ability to provide our services. Certain of our medical and laboratory equipment are also procured under lease agreements.	All vendors go through a rigorous onboarding process and an evaluation process. They are also bound by terms of agreement once they are on boarded.	If the business relationship between our Company and our major suppliers were to deteriorate or if any of those suppliers were to terminate their business relationship with our Company or renegotiate our contracts on less favorable terms, our business, results of
7.	Intense competition	Risk	We compete with hospitals, clinics, diagnostic chains and dispensaries of varying sizes with different specialties.	We are required to evaluate and increase our competitive position in each of our markets for example by offering competitive compensation to healthcare professionals and quality services with competitive rates to our patients.	If we are unable to compete effectively with our competitors, our market share, business, financial condition, results of operations and cash flows could be materially and adversely affected.
8.	Community Outreach	Opportunity	The company engages with its local community via its CSR activities. It collaborate with schools, community centers, and other organizations to promote health and provide healthcare resources to underserved populations.	-	Effective community outreach programs can raise awareness about the hospital's services and expertise among community members. This can lead to an increase in patient volume as more individuals choose the hospital for their healthcare needs.
9.	Specialized Departments	Opportunity	KIMS has specialized departments to cater to specific medical conditions or procedures. This specialization can attract patients seeking specialized care and contribute to the hospital's reputation.	-	Patients seeking specialized care often travel long distances to receive treatment from experts in their respective fields. This increased patient volume can lead to higher revenue generation for the hospital through consultations, procedures, surgeries, and ancillary services.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	All the SEBI mandated policies could be found at https://www.kimshospitals.com/investors/ . 1. Policy for Preservation of documents – https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/1_policy_for_preservation_of_documents.pdf | P1 2. Whistleblowers policy for Directors and Employees- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/2_whistleblower_policy_for_directors_and_employees.pdf | P1 3. Policy for Determining Material Subsidiaries- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/3_policy_for_determining_material_subsidiaries.pdf | P1, P4 4. Policy on Code of Conduct- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/4_policy_on_code_of_conduct.pdf | P1 5. Policy on Related Party Transaction- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/5_policy_on_related_party_transactionsdoc_1653038161.pdf | P1, P4, P7 6. Policy on Prevention of Insider Trading- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/6_policy_on_prevention_of_insider_trading.pdf | P1, P4, P7 7. Policy of Nomination and Remuneration- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/7_policy_of_nomination_and_remuneration.pdf | P3, P4 8. Policy on Diversity- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/8_policy_on_diversity_samco_comments_130521.pdf | P1, P8 9. Policy for Determination of Materiality Threshold- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/9_policy_for_determination_of_materiality_threshold.pdf | P1, P4, P7 10. Policy on Familiarization of IDs https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/10_policy_on_familiarization_of_ids.pdf | P1 11. Dividend Distribution Policy- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/11_dividend_distribution_policy.pdf | P3, P4 12. Policy on CSR- https://kims-app-server.s3.ap-south-1.amazonaws.com/docs/12_policy_on_csr_1667812994.pdf | P4, P8 Additionally, the company maintains a few other policies, such as Grievance handling policy, ESG policy, Welfare policy, cyber security policy, POSH policy etc. covering P2, P5, P6 and P9, on the Intranet and the same is accessible to all employees.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Company's code of conduct policy extends to its value chain partners as it covers all the important aspects such as anti-bribery and anti-corruption relevant to a value chain partner.								
4. Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	1. ISO 9001:2015 Certified | P1, P2, P4, P9 2. Pharmacie De Qualite Certification (PDQ) | P2, P9 3. IVF center Accreditation by Board of FEQH & ISAR | P2, P8, P9 4. CSSD ACE Certification -2022 | P2 5. ISO 22000:2005 Certified - Food Safety Management System (FSMS) - 2019 | P2, P3 6. Successful Green OT certification | P6								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	In its ESG Journey, KIMS looks forward to set short, medium and long term targets for sustainability KPIs related to climate change, energy, water, waste management, air emission reduction, GHG reduction and biodiversity protection.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.									

Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) We are firmly committed to ESG initiatives and nurture it as a part of KIMS culture. Patient safety is paramount to us and all measures are centered on this aspect by providing a clean and safe and pleasant environment. Various community programmes are conducted on a continuous basis to create awareness on health issues among people that include preventive and remedial measures. We have created a conducive climate where our doctors and staff function to their full potential on a day to day basis coupled with care and concern to each and every patient. We adopt, cultivate and practice high ethical standards in all walks of our organization. We believe that YOU HAVE NO BUSINESS TO BE IN BUSINESS WITHOUT ETHICS. We, therefore consider it not only as a statutory duty but as a sacred commitment to protect and honor the interests of all our stakeholders. We practice transparency and accountability in all our transactions without compromise. We keep reviewing our ESG practices and seek to improve and innovate them with a view to contribute for a more equitable and sustainable future for all.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN Number : 01681273 Name: Dr. Abhinay Bollineni Designation: Director & CEO Telephone No. +91 – 98499 94678 Email Id: abhi@kimshospitals.com								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on Sustainability related issues? (Yes / No). If yes, provide details.	Same as above								
10. Details of Review of NGRBCs by the Company:									

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee					Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)			
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Performance against above mentioned policies and follow up action is reviewed by the Board of Directors, Nomination and Remuneration Committee, Risk Management Committee and Audit Committee, as applicable. The periodicity of these reviews is once in every two to three years or whenever an update is required due to change in applicable laws.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company monitors and completes the compliances on timely basis via a platform onboarded from a third party vendor.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Operationalization and effectiveness of policies have been evaluated by Dhir & Dhir Associates, a Law Firm. Evaluation was conducted on effectiveness of the working of policies. Policies are also periodically evaluated and updated by various department heads, business heads and approved by the management or board. The processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Sensitization Programme for Decoding ESG-BRSR	100%
Key Managerial Personnel	1	Sensitization Programme for Decoding ESG-BRSR	100%
Employees other than BoD and KMPs	26	-HR Induction -HR occupational hazards -Grooming hazards -BLS Training -Radiation Safety -All departmental Introduction -Fire safety Training -LMs training -Behavioural and Cross functional Training	60%
Workers	26	-HR Induction -HR occupational hazards -Grooming hazards -BLS Training -Radiation Safety -All departmental Introduction -Fire safety Training -LMs training -Behavioural and Cross functional Training	80%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil				
Settlement					
Compounding Fee					
Non-Monetary					
Imprisonment	Nil				
Punishment					

3. If the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable since the answer to Question 2 is Nil.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The aspects of anti-bribery forms a part of company's code of conduct. KIMS performs and promotes the highest standards of corporate governance and ethical business conduct and thus believes that safeguarding the company against bribery is an essential component of a company's corporate governance framework, as it helps ensure legal compliance, protect reputation, mitigate risk, and promote ethical business practices. However, a separate policy is not formulated.

Link- This policy is present on company's intranet and is available to its employees.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	Nil. No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of our Directors/KMPs/Employees/ Workers in the reporting year.	
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil. No complaints were received in relation to issues of conflict of interest against any of our Directors or KMPs in the reporting year and in the year before that.			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable since there were no such complaints raised in the reporting year.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topic/ principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
26	- HR Induction - HR occupational hazards - Grooming hazards - BLS Training - Radiation Safety - All departmental Introduction - Fire safety Training - LMs training - Behavioural and Cross functional Training	65%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

The aspects of conflict of interest involving the Board is covered in detail under the company's policy on Code of Conduct for Board members and senior management. It explains the concept of conflict of interest and reiterates that the directors and senior management personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interest and the Company's business interest.

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 1

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in the environmental and social impacts
R&D	Assessment of Capex and R&D spend to be incurred by the Company is always in line with its possible impact in betterment of social & environmental components associated with business activities. These are inseparable cost of project and hence separate identification of such cost is not feasible.		
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   The company's products and services are procured from business partners/suppliers that are carefully selected through a rigorous onboarding process and due diligence. New vendors go through an intensive evaluation before the company onboard them. The existing vendors are also required to go through regular evaluations to assess their engagement with KIMS. Efforts are underway to include the element of sustainability in the vendor selection process.

   b. If yes, what percentage of inputs were sourced sustainably?

   Efforts are underway to include the element of sustainability in the vendor selection process and quantify this data.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Waste	Disposal method
Bio-Medical waste	Bio-medical waste is handed over to the Bio Medical Waste Treatment Facility, authorized by CPCB (Central Pollution Control Board) as per Bio-Medical Waste Management Rules, 2016 Rules and amendments thereof.
Hazardous waste	Hazardous waste such as residuals from Sewerage treatment plant (STP) and general health care wastes are disposed through authorized municipal authorities, biomedical. The waste water is treated in the STP and the treated water is re-utilized in watering the plants so that greenery around the hospital is maintained.
E-waste	E-waste is handed over to the vendor authorized by CPCB (Central Pollution Control Board).
Other waste	Other waste is stored in a secured area and cleared regularly as per local municipality rules before collection by Municipal Authorities.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Not Applicable.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

   * Considering the nature of operations and business activities of KIMS, Life Cycle Assessment is not being conducted.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

   * Considering the nature of operations and business activities of KIMS, Life Cycle Assessment is not being conducted.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
This data is not currently available. KIMS is implementing measures to make this data available from the upcoming year.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

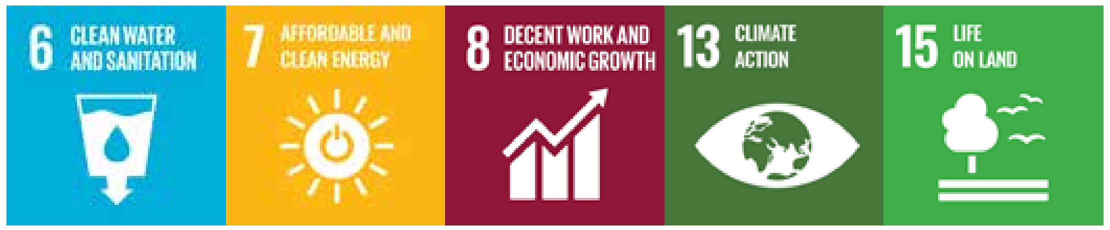
	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Out of all the waste generated by the company, Bio-medical waste is handed over to the Bio Medical Waste Treatment Facility, authorized by CPCB (Central Pollution Control Board) as per Bio-Medical Waste Management Rules, 2016 Rules and amendments thereof, E-waste is handed over to the vendor authorized by CPCB (Central Pollution Control Board) and Other waste is stored in a secured area and cleared regularly as per local municipality rules before collection by Municipal Authorities.					
E-waste						
Hazardous Waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category.
Not Applicable.	

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 2

Please refer to the end of this report for further details.



The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:*

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Benefits		Day Care |facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2269					0	0			6	0.27%
Female	2319	0				73	3.15%	0		17	0.73%
Total	4588					73	1.60%			23	0.50%
Other than Permanent Employees											
Male											
Female	0										
Total											

*All the employees at KIMS are provided in house medical treatments at concessional prices.

b. Details of measures for the well-being of workers:*

	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Benefits		Day Care |facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male											
Female	0										
Total											
Other than Permanent Employees											
Male	458										
Female	558	0									
Total	**1016**										

*All the workers at KIMS are provided in house medical treatments at concessional prices

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	86%	100%	Y	88%	100%	Y
Gratuity	82%	95%	Y (Deposited)	80%	95%	Y (Deposited)
ESI	57%	100%	Y	62%	100%	Y
Others – Please specify	86%	100%	Y	88%	100%	Y

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

KIMS understands that its patients, visitors and employees come from diverse backgrounds and cultures, and a hospital that values diversity and inclusiveness can provide better patient care. We, at KIMS, believe that we have a legal and ethical obligation to provide equal access to healthcare services to all patients, regardless of their disabilities. In line with this, we have provided ramps and separate urinals for differently abled employees, patients and visitors. Our staff is empathetic and work towards understanding the needs and challenges faced by specially abled people.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

KIMS provides equal employment opportunities to all individuals, regardless of their race, gender, religion, national origin, age, or disability and continuously work towards creating a fair and inclusive workplace where all employees feel valued, respected, and have an equal opportunity to succeed. Further to this, the company has a documented a Recruitment and Selection Policy which states that the hospital shall provide equal employment opportunities irrespective of sex, caste, creed, religion or community. KIMS also has a documented Employee Rights and Responsibilities Policy that gives the employees the right to be treated equally.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	88.00	95.45	80.00	100.00
Female	80.00	80.00	95.00	63.16
Total	84.00	87.73	87.50	81.58

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	**NA**
Other than Permanent Workers	Grievance can be communicated orally or by a formal written complaint, the same will be forwarded to grievance redressal committee. All persons involved in the complaint will have an opportunity to tell their views. The same will be then investigated by the committee and appropriate action is taken. The employee can make an appeal to the Management if he/she is not satisfied with the decision of the committee. The Management should resolve this within 45 days.
Permanent Employees	
Other than Permanent Employees	**NA**

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	4588			4704		
Male	2269			2262		
Female	2319	0		2442	0	
Total Permanent Worker	0			0		
Male						
Female						

**The company does not have any permanent workers which is why the number reflected above equals zero.

8. Details of training given to employees and workers:

	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2269	1054	22.98%	0		2262	1623	34.50%	0	
Female	2319					2442				
Total	4588					4704				
Workers										
Male	458	599	58.96%	0		447	619	62.33%	0	
Female	558					546				
Total	1016					993				

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2269	2269	100%	2262	2262	100%
Female	2319	2319	100%	2442	2442	100%
Total	4588	4588	100%	4704	4704	100%
Workers						
Male	458	458	100%	447	447	100%
Female	558	558	100%	546	546	100%
Total	1016	1016	100%	993	993	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

The Company is strongly committed to ensuring workplace safety and maintaining a healthy environment for all employees.

In line with this, an Occupational Health and Safety management system is being followed from January'23 and the same is done every quarter. Approximately 300 employees will be covered in each quarter.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Regular audits are conducted by the Quality department to identify and monitor identify work-related hazards and assess risks.

C. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, The Company has well-established Standard Operating Procedures (SOP) for employees and workers. These procedures prescribes the procedures to be followed by the users in the event of any adverse safety incident, and provides for the manner in which company identifies and reports on work-related hazards and the subsequent steps to mitigate them.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employers/ worker of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	**Employees**	Nil	
	Workers		
Total recordable work-related injuries	**Employees**		
	Workers		
No. of fatalities	**Employees**		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	**Employees**		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

KIMS believes that creating a safe and healthy workplace is essential for the well-being of employees and the success of the company. It benefits everyone involved, including employees, employers, customers, and other stakeholders. In furtherance of the same, the company commits to provisions of Prevention of Sexual Harassment (POSH), has formed a Grievance Committee, conducts regular fire drills and follows emergency codes. Additionally, different department process & protocols are followed as per requirements.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil		NA	Nil		NA
Health & Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Nil. However, Regular audits are conducted by the Quality department to identify and monitor identify work-related hazards and assess risks.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable as no safety-related incidents and no significant risks/ concerns arising from assessments of health & safety practices and working conditions were reported.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   The employees and workers at KIMS are covered under the ESI scheme.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   EPF, ESI, PT is deducted in every month pay sheets as per the eligibility and paid to the statutory bodies before the due date. Also, Agreements and contracts formalized with value chain partners of the Company enshrine their responsibility to ensure deduction and deposit of statutory dues.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil. None of our employees or workers have suffered high consequence work-related injury/ ill-health/ fatalities in the current or previous financial year.			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

   KIMS understands the importance of transition assistance program in helping individuals overcome the challenges of a career change and set them on a path towards success in their new career. Keeping this in mind, we as a company provide the same to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil. Although the value chain partners are not assessed on the abovementioned aspects, KIMS has a rigid process for the evaluation and onboarding of its suppliers
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   Not Applicable.

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 3

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   At KIMS, stakeholders assume a very critical position in its organizational goals both- Financial & Non-Financial. For us both internal and external stakeholders are equally important and we strive to maintain regular interaction with the stakeholders through various channels and modes in order to understand their queries, concerns, expectations and our obligations towards them. We have identified key stakeholder groups as- shareholders, employees, patients, healthcare professionals, suppliers, regulators & community.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investor/ shareholder	No	Website, Newspaper, Email, Meetings	Need basis- The company engages with stakeholders as and when required.	• Business and Financial • Performance • Strategic roadmap for growth • ROCE Dividends
Patients	Yes	Website, Newspaper, Email, SMS, Pamphlets		• Quality of healthcare services • Data Privacy • Patient Relationship Management Affordable healthcare
Healthcare Professional	No	Email, Website, Newspaper, SMS, Meetings		• Infrastructure Support • Research and Development Occupational Health and Well-being
Employees	No	E-mail, SMS, Meetings, Notice Board, Website, Intranet, Advertisements		• Career progression • Diversity & Inclusion • Employee Engagement • Employee Wellbeing Rewards and Recognitions
Regulators	No	Website, Newspaper, email		• Fair and ethical business practices Transparency in disclosures
Community	Yes	Newspaper, Website, Pamphlets, Advertisements		• Affordability Better Access to Health and Nutrition
Suppliers/ Vendors	No	Meetings, Email		• Ensuring quality in the supply chain Mitigating the Environment & Social risks in the supply chain
Industry Associations	No	Newspaper, Website, Pamphlets, Advertisements		• R & D Tie-up

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The Company management regularly interacts with key stakeholders. There are various mechanisms employed for analysing, planning and implementing various tasks to engage stakeholders. It enables the translation of stakeholder needs into organizational goals and creates the basis of effective strategy development.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes, the identification, prioritisation of material issues relevant to the environment, social, economic and governance topics is done in consultation with the stakeholders. The identified issues are then subsequently mapped with relevant risks. As part of the risk management plan, the Company subsequently strategizes and develops mitigation action plans for the identified risk.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   The Company's CSR activities focus on the disadvantaged, vulnerable and marginalized segments of society. All CSR programs are aligned to the CSR Policy of the Company. Critical focus areas of the Company's CSR mandate include education, gender equality and women empowerment, addressing hunger, poverty, nutrition and health.

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 4

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	4588	1054	22.98%	4704	1623	34.5%
Other than permanent	0	0		0	0	
Total Employees	4588	1054		4704	1623	
Workers						
Permanent	0	0	58.96%	0	0	62.33%
Other than permanent	1016	599		993	619	
Total Workers	1016	599		993	619	

** The Human Rights training is a part of induction trainings and the data only represents the number of employees/ workers who received the said training as a part of Induction process in the FY 22-23 and 21-22 respectively.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	4588	785	17.1%	3803	82.9%	3849	463	12.02	3386	87.98
Male	2269	261	11.5%	2008	88.5%	1972	127	6.44	1845	93.56
Female	2319	524	22.6%	1795	77.4%	1877	336	17.90	1541	82.10
Other than Permanent	Nil									
Male										
Female										
Workers										
Permanent	Nil									
Male										
Female										
Other than Permanent	1016	1016	100	0		993	993	100	0	
Male	458	458	100			447	447	100		
Female	558	558	100			546	546	100		

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category (per month)	Number	Median remuneration/ Salary/ Wages of respective category
Board of Directors (BoD)	8	INR 15,00,000	2	INR 2,25,000
Key Managerial Personnel	4	INR 15,00,000	1	INR 2,25,000
Employees other than BoD and KMP	2257	INR 33,826	2316	INR 21,900
Workers	458	INR 14,801	558	INR 13,668

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. The Company has adopted a Grievance Policy to develop and maintain an effective, timely, fair and equitable grievance handling system which is easily available and offered to all KIMS's employees. A Code of Conduct that outlines the norms, employee responsibilities and acceptable employee conduct has also been formalized and compliance with the same is mandatory for all employees.

There are various committees responsible for human rights impacts and issues. There is zero tolerance for sexual harassment at workplace. A specific committee constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to handle any complaints or concerns with respect to sexual harassment has also been established.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has a Grievance Redressal Policy that provides details on the processes and procedures to be followed to redress all employee grievances. The redressal mechanism has been designed to protect the confidentiality of aggrieved employees and provide redress in a timely and effective manner

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil. No complaints were raised with regards to the mentioned human rights issues in the reporting year and the previous year.					
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company is committed to prohibiting discrimination, retaliation or harassment of any kind against any employee who reports under the Vigil Mechanism or participates in the investigation. The Whistle Blower Policy, Code of Conduct and Grievance Policy holds a strong commitment to protect the identity of the complainant and maintain confidentiality through each stage of investigation.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, the Company has specific clauses as part of the Code of Conduct included in the business agreements and contracts / purchase orders. Human Rights form a part of the Code of Conduct

9. Assessments for the year:

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	Upholding of Human Rights is critical to the Company's business. Strict internal vigilance is maintained to ensure prevention of discrimination and conduct our operations in a fair and transparent manner, aligned with all national and international standards of Human Rights. For FY 2022-23, assessment was undertaken by an external party and 100% of our plants were covered.
Forced/involuntary labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risks/ concerns found arising from the assessments at Question 9 above hence, this point is not applicable to us.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

Since there were no grievances/ complaints raised with regards to human rights issues, this point is not applicable to us. However, the Company undertakes a regular review of its policies and business processes and updates are made as applicable, in line with regulatory changes or internal requirements.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The company currently does not undertake any Human rights due diligence, However, it is open to assessing the relevance of it and implementing it in the upcoming years.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

KIMS understands that its patients, visitors and employees come from diverse backgrounds and cultures, and a hospital that values diversity and inclusiveness can provide better patient care. We, at KIMS, believe that we have a legal and ethical obligation to provide equal access to healthcare services to all patients/ visitors/ employees, regardless of their disabilities. In line with this, we have provided ramps and separate urinals for differently abled visitors, employees and patients. Our staff is empathetic and work towards understanding the needs and challenges faced by specially abled people.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Upholding of Human Rights is critical to the Company's business. Strict internal vigilance is maintained to ensure prevention of discrimination and conduct our operations in a fair and transparent manner, aligned with all national and international standards of Human Rights. KIMS is committed to providing details on assessment of our value chain partners and the same will be made available from subsequent financial years.
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others – Please Specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable.

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 5

Please refer to the end of this report for further details.

8 DECENT WORK AND ECONOMIC GROWTH

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: (MegaJoules)

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	61415481.6	58499679.6
Total fuel consumption (B)	1558503.36	2040638.968
Energy consumption through other sources (C)	95508	280728
Total energy consumption (A+B+C)	63069492.95	60821046.57
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0054	0.0052
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/ assurance has been carried out by an external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not Applicable. The company does not come under the ambit of PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	306530	274495
(iii) Third party water	3996	5635
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	30661	43911
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	341187	324041
Total volume of water consumption (in kilolitres)	341187	324041
Water intensity per rupee of turnover (Water consumed / turnover)	2.95	2.80
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the company has implemented Zero Liquid Discharge. Efforts have been made by the Company to manage and reduce its water consumption. Efficient utilization of water is one of the most important parameters of the Company's sustainability agenda. The sewer generated from hospitals in Secuderabad, Nellore and Rajahmundry units is treated in sewage treatment plant and water is reused for flushing in toilets and for chillers condensers. The sewer generated from hospital unit in Ongole is used for landscaping in the hospital premises.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Gram	0.0091	0.0119
SOx	Gram	0.0040	0.0052
Particulate matter (PM)	Gram	0.1353	0.2123
Persistent organic pollutants (POP)	The company currently does not measure these pollutants. However, efforts are underway to provide the data from the upcoming years.		
Volatile organic compounds (VOC)			
Hazardous air			
pollutants (HAP)			
Others – please			
specify	Nil	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/ assurance has been carried out by an external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,290.03	1,132.87
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	7,478.99	7,716.87
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/ rupee	7.59	7.66
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No independent assessment/ evaluation/assurance has been carried out by an external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

KIMS is committed to endeavours continuous support in energy consumption, monitoring, system efficiency enhancement and identification of opportunities for energy optimization. KIMS Secunderabad has partnered up with Smart Joules Pvt. Ltd (SJPL), a prominent Energy Services Company (ESCO), in 2018. A new and innovative model known as JoulePAYS was executed wherein, KIMS makes Zero Capital investment to implement various Energy Conservation Measures (ECMs) across the hospital and gets a guaranteed energy savings of minimum 10% annually over the baseline energy consumption.

The company has also taken initiatives in support of clean technologies, energy efficiencies, and renewal energy. The company has installed LED lights across all the hospital units as part of the clean and energy efficiency measures. Further, the KIMS Hospital – Secunderabad unit is a certified Green OT that is a part of initiatives on clean technology, energy efficiency, and renewable energy.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	The amount of plastic waste is included in below mentioned categories as it is not being separately calculated. Efforts are underway to provide this data from the upcoming years.	
E-waste **(B)**	0.12	4.45
Bio-medical waste **(C)**	99.93	87.69
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	0	0
Radioactive waste **(F)**	0.06	0.06
Other Hazardous waste. Please Specify, if any. **(G)**	0	0
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	100.10	92.20
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Bio-medical waste is handed over to the Bio Medical Waste Treatment Facility, authorized by CPCB (Central Pollution Control Board) as per Bio-Medical Waste Management Rules, 2016 Rules and amendments thereof, E-waste is handed over to the vendor authorized by CPCB (Central Pollution Control Board) and Other waste is stored in a secured area and cleared regularly as per local municipality rules before collection by Municipal Authorities.	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/ assurance has been carried out by an external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

At KIMS, Bio-medical waste is handed over to the Bio Medical Waste Treatment Facility, authorized by CPCB (Central Pollution Control Board) as per Bio-Medical Waste Management Rules, 2016 Rules and amendments thereof, E-waste is handed over to the vendor authorized by CPCB (Central Pollution Control Board) and Other waste is stored in

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
	Not Applicable. The Company has no operations/offices in/around ecologically sensitive areas. Hence, required environmental approval/ clearances are not applicable for the Company.		

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, the Company is compliant with all applicable environmental law/ regulations/ guidelines in India. BBL maintains all emissions/waste generated at various units within permissible limits. These are continuously monitored, reviewed internally, and reported to the CPCB / SPCB as per the requirement.				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources (Mega Joule)		
Total electricity consumption (A)	26000874	25361830.8
Total fuel consumption (B)	1558503.36	2040638.968
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	27559377.36	27402469.77
From non-renewable sources		
Total electricity consumption (D)	35414607.6	33137848.8
Total fuel consumption (E)	1558503.35	2040638.97
Energy consumption through other sources (F)	95508	280728
Total energy consumed from non-renewable sources (D+E+F)	37068619	35459215.77

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Provide the following details related to water discharged:

**Water is treated in STP and reused for toilets flushing and chillers.

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water - No treatment - With treatment - please specify level of treatment	Nil	
(ii) To Groundwater - No treatment - With treatment - please specify level of treatment		
(iii) To Seawater - No treatment - With treatment - please specify level of treatment		
(iv) Sent to third-parties - No treatment - With treatment - please specify level of treatment		
(v) Others - No treatment - With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – NA

(ii) Nature of operations – NA

(iii) Water withdrawal, consumption and discharge in the following format: The Company does not withdraw, consume or discharge water in areas of water stress

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA. KIMS does not withdraw, consume or discharge water in areas of water stress.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water - No treatment - With treatment – please specify level of treatment	NA	
(ii) Into Groundwater - No treatment - With treatment – please specify level of treatment		
(iii) Into Seawater - No treatment - With treatment – please specify level of treatment		
(iv) Sent to third-parties - No treatment - With treatment – please specify level of treatment		
(v) Others - No treatment - With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	The company did not measure its Scope 3 emissions in the reporting year. Efforts are underway to track and record this data and it will be made available from the upcoming years.		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

   Not Applicable. The Company has no operations/offices in/around ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Nil			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   Yes, the company has a disaster management plan. The purpose of this plan is mobilization and organization of hospital resources to meet a disaster situation, identify responsibilities of individuals and departments and identify standard operating procedures (SOP) for emergency activities and responses.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

   Not Applicable.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   Focused efforts are undertaken to ensure that the Company's value chain partners are sustainable in their mode of operation. Opportunities for environment impact assessment are being evaluated and relevant steps will be taken in this direction for subsequent financial years.

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 6

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/ associations.

   We are affiliated with 2 trade and industry chambers/ associations. Details are listed down below (1.b).

   b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Association of Healthcare Providers (India)	National
2	Consortium of Accredited Health Care Organization	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective active taken
Not Applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

   KIMS engages in constructive dialogues with industry regulatory bodies and associates on issues of legitimate interest of the group. At Industry level, we participate in many industry forums and associations. We collaborate with these associations and forums to set industry standards benchmarks with best global practises. Through our regular interaction with these associations and forums, we ensure long-term viability of the industry by participating in policy development and thereby securing a sustainable future.

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
Nil					

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 7

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and Brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
NA. The company has not undertaken any SIA projects in the reporting year. The requirement of the same shall be assessed in the upcoming year and taken up accordingly.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. pf Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company's operations do not have negative impact on the local community. However, the company strongly believes that efforts must be made to protect the lives of communities living in and around the Company's area of operations. Further, the Company follows an open-door approach that fosters an environment of transparency and accountability for local community members to raise their grievances, if any.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	Medical procurements are generally based on prescription and clinician requirements. If those products are supplied through MSME vendors, we on board them for supplies. However, no specific initiatives made for encouraging MSME vendor onboarding for medical supplies.	
Sourced directly from within the district and neighbouring districts	91.46%	91.12%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
This question does not apply to the company as no Social Impact Assessment was undertaken during the reporting period.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No	State	Aspirational District	Amount spent (In INR)
	Nil for this reporting year, the Company did not undertake any CSR projects in designated aspirational districts.		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Medical procurements are generally based on prescription and clinician requirements. If those products are supplied through these groups, the company onboards them for supplies. No specific initiatives made for encouraging suppliers comprising marginalized/

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
This question does not apply to the company as there has not been any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.		

6. Details of beneficiaries of CSR Projects:

S.No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Skilling & Reskilling	94	50%
2.	School infrastructure	10 Schools (68 PCs)	100%
3.	Camps (At various locations)	4600	100%
4.	Free Clinics	3900	100%
5.	Fire Station Infrastructure Development for Telangana State - Disaster Response and Fire Services Wing	Households and Industries situated in the belt	35%
6.	Skilling / Training to eligible candidates for Government Exams	1000+	100%

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 8

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   KIMS takes the feedback of its patients very seriously and thrives to implement measures to redress any queries or grievances.

   The following methods are implemented for the patients to communicate their complaints and grievances to the management.

   - Direct Visits by Relationship manager – The patient feedback and opinions may be obtained verbally during direct patient's visits to the relationship manager.
   - Any such complaints are immediately reported by the relationship manager to the concerned Department. After the complaint is addressed, the concerned HOD should resolve the issue within 1 hour.
   - Feedback is collected from patients once the patients are discharge, it is collected by third party.
   - The Analysis of discharge feedbacks are analysed by Quality Department.

   The patients also has the right to justice by lodging a complaint to patient care floor manager. If the grievance is still not attended by them, they may contact the grievance manager on 7995222794, E-mail ID:- assistance@kimshospitals.com or on website https://www.kimshospitals.com/.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/ or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year		Received during the Year
Data Privacy						
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices			Nil			
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	We are healthcare providers hence this point does not apply to us.	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

   Data privacy policies are crucial for hospitals and healthcare organizations because they handle sensitive personal information of patients, such as medical records, insurance information, and personal identification. In furtherance of the same, KIMS has maintained a policy on cyber security.

   Link- This policy is present on company's intranet. Hence, the website is not accessible to general public.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   No issues were reported.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
   Website: www.kimshospitals.com and www.kimscuddles.com
   Facebook: https://www.facebook.com/kimshospitals
   Instagram: https://www.instagram.com/kimshospitals/
   Twitter: https://twitter.com/kimshospitals
   LinkedIn: https://www.linkedin.com/company/kimshospitals/
   YouTube: https://www.youtube.com/@KIMSHospitalsOfficial/featured

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   KIMS provides the information of all its services on its website and various other social media channels. It has also published its Policies on the website that is easily accessible to everyone.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   The Company is bound under the SEBI (Listing Obligations and Disclosure Requirements) Regulations to promptly inform the Stock Exchanges about any material event which may

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Feedback is collected from patients once the patients are discharged. It is collected by third party and the analysis of discharge feedbacks are done by the Quality Department. All the feedback forms are analyzed by Quality department on weekly basis. The feedback forms are sent to the concerned departments as per the complaints and suggestions

5. Provide the following information relating to data breaches:

   a) Number of instances of data breaches along-with impact

   Nil

   b) Percentage of data breaches involving personally identifiable information of customers

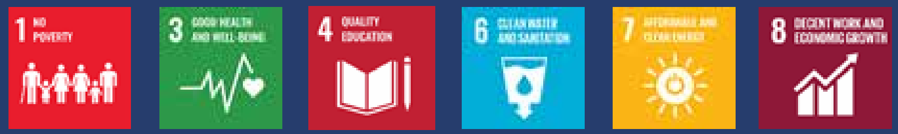
   Nil

Sustainable Development Goals (SDG) Mapping for KIMS: Principal 9

Please refer to the end of this report for further details.

The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

SDG MAPPING: PRINCIPLE 1-9[1]



NO POVERTY: SDG 1

KIMS has identified category of disadvantaged, vulnerable & marginalized stakeholders as per Company's policy. The Company provides the medical treatment to Below Poverty Line (BPL) patients and employees through the Government schemes such as Arogyasree and Employee Health Schemes (EHS) and ECHS. We also launched a massive cancer awareness drive wherein our doctors go to the villages and conduct screenings to detect cancer at early stages and give follow up treatment.

GOOD HEALTH AND WELL BEING: SDG 3

The company provides certain retirement benefits to its employees and also conducts regular training and awareness sessions on safety and skill upgradation.

QUALITY EDUCATION: SDG 4

CSR agenda at KIMS embraces activities on education, clean environmental living, Genetic Research and new drug discovery initiatives, in primary and secondary health-care.

CLEAN WATER AND SANITATION: SDG 6

KIMS treats the waste water in the Sewage Treatment Plant and the treated water is re-utilized for watering the plants so that greenery around the hospital is maintained.

AFFORDABLE AND CLEAN ENERGY: SDG 7

An innovative model known as JoulePAYS was executed wherein, KIMS makes Zero Capital investment to implement various Energy Conservation Measures (ECMs) across the hospital.

The company has installed LED lights across all the hospital units as part of the clean and energy efficiency measures. Further, the KIMS Hospital – Secunderabad unit is a certified Green OT

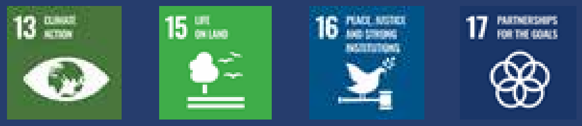
DECENT WORK AND ECONOMIC GROWTH: SDG 8

KIMS has adopted various policies like remuneration policy, risk management policy, dividend distribution policy and follows standard practices such as creating healthy and safe working environment, providing gratuity etc., as per applicable laws.

The company has various committees such as the audit committee, stakeholder relationship committee, CSR committee, Risk Management Committee and other committees to have a check over the implementation of policies.

[1]The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

SDG MAPPING: PRINCIPLE 1-9[2]



CLIMATE Action: SDG 13

We are committed in our endeavors on energy conservation, monitoring, system efficiency enhancement and identification of opportunities for energy optimization.

LIFE ON LAND: SDG 15

KIMS maintains all emissions/waste generated at various units and subsidiaries within permissible limits. These are continuously monitored, reviewed internally, and reported to the CPCB / SPCB as per the requirement.

The Company has a defined process in disposing off biomedical waste and it ensures at the inception the correct way of sorting, labelling, handling, storage, and transporting of solid and liquid waste. This process ensures in prevention of infections and contamination of personnel & equipment and paves way for reducing nosocomial infections. Further, all the hazardous waste such as residuals from Sewage treatment plant (STP) and general health care wastes are disposed through authorized municipal authorities. Bio Medical waste is handed over to a Government approved vendor.

PEACE, JUSTICE AND STRONG INSTITUTIONS: SDG 16

KIMS has a policy for prevention of sexual harassment, a whistle-blower policy and a code of conduct.

PARTNERSHIP FOR THE GOALS: SDG 17

KIMS provides the medical treatment to Below Poverty Line (BPL) patients through the Government schemes such as Arogyasree and it also caters to the Central and State Government employees under various schemes, like Employee Health Schemes (EHS) and Ex-servicemen Contributory Health Scheme (ECHS), Arogya Bhadratha and Central Government Health Scheme (CGHS).

[2]The Ministry of Corporate Affairs (2018) National Guidelines on responsible business conduct. pg. 48 Available at: https://www.mca.gov.in/Ministry/pdf/NationalGuildeline_15032019.pdf.

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STANDALONE
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Krishna Institute of Medical Sciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Krishna Institute of Medical Sciences Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, 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 significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2023, 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, 2023. 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 matter 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 this matter. 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 matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Allowance for credit losses relating to trade receivables (as described in Note 1.3 and 2.7 of the standalone financial statements)	
As at March 31, 2023, the Company has outstanding gross trade receivables of Rs. 1,463.78 million which represents approximately 8% of the total assets of the Company and Rs. 264.35 million of allowance for Expected Credit Loss. In assessing the recoverability of the trade receivables and determination of allowance for expected credit loss, management's judgement involves consideration of aging status, historical payment records, the likelihood of collection based on the terms of the contract and the credit information of its customers. We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.	Our audit procedures included and were not limited to the following: - We assessed and tested the design and operating effectiveness of management control over assessing the recoverability of the trade receivables and key internal controls over allowance for credit losses. - We performed test of details and tested relevant contracts, documents, and subsequent receipts for material trade receivable balances. - In respect of material trade receivable balances from the government customers, we traced the trade receivable balances to the portals of the government customers. - We tested the aging of trade receivables at year end. - We reviewed management's assessment of the assumptions used in the allowance for Expected Credit Loss model and verified the expected credit loss computation based on model considered by the management. - We reviewed the disclosures made by the management in consolidated financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 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 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.25 to the standalone financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
         b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
         c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
      v. No dividend has been declared or paid during the year by the Company.
      vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

per Navneet Rai Kabra
Partner
Membership Number: 102328

UDIN: 23102328BGSBMM5311

Place of Signature: Hyderabad
Date: May 18, 2023

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

b) The Company has maintained proper records showing full particulars of intangibles assets.

c) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification 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.

d) 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.

e) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

f) 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) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more in 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. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

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

Rs. in Million

Key audit matters	Guarantees	Loans
Aggregate amount granted/ provided during the year - Subsidiaries	Rs 4,800.00	Rs. 1,159.88
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries	Rs 5,440.00	Rs. 876.86

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 and guarantees to companies are not prejudicial to the Company's interest.

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

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

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

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

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

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

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

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

b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount Demanded (Rs. in Million)	Amount paid under protest (Rs. in Million)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
CGST Act, 2017	CGST and SGST including penalty	6.59	0.44	July 2017 to August 2019	Assistant Commissioner, Ongole

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

(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) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

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.

(xi) a) No fraud/ material fraud by the Company or no fraud / 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.

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

(xvii) The Company has not incurred cash losses in the current 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 2.38 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.33 to the financial statements.

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

per Navneet Rai Kabra
Partner
Membership Number: 102328

UDIN: 23102328BGSBMM5311

Place of Signature: Hyderabad
Date: May 18, 2023

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

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, 2023 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.

Auditors' Responsibility

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

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

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

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

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

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

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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: 23102328BGSBMM5311

Place of Signature: Hyderabad
Date: May 18, 2023

Standalone Balance Sheet as at 31 March 2023

INR in millions

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	5,933.71	5,804.70
Capital work-in-progress	2.1 (b)	159.68	131.88
Intangible assets	2.1 (c)	189.10	115.01
Financial assets			
(i) Investments	2.2 (a)	7,848.71	5,420.08
(ii) Loans	2.3 (a)	876.87	665.00
(iii) Other financial assets	2.4 (a)	93.13	75.39
Non-current tax assets (net)	2.9	11.96	52.26
Other non-current assets	2.5	637.08	110.70
Total non-current assets		**15,750.24**	**12,375.02**
Current assets			
Inventories	2.6	192.44	259.87
Financial assets			
(i) Investments	2.2 (b)	411.74	-
(ii) Trade receivables	2.7	1,199.44	873.78
(iii) Cash and cash equivalents	2.8 (a)	380.99	198.59
(iv) Bank balances other than (iii) above	2.8 (b)	20.10	1,599.02
(v) Loans	2.3 (b)	-	66.40
(vi) Other financial assets	2.4 (b)	116.21	236.53
Other current assets	2.10	49.52	78.63
Total current assets		**2,370.44**	**3,312.82**
Total assets		**18,120.68**	**15,687.84**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.11 (a)	800.28	800.28
Other equity	2.11 (b)	15,508.31	12,975.19
Total equity		**16,308.59**	**13,775.47**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (a)	-	41.70
(ii) Other financial liabilities	2.13 (a)	0.09	0.09
Provisions	2.14	171.28	154.51
Other non-current liabilities	2.17 (a)	98.82	42.02
Deferred tax liabilities (net)	2.36	345.11	331.52
Total non-current liabilities		**615.30**	**569.84**
Current liabilities			
Financial liabilities			
(i) Borrowings	2.12 (b)	41.70	142.39
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and	2.15	1.97	0.75
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.15	725.36	805.69
(iii) Other financial liabilities	2.13 (b)	116.45	92.24
Provisions	2.16	78.01	67.89
Other current liabilities	2.17 (b)	233.30	233.57
Total current liabilities		**1,196.79**	**1,342.53**
Total equity and liabilities		**18,120.68**	**15,687.84**

Significant accounting policies 1.3
The accompanying notes referred to above form an integral part of the financial statements.
As per our report attached of even date

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: 18 May 2023

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

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Standalone statement of Profit and Loss for the year ended 31 March 2023

INR in millions

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Income from operations	2.18	11,320.23	11,433.76
Other income	2.19	234.97	241.74
Total Income		**11,555.20**	**11,675.50**
Expenses			
Purchase of medical consumables, drugs and surgical instruments		2,308.19	2,594.21
Decrease / (increase) in inventories of medical consumables, drugs and surgical instruments	2.20	67.43	(95.14)
Employee benefits expense	2.21	1,872.52	1,740.21
Finance cost	2.22	11.52	44.68
Depreciation and amortisation expense	2.23	452.95	449.22
Other expenses	2.24	3,469.26	3,232.28
Total expenses		**8,181.87**	**7,965.46**
Profit before tax		**3,373.33**	**3,710.04**
Tax expense			
- Current tax	2.36	837.62	909.27
- Deferred tax charge	2.36	10.82	29.73
- Adjustments of tax relating to earlier year	2.36	-	(12.63)
Total tax expense		**848.44**	**926.37**
Profit for the year (A)		**2,524.89**	**2,783.67**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
- Re-measurement income on defined benefit plans		11.00	2.63
- Income tax effect		(2.77)	(0.66)
Other comprehensive income, net of tax (B)		**8.23**	**1.97**
Total comprehensive income for the year (A+B)		**2,533.12**	**2,785.64**
Earnings per share (face value of share INR 10 each)	2.29		
- Basic		31.55	35.04
- Diluted		31.55	35.04

Significant accounting policies 1.3

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

As per our report attached of even date

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

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

per Navneet Rai Kabra
Partner
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Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Place: Hyderabad
Date: 18 May 2023

Standalone statement of cash flows for the year ended 31 March 2023

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
I. Cash flows from operating activities:		
Profit before tax for the year	3,373.33	3,710.04
Adjustments for operating activities:		
Depreciation and amortisation expenses	452.95	449.22
Loss on sale of property, plant and equipment	1.35	27.04
Reversal of expected credit loss for trade receivables (net of bad debts)	(7.86)	(27.88)
Write off of loans of subsidiary	2.90	-
Guarantee commission income	(31.70)	(26.26)
Rental income	(1.26)	(4.00)
Interest income	(108.30)	(156.62)
Dividend on preference shares	(2.57)	-
Liabilities no longer required written back	(57.32)	(32.04)
Interest income on income tax refund	-	(9.15)
Fair value gain on mutual funds	(16.55)	-
Finance cost	11.52	44.68
Operating cash flows before working capital changes	**3,616.49**	**3,975.03**
Adjustments for:		
Increase in trade receivables	(369.97)	(115.86)
Decrease /(increase) in inventories	67.43	(95.14)
Decrease in other financials assets and other assets	146.09	3.42
(Decrease)/increase in trade payables, other financial liabilities, provisions and other liabilities	(15.27)	39.10
Cash generated from operations	**3,444.77**	**3,806.55**
Income taxes paid, net of refunds	(745.15)	(962.81)
Net cash generated from operating activities (A)	**2,699.62**	**2,843.74**
II. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,209.90)	(694.69)
Proceeds from sale of property, plant and equipment	4.38	2.36
Investment in subsidiaries and joint venture	(2,338.92)	(3,240.95)
Proceeds from redemption of preference shares from subsidiary	5.00	-
Investment in mutual funds	(1,230.00)	-
Proceeds from sale of mutual funds	834.81	-
Loans given to subsidiaries	(1,159.88)	(1,951.33)
Receipt of loans given to subsidiaries	1,011.52	1,416.93
Redemption of bank deposits (having original maturity of more than three months)	3,789.44	5,821.65
Investment in bank deposits (having original maturity of more than three months)	(2,204.99)	(5,263.21)
Lease income received	1.26	4.00
Interest received	131.44	154.43
Net cash used in investing activities (B)	**(2,365.84)**	**(3,750.81)**
III. Cash flows from financing activities		
Repayment of long-term borrowings	(142.39)	(603.62)
Repayment of short-term borrowings (net)	-	(500.00)
Payment of lease obligations	-	(10.93)
Proceeds from issue of shares (net of share issue expenses)	-	1,916.60
Dividend on preference shares received	2.57	-
Interest paid	(11.56)	(42.24)
Net cash flows (used in)/generated from financing activities (C)	**(151.38)**	**759.81**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**182.40**	**(147.26)**
Cash and cash equivalents at the beginning of the year	198.59	345.85
Cash and cash equivalents at the end of the year	**380.99**	**198.59**

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 2023	For the year ended 31 March 2022
Cash on hand	10.75	7.52
Balances with banks		
- On current accounts	370.24	191.07
Total	**380.99**	**198.59**

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

As per our report attached of even date

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

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

per Navneet Rai Kabra
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN:00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Place: Hyderabad
Date: 18 May 2023

Statement of changes in equity for the year ended 31 March 2023

INR in millions

a) Equity share capital

Equity shares of Rs.10 each issued, subscribed and fully paid	No of shares	Amount
At 1 April 2021	**7,75,93,283**	**775.93**
Add: Shares issued during the year	24,34,504	24.35
At 31 March 2022	**8,00,27,787**	**800.28**
Add: Shares issued during the year	-	-
At 31 March 2023	**8,00,27,787**	**800.28**

b) Other Equity

Particulars	Other equity Reserve and surplus			Total of other equity
	Securities premium account	Adjustment reserve	Retained earnings	
Balance as at 01 April 2021	**8,448.10**	**57.64**	**(208.44)**	**8,297.30**
Profit for the year	-	-	2,783.67	2,783.67
Issue of shares	1,975.65	-	-	1,975.65
Share issue expenses	(83.40)			(83.40)
Other comprehensive income for the year	-	-	1.97	1.97
Balance as at 31 March 2022	**10,340.35**	**57.64**	**2,577.20**	**12,975.19**
Profit for the year	-	-	2,524.89	2,524.89
Other comprehensive income for the year	-	-	8.23	8.23
Balance as at 31 March 2023	**10,340.35**	**57.64**	**5,110.32**	**15,508.31**

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

As per our report attached of even date

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: 18 May 2023

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

Dr. B Bhaskara Rao
Managing Director
DIN:00008985

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DIN: 01681273

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

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 Road, Secunderabad, Telangana, India - 500003.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 18 May 2023.

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 2023, 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, rounded off to two decimals, except share data, unless otherwise stated.

b) Basis of measurement:

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

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

c) Functional and presentation currency:

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

d) 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 contract assets

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

The provision matrix is initially based on the 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.

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.

1.3 Significant accounting policies

A. Current and non-current classification

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

Assets

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

i. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is expected to be realised within 12 months after the reporting date; or

iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

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

i. it is expected to be settled in the company's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is due to be settled within 12 months after the reporting date; or

iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

Operating cycle

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

B. Fair value measurement:

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

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

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

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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.

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

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers and deposited back to the respective statutory authorities. Revenue is recognised at the point in time for the outpatient hospital services when the related services are rendered at the transaction price. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

If the consideration in a contract includes a variable amount, the 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

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

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (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 instruments – initial recognition and subsequent measurement.

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

Other Income

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

D. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in profit and loss except to the extent that 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.
- 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.
- 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, 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/Amortisation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

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 and hence is not amortised.

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

F. Intangible assets

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

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

Derecognition

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

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

Amortisation

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

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6

G. Borrowing costs

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

H. Leases

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

Company as a lessee

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

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i) Right-of-use assets

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

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

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease

payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

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

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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 and drugs and surgical instruments are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The comparison of cost and net realisable is made on an item by item 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.

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 Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

K. Provisions

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

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

Contingent liabilities

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

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

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 immediately in the statement of profit and loss.

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

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

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

Short term employee benefits

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

Compensated Absences

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

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

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

M. Financial instruments

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

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair 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 OCI (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured 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 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 an associate and loan to a director included under other non-current financial assets. For more information on receivables, refer to Note 2.35.

Financial assets at fair value through OCI (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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss. The Company's debt instruments are not fair value through OCI assets.

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.

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Restated Ind AS Consolidated Statement of Profit and Loss.

Derecognition

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

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

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

Impairment of 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.

For trade receivables and contract assets, 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.

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 in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider 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).

For trade receivables and contract assets, 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.

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.

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss

- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

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

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

Financial liabilities at amortised cost (loans and borrowings)

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

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

Financial guarantee contracts

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

Offsetting of financial instruments

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

Derecognition

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

N. Cash and cash equivalents

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

O. Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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.

Q. Corporate social responsibility

The Company charges its Corporate Social Responsibility expenditure to the statement of profit and loss.

R. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

S. 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 Apr 2022. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

- Ind AS 101, First-time Adoption of Indian Accounting Standards
- Ind AS 109, Financial Instruments Classification, Recognition and Derecognition
- Ind AS 16, Property, Plant and Equipment
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

These amendments had no impact on the financial statements of the Company.

Standards issued but not yet effective and not early adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On March 31, 2023, the MCA, issued certain amendments to Ind AS. The amendments relate to the following standards:

- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes
- Ind AS 1, Presentation of Financial Statements

These amendments are effective from April 01, 2023. The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

2.1 (a) Property, plant and equipment

INR in millions

Particulars	Freehold land	Leasehold land (refer note 1 below)	Buildings (refer note below)	Medical and surgical equipment	Plant and equipment	Office equipment	Electrical equipment	Computers	Furniture and fixtures	Vehicles	Total of property, plant and equipment
Balance as at 1 April 2021	**489.89**	**151.82**	**3,564.95**	**2,560.23**	**129.87**	**49.82**	**329.24**	**111.03**	**239.64**	**41.09**	**7,667.58**
Additions	146.17	-	38.80	196.70	25.37	6.87	5.62	38.88	23.80	3.15	485.37
Disposals	-	-	(14.51)	(21.35)	(1.84)	(4.41)	(3.56)	(0.08)	(3.04)	(0.82)	(49.61)
Balance as at 31 March 2022	**636.06**	**151.82**	**3,589.24**	**2,735.58**	**153.40**	**52.28**	**331.30**	**149.83**	**260.40**	**43.42**	**8,103.34**
Balance as at 1 April 2022	**636.06**	**151.82**	**3,589.24**	**2,735.58**	**153.40**	**52.28**	**331.30**	**149.83**	**260.40**	**43.42**	**8,103.34**
Additions	-	-	212.24	264.43	21.02	3.77	13.56	27.60	6.92	4.57	554.11
Disposals	-	-	-	(35.77)	-	-	(0.12)	-	(0.07)	(3.75)	(39.71)
Balance as at 31 March 2023	**636.06**	**151.82**	**3,801.48**	**2,964.24**	**174.42**	**56.05**	**344.73**	**177.43**	**267.25**	**44.25**	**8,617.73**
Accumulated depreciation											
Balance as at 1 April 2021	**-**	**-**	**292.21**	**1,082.29**	**51.45**	**34.64**	**215.44**	**67.99**	**131.96**	**19.84**	**1,895.81**
Depreciation charge for the year	-	-	63.03	247.44	10.68	5.41	43.74	20.30	27.82	4.62	423.04
Disposals	-	-	(3.35)	(8.34)	(0.55)	(3.14)	(2.99)	(0.07)	(1.24)	(0.53)	(20.21)
Balance as at 31 March 2022	**-**	**-**	**351.89**	**1,321.39**	**61.58**	**36.91**	**256.19**	**88.22**	**158.54**	**23.93**	**2,298.65**
Balance as at 1 April 2022	**-**	**-**	**351.89**	**1,321.39**	**61.58**	**36.91**	**256.19**	**88.22**	**158.54**	**23.93**	**2,298.65**
Depreciation charge for the year	-	-	66.27	251.20	11.89	5.16	20.86	33.20	25.65	5.12	419.35
Disposals	-	-	-	(30.95)	-	-	(0.05)	-	(0.01)	(2.96)	(33.98)
Balance as at 31 March 2023	**-**	**-**	**418.16**	**1,541.63**	**73.47**	**42.07**	**277.00**	**121.42**	**184.18**	**26.09**	**2,684.02**
Net book value											
At 31 March 2022	**636.06**	**151.82**	**3,237.35**	**1,414.19**	**91.82**	**15.38**	**75.11**	**61.61**	**101.86**	**19.49**	**5,804.70**
At 31 March 2023	**636.06**	**151.82**	**3,383.31**	**1,422.61**	**100.95**	**13.98**	**67.74**	**56.01**	**83.07**	**18.15**	**5,933.71**

Notes :

1. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.
2. Buildings amounting to gross block Rs. 75.06 (31 March 2022: Rs. 75.06) and net block Rs. 53.56 (31 March 2022: Rs. 54.67) are constructed on the land taken on lease from promoters for a period of 30 years without making any upfront payment and renewable at the option of the Company.
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.

2.1(b) Capital work in progress

INR in millions

	As at 31 March 2023	As at 31 March 2022
Gross carrying amount		
Balance as at beginning of the year	131.88	76.03
Additions	237.98	130.78
Capitalised during the year	(210.18)	(74.93)
Balance as at end of the year	**159.68**	**131.88**

i) For capital work in progress, aging Schedule as on 31 March 2023

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	More than 3 years	
-Projects in Progress	94.17	54.26	1.53	9.72	159.68
Total	**94.17**	**54.26**	**1.53**	**9.72**	**159.68**

ii) For capital work in progress, aging Schedule as on 31 March 2022

CWIP	amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	More than 3 years	
-Projects in Progress	102.51	19.64	9.72	-	131.88
Total	**102.51**	**19.64**	**9.72**	**-**	**131.88**

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 2023 and 31 March 2022.

2.1 (c) Intangible assets

INR in millions

Particulars	Software	Total of Intangible assets
Balance as at 1 April 2021	**61.91**	**61.91**
Additions	103.84	103.84
Balance as at 31 March 2022	**165.75**	**165.75**
Balance as at 1 April 2022	**165.75**	**165.75**
Additions	107.69	107.69
Balance as at 31 March 2023	**273.44**	**273.44**
Accumulated amortisation		
Balance as at 1 April 2021	30.55	30.55
Amortisation charge for the year	20.19	20.19
Balance as at 31 March 2022	**50.74**	**50.74**
Balance as at 1 April 2022	**50.74**	**50.74**
Amortisation charge for the year	33.60	33.60
Balance as at 31 March 2023	**84.34**	**84.34**
Net book value		
At 31 March 2022	**115.01**	**115.01**
At 31 March 2023	**189.10**	**189.10**

2.2 (a) Non current investments INR in millions

	As at 31 March 2023	As at 31 March 2022
Investment in subsidiaries - valued at cost		
a) Equity shares		
1,371,537 (31 March 2022: 1,172,281) equity shares of Rs. 10 each fully paid up held in Arunodaya Hospitals Private Limited	137.06	63.34
16,184,480 (31 March 2022: 16,184,480) equity shares of Rs. 10 each fully paid up held in KIMS Hospitals Private Limited	161.84	161.84
10,000 (31 March 2022: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Swastha Private Limited	0.10	0.10
10,000 (31 March 2022: 10,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Bengaluru Private Limited	34.31	0.10
22,272,857 (31 March 2022: 21,272,857) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Enterprises Private Limited	1,521.61	1,321.61
5,100 (31 March 2022: 5,100) equity shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Limited	73.63	73.63
7,650 (31 March 2022: 8,000) equity shares of Rs. 10 each fully paid up held in Saveera Institute of Medical Sciences Private Limited	43.37	43.37
3,300,000 (31 March 2022: 3,300,000) equity shares of Rs. 10 each fully paid up held in KIMS Hospital Kurnool Private Limited	116.54	116.54
20,670,127 (31 March 2022: Nil) equity shares of Rs. 10 each partly paid up held in Sarvejana Healthcare Private Limited*	4,314.71	-
510,000 (31 March 2022: Nil) equity shares of Rs. 10 each fully paid up held in KIMS Manavata Private Limited	5.10	-
8,917,989 (31 March 2022: Nil) equity shares of Rs. 10 each fully paid up held in Spanv Medisearch Lifesciences Private Limited	860.54	-
b) Preference shares		
30,990,000 (31 March 2022: 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	309.90	309.90
9,500,000 (31 March 2022: 10,000,000) 12% cumulative optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in Iconkrishi Institute of Medical Sciences Private Limited	95.00	100.00
17,500,000 (31 March 2022: Nil) 0.001% optionally convertible redeemable preference shares of Rs. 10 each fully paid up held in KIMS Manavata Private Limited	175.00	-
Investment in Joint Venture - valued at cost		
a) Equity shares		
Nil (31 March 2022: 6,416,666) equity shares of Rs. 10 each fully paid up held in Sarvejana Healthcare Private Limited *	-	1,248.17
Nil (31 March 2022: 12,232,890) equity shares of Rs. 10 each partly paid up held in Sarvejana Healthcare Private Limited on rights basis *	-	1,981.48
Total	**7,848.71**	**5,420.08**
Aggregate amount of unquoted investments	7,848.71	5,420.08
Aggregate provision for impairment in value of investments	-	-
*Sarvejana Healthcare Private Limited has become a subsidiary during the year		

2.2 (b) Current investments (Quoted investments, fair value through profit or loss) INR in millions

	As at 31 March 2023	As at 31 March 2022
Investment in Mutual Funds	411.74	-
Total	**411.74**	**-**
Aggregate book value of quoted investments	411.74	-
Aggregate market value of quoted investments	411.74	-
Aggregate provision for impairment in value of investments	-	-

2.3 Loans (at amortised cost) (Unsecured, considered good) INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
-To related parties		
Loans to related parties (Refer note 2.28)	876.87	665.00
Total	**876.87**	**665.00**
(b) Current		
-To related parties		
Loans to related parties (Refer note 2.28)	-	66.40
	-	66.40
All the above loans were granted for general corporate purpose. The Company has no loans which are either repayable on demand or are without specifying any terms or period of repayment.		

2.4 Other financial assets (at amortised cost) (Unsecured, considered good) INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
-To parties other than related parties		
Deposits with remaining maturity more than 12 months*	4.02	9.55
Interest accrued on bank deposits	0.40	0.30
Security deposits	69.62	65.54
-To related parties (refer note 2.28)		
Interest accrued on loans	19.09	-
Total	**93.13**	**75.39**
* Includes Rs. 3.52 (31 March 2022: 3.30) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after 12 months of the reporting date.		
(b) Current		
-To parties other than related parties		
Contract assets (Unbilled revenue) (refer note 2.37)	98.38	105.01
Interest accrued on bank deposits	0.92	27.02
Security deposits	16.91	88.27
-To related parties (refer note 2.28)		
Interest accrued on loans	-	16.23
Total	**116.21**	**236.53**

2.5 Other non-current assets (Unsecured, considered good) INR in millions

	As at 31 March 2023	As at 31 March 2022
Capital advances	627.39	57.94
Balance with government authorities	1.54	41.01
Prepaid expenses	8.15	11.75
Total	**637.08**	**110.70**

2.6 Inventories INR in millions

	As at 31 March 2023	As at 31 March 2022
(Valued at lower of cost or net realisable value)		
Medical consumables, drugs and surgical instruments	192.44	259.87
Total	**192.44**	**259.87**

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2.7 Trade receivables (amortised cost) (Unsecured)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Considered good - Unsecured*	1,463.79	1,153.56
Less: Allowance for expected credit loss	(264.35)	(279.78)
	1,199.44	**873.78**
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	**1,199.44**	**873.78**
* Includes amount receivables from related party (Refer note 2.28)		

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 aging schedule as on 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	457.47	700.08	145.52	52.01	25.89	82.82	1,463.79
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit imparied	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit imparied	-	-	-	-	-	-	-
Total							**1,463.79**
Less : Allowance for expected credit loss							**(264.35)**
Balance at the end of the year							**1,199.44**

Trade Receivables aging schedule as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	423.25	400.67	107.86	56.68	49.78	115.31	1,153.56
(ii) Undisputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit imparied	-	-	-	-	-	-	-
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit imparied	-	-	-	-	-	-	-
Total							**1,153.56**
Less : Allowance for expected credit loss							**(279.78)**
Balance at the end of the year							**873.78**

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2.8 Cash and bank balances

INR in millions

	As at 31 March 2023	As at 31 March 2022
a) Cash and cash equivalents		
Cash on hand	10.75	7.52
Balances with banks		
- in current accounts	370.24	191.07
	380.99	198.59
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	20.10	1,599.02
	20.10	1,599.02
Total	401.09	1,797.61

Cash at banks earns interest at floating rates based on daily bank deposit rates. 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.

c) Changes in liabilities arising from financing activities:

INR in millions

Particulars	1 April 2022	Cash flows	Others	31 March 2023
Long term borrowings	184.09	(142.39)	-	41.70
Total liabilities from financing activities	184.09	(142.39)	-	41.70

Particulars	1 April 2021	Cash flows	Others	31 March 2022
Short term borrowings	500.00	(500.00)	-	-
Current and Non-current lease liabilities	25.62	(10.93)	(14.69)	-
Long term borrowings	787.72	(603.62)	-	184.09
Total liabilities from financing activities	1,313.34	(1,114.55)	(14.69)	184.09

The 'Other' column includes disposal of right of use asset in the previous year.

2.9 Non-current tax assets (net)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Advance tax (net of provision for taxation)	11.96	52.26
Total	**11.96**	**52.26**

2.10 Other current assets (Unsecured, considered good)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Advance to suppliers	25.00	60.15
Prepaid expenses	13.97	9.31
Staff advances	10.55	9.17
Total	**49.52**	**78.63**

2.11 (a) Equity share capital

INR in millions

	As at 31 March 2023	As at 31 March 2022
Authorised Equity shares		
95,000,000 (31 March 2022: 95,000,000) equity shares of Rs. 10 each	950.00	950.00
	950.00	**950.00**
Issued, subscribed and paid-up		
80,027,787 (31 March 2022: 80,027,787) equity shares of Rs. 10 each fully paid-up	800.28	800.28
	800.28	**800.28**

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

INR in millions

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	8,00,27,787	800.28	7,75,93,283	775.93
Add: Shares issued during the year	-	-	24,34,504	24.35
Shares outstanding at the end of the year	**8,00,27,787**	**800.28**	**8,00,27,787**	**800.28**

(ii) Rights, preferences and restrictions attached to equity shares of Rs. 10 each, fully paid up:
The Company has only one class of equity shares having par value of Rs. 10/- each. Each equity share holder is entitled to one vote per equity share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Particulars of shareholders holding more than 5% equity shares of Rs. 10 each, fully paid up

INR in millions

Name of shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskara Rao	2,02,75,033	25.33%	2,10,19,929	26.27%
General Atlantic Singapore KH Pte Ltd	68,89,147	8.61%	1,37,96,898	17.24%
Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	6.05%	48,40,662	6.05%

(iv) The Company has not issued bonus shares during the period of five years immediately preceding the reporting period.
(v) The Company has not bought back any shares during the period of five years immediately preceding the reporting period.

(vi) Details of shares held by Promoters*
As at 31 March 2023

INR in millions

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,10,19,929	(7,44,896)	2,02,75,033	25.33%	(3.54%)
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	48,40,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	13,74,003	-	13,74,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
Total			**2,72,90,021**	**(7,44,896)**	**2,65,45,125**	**33.17%**	**(2.73%)**

As at 31 March 2022

INR in millions

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,14,07,895	(3,87,966)	2,10,19,929	26.27%	(1.81%)
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	52,28,628	(3,87,966)	48,40,662	6.05%	(7.42%)
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	21,49,936	(7,75,933)	13,74,003	1.72%	(36.09%)
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
Total			**2,88,41,886**	**(15,51,865)**	**2,72,90,021**	**34.10%**	**(5.38%)**

* Promoters are as per the annual return filed by the Company.

2.11 (b) Other equity

INR in millions

	As at 31 March 2023	As at 31 March 2022
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340.35	8,448.10
Add: Shares issued during the year	-	1,975.65
Less: Shares issued expenses (refer note 2.42)	-	(83.40)
Closing balance	**10,340.35**	**10,340.35**
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	57.64	57.64
Movement during the year	-	-
Closing balance	**57.64**	**57.64**
(iii) Retained earnings (refer below note 3)		
Balance as per last financial statements	2,577.20	(208.44)
Add: Profit for the year	2,524.89	2,783.67
Add: Other comprehensive income	8.23	1.97
Closing balance	**5,110.32**	**2,577.20**
	15,508.31	**12,975.19**

Note:

1. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

2. Adjustment reserve

During the year ended 31 March 2014, pursuant to the Scheme of Arrangement approved by Honorable High Court of Andhra Pradesh, the Company has allotted 306,069 Equity Shares of Rs. 10 each to the Share holders of the Bollineni Heart Centre Limited ("transferor Company") against 4,455,000 equity shares of Rs. 10 each outstanding in the transferor Company in the ratio of 9 equity shares of Rs. 10 each for every 131 equity shares of Rs. 10 each of the Transferor Company. The difference of Rs. 41.49 on account of the above share swap has been added to the Adjustment Reserve of the Company as per the Scheme.

During the year ended 31 March 2014, pursuant to the Scheme of Arrangement approved by the High Court, the Company allotted 969,231 equity shares of Rs. 10 each to the shareholders of the Bollineni Ramanaiah Memorial Hospitals Private Limited ("Demerged Company") against 2,100,000 equity shares of Rs. 10 each outstanding in the Demerged Company in the ratio of 6 equity shares of Rs. 10 each for every 13 equity shares of Rs. 10 each of the Demerged Company. The difference between the consideration payable and the value of net assets taken over as per the Scheme amounting to Rs. 16.15 has been added to the Adjustment Reserve of the Company as per the Scheme.

3. Retained earnings

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

2.12 Borrowings (at amortised cost)

INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current borrowings (Secured)		
Term loans from financial institutions		
- NIIF Infrastructure Finance Limited (refer note i)	-	41.70
Total loans from financial institutions	**-**	**41.70**
Total non-current borrowings	**-**	**41.70**
(b) Current borrowings		
Secured		
Term loans from financial institutions		
- NIIF Infrastructure Finance Limited (refer note i)	41.70	142.39
Total current borrowings	**41.70**	**142.39**

Note:

i "- Term loan from NIIF Infrastructure Finance Limited (formerly known as IDFC Infrastructure Finance Limited) is secured by a first pari-passu mortgage and charge of immovable properties of the Secunderabad hospital and Nellore hospital building of the Company. - Also secured by a first pari-passu charge by way of hypothecation of Secunderabad hospital and Nellore Hospital movable properties including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature excluding the equipment which are purchased by Company out of medical equipment loans and a second pari-passu mortgage and charge of immovable properties of the Ongole hospital. - Also includes a second pari-passu charge by way of hypothecation of Ongole hospital movable properties including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature excluding the equipment which are purchased by Company out of medical equipment loans; a second charge on the entire cash flows, receivables, book debts and revenues of the Company, of whatsoever nature and wherever arising; subject to the prior charge of the working capital lenders. - Also secured by personal guarantee of Dr. Bhaskara Rao. The loan is repayable in 58 equal monthly instalments and carries an interest rate of 9.10% p.a. (31 March 2022: 9.10% p.a)."

ii Aggregate amount of secured loans (including current maturities of long term borrowings) guaranteed by few Directors is Rs.41.70 (31 March 2022: Rs. 184.09)

iii The quarterly returns or statements of the current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

2.13 Other financial liabilities

INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Security deposits	0.09	0.09
Total	**0.09**	**0.09**
(b) Current		
Capital creditors	55.37	6.23
Employee related liabilities*	54.81	79.66
Interest accrued but not due on borrowings	0.01	0.05
Security and caution deposit	6.26	6.30
Total	**116.45**	**92.24**
*Includes payables to related parties.		

2.14 Long-term provisions

INR in millions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity (refer note 2.27)	171.28	154.51
Total	**171.28**	**154.51**

2.15 Trade payables (at amortised cost)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 2.31)	1.97	0.75
- total outstanding dues of creditors other than micro enterprises and small enterprises	725.36	805.69
Total	**727.33**	**806.44**
The above includes payable to related party. For details 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 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and samll enterprises	-	1.97	-	-	-	1.97
(ii) Total outstanding dues of creditors other than micro enterprises and samll enterprises	157.28	535.80	9.18	10.08	13.02	725.36
(iii) Disputed dues of micro enterprises and samll enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and samll enterprises	-	-	-	-	-	-
Balance at the end of the year						**727.33**

Trade Payable Ageing Schedule as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and samll enterprises	-	0.75	-	-	-	0.75
(ii) Total outstanding dues of creditors other than micro enterprises and samll enterprises	207.52	543.72	18.38	3.11	32.96	805.69
(iii) Disputed dues of micro enterprises and samll enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and samll enterprises	-	-	-	-	-	-
Balance at the end of the year						**806.44**

2.16 Short-term provisions

INR in millions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity (refer note 2.27)	0.72	-
Compensated absences	77.29	67.89
Total	**78.01**	**67.89**

2.17 Other liabilities

INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Financial guarantee liability (refer note 2.28)	98.82	42.02
Total	**98.82**	**42.02**
(b) Current		
Statutory dues payable	72.83	85.84
Contract liabilities (refer note 2.37)	126.93	113.77
Financial guarantee liability (refer note 2.28)	11.41	5.20
Other liabilities	22.13	28.76
Total	**233.30**	**233.57**

2.18 Income from operations

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Income from contract with customers		
Income from medical and healthcare services (Refer note 2.37)		
Income from hospital services	7,431.83	7,455.10
Income from pharmacy	3,627.95	3,782.76
Total	**11,059.78**	**11,237.86**
B. Other operating income		
Income from academic courses	85.51	66.34
Income from sale of food and beverages	148.89	128.90
Other hospital income	26.05	0.66
Total	**260.45**	**195.90**
Total income from operations (A+B)	**11,320.23**	**11,433.76**

2.19 Other income

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on:		
- fixed deposits	40.95	95.83
- income tax refunds	-	9.15
- security deposit	3.74	6.18
- loans to related parties (Refer Note: 2.28)	63.61	54.61
Fair value gain on mutual funds	16.55	-
Dividend on preference shares	2.57	-
Rental income	1.26	4.00
Liabilities no longer required written back	57.32	32.04
Guarantee commission income from related parties (Refer Note: 2.28)	31.70	26.26
Miscellaneous income	17.27	13.67
Total	**234.97**	**241.74**

2.20 Decrease/(increase) in inventories of medical consumables, drugs and surgical instruments

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock	259.87	164.73
Less: Closing stock	192.44	259.87
Total	**67.43**	**(95.14)**

2.21 Employee benefit expense

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	1,743.69	1,611.37
Contribution to provident and other funds (Refer note 2.27)	110.79	103.76
Staff welfare expenses	18.04	25.08
Total	**1,872.52**	**1,740.21**

2.22 Finance cost

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest from banks and financial institutions		
- term loans	11.34	41.99
- other loans	0.18	0.02
Interest expense on lease liabilities (Refer note 2.26)	-	2.67
Total	**11.52**	**44.68**

2.23 Depreciation and amortisation expense

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property,plant and equiment (refer note no 2.1(a))	419.35	423.04
Amortisation of intangible assets (refer note no 2.1(c))	33.60	20.19
Depreciation of Right-of-use assets (refer note no 2.26)	-	5.99
Total	**452.95**	**449.22**

2.24 Other expenses

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Consultancy charges	1,974.70	1,876.53
House keeping expenses	275.69	280.81
Power and fuel	172.47	144.91
Catering and patient welfare expenses	152.86	126.22
Rent (Refer note 2.26)	63.92	47.35
Tests and investigations	12.49	9.45
Academic courses expenses	2.55	1.73
Repairs and maintenance:		
- Medical equipment	159.03	201.76
- Hospital building and others	117.80	170.79
Printing and stationery	38.17	27.90
Audit fee (Refer note A)	7.00	7.10
Legal and professional charges	59.66	40.39
Rates and taxes	95.25	39.09
Travelling and conveyance	78.76	35.88
Advertisement and publicity	102.44	62.02
Communication expenses	11.80	11.55
Reversal of expected credit loss for trade receivables (net of bad debts)	(7.86)	(27.88)
Write off of loan of subsidiary	2.90	-
Insurance	10.47	6.72
Subscriptions and membership fees	6.14	6.23
Donations	0.51	2.49
Contributions towards Corporate Social Responsibility (Refer Note 2.33)	51.42	34.04
Loss on sale of property, plant and equipment	1.35	27.04
Bank charges	36.44	44.45
Commission to Directors	8.45	7.67
Miscellaneous expenses	34.85	48.04
Total	**3,469.26**	**3,232.28**
Note A: Payment to auditors (excluding applicable taxes)		
Statutory audit fee	7.00	7.10

2.25 Contingent liabilities and commitments

(a) Contingent liabilities

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Guarantee issued by the Company on behalf of related entities	5,440.00	1,510.00
ii) Luxury tax matters in dispute	-	82.27
iii) Good and Service tax matters in dispute	6.59	6.59
iv) VAT matters in dispute	-	1.76
v) Medical and other claims (gross, excluding interest/costs)	111.37	126.74
vi) 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 financials statements.		
vii) An individual has filed a consumer case at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs. 235.01 (31 March 2022: Rs. 235.01) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Standalone financial statement.		
viii) On 28 February 2019, the Supreme Court of India issued a judgement which provided further guidance for companies in determining which components of their employee's compensation are subject to statutory withholding obligations, and matching employer contribution obligations, for Provident Fund contributions under Indian law. There are interpretative issues relating to the retrospective applicability of the judgement. However, from the date of order, the Company has complied with the aforesaid Supreme court's judgement. The Company will evaluate the same and update its position for earlier years, if any on receiving further clarity on the subject.		

Notes:

i. 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.

ii. 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) Commitments

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
I) Capital commitment		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,070.56	38.29

2.26 Lease

Operating and Finance leases in the capacity of lessee

The Company has lease contracts for buildings and medical equipment used in its operations. Leases of building and medical equipment generally had lease terms between 3 and 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Leases of buildings and medical equipment 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	Building	Medical equipment	Total
As at 1 April 2021	**18.49**	**2.28**	**20.77**
Amortization expense	3.71	2.28	5.99
Deletion	14.79	-	14.79
As at 31 March 2022	**-**	**-**	**-**
Amortization expense	-	-	-
Deletion	-	-	-
As at 31 March 2023	**-**	**-**	**-**

Set out below are the carrying amounts of lease liabilities and the movements during the year: INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	**-**	**25.62**
Accretion of interest	-	2.67
Deletions	-	(17.36)
Payments	-	(10.93)
As at 31 March	**-**	**-**

The effective interest rate for lease liabilities is Nil (31 March 2022: 9.75%).

The following are the amounts recognised in the statement of profit or loss: INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Amortization expense of right-of-use assets	-	5.99
Interest expense on lease liabilities	-	2.67
Expense relating to short-term leases and low-value assets (included in other expenses)	63.92	47.35
Total amount recognised in profit or loss	**63.92**	**56.01**

The Company had total cash outflows for leases of Rs. 63.92 in 31 March 2023 (31 March 2022: Rs. 58.28).

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:

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligations	207.26	192.61
Fair value of plan assets	35.26	38.10
Net defined benefit obligations	172.00	154.51
Non-current	171.28	154.51
Current	0.72	-

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligation as at beginning of the year	192.61	171.32
Benefits paid	(14.12)	(11.95)
Current service cost	27.06	24.85
Interest cost	10.98	9.10
Liabilities assumed	0.64	-
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	(12.28)	(4.99)
- experience adjustments	2.37	4.28
Defined benefit obligation at the end of the year	**207.26**	**192.61**

ii) Reconciliation to fair value of plan assets INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Plan assets at beginning of the year	38.10	16.42
Contributions paid into the plan	8.71	31.45
Interest income	1.48	0.26
Benefits paid	(14.12)	(11.95)
Return on plan assets	1.09	1.92
Plan assets at end of the year	**35.26**	**38.10**

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	27.06	24.85
Interest on net defined benefit obligation	9.50	8.84
Net gratuity cost, included in 'employee benefits expense'	**36.57**	**33.69**

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial gain/(loss) on net defined benefit obligation	11.00	2.63

D. Plan assets

Plan assets comprises of the following:

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Fund managed by Insurer	35.26	38.10

E. Defined benefit obligation

i) Actuarial assumptions

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Attrition rate	Medical - 12% to 42% Non-medical - 9% to 32%	Medical - 12% to 42% Non-medical - 9% to 32%
Discount rate	7.30%	6.25%
Salary escalation rate	8.00%	8.00%
Mortality rate	Indian Assured Ultimate Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

Maturity profile of defined benefit obligation

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1st following year	36.00	33.87
Year 2 to 5	113.50	73.09
Year 6 to 9	75.12	64.40
Year 10 and above	106.20	94.30

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 period ended 31 March 2023		For the year ended 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(10.55)	11.69	(10.27)	11.43
Salary escalation rate (1% movement)	10.64	(9.95)	10.47	(9.73)

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amount recognised in the statement of profit and loss towards		
i) Provident fund	59.24	53.71
ii) Employee state insurance	14.98	16.37

(iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code and will record any related impact in the period of the Code becomes effective.

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 (acquired from 01 April 2022) Rajyalakshmi Healthcare Private Limited (acquired from 01 April 2022) Suryateja Healthcare Private Limited * Spanv Medisearch Lifesciences Private Limited (acquired from 01 September 2022) KIMS Manavata Hospital Private Limited (acquired from 01 July 2022)
Joint venture	Sarvejana Healthcare Private Limited (from 27 October 2021 to 31 March 2022)
Key Management personnel (KMP)	Dr. B Bhaskara Rao - Managing Director Dr. B Abhinay - Chief Executive Officer (CEO) Mr. Uma Shanker Mantha - Company Secretary Mr. Vikas Maheshwari - Chief Financial Officer Mrs. Dandamudi Anitha -Whole-time Director
Directors	Mr G Rajeswara Rao Mr. Saumen Chakraborty Mr. Pankaj Vaish Mr. Venkata Ramudu Jasthi Mr. Kaza Ratna Kishore Mrs. Y.Prameela Rani (w.e.f 19 May 2022) Mr. Sandeep Achyut Naik (resigned w.e.f 6 August 2021) Mr. Shantanu Rastogi
Relative of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of KMP and other relative	Sri Viswa Medicare Limited BSCPL Infrastructure Limited KIMS Foundation and Research Centre
Enterprise having significant influence over the company	General Atlantic Singapore KH Pte. Ltd

* Acquired on 01 April 2022 and disposed off on 01 December 2022

(b) Transactions with related parties

INR in millions

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
i.	**Loans and advances given**		
	KIMS Hospital Enterprises Private Limited	-	128.58
	Iconkrishi Institute of Medical Sciences Private Limited	70.00	-
	Saveera Institute of Medical Sciences Private Limited	10.00	595.00
	KIMS Hospitals Kurnool Private Limited	10.00	502.75
	KIMS Hospital Bengaluru private Limited	778.88	725.00
	Spanv Medisearch Lifesciences Private Limited	291.00	-
ii.	**Repayment of loans and advances**		
	KIMS Swastha Private Limited	3.50	-
	KIMS Hospital Enterprises Private Limited	-	128.58
	Iconkrishi Institute of Medical Sciences Private Limited	60.00	85.00
	Saveera Institute of Medical Sciences Private Limited	-	625.00
	KIMS Hospitals Kurnool Private Limited	-	578.35
	KIMS Hospital Bengaluru private Limited	858.02	-
	Spanv Medisearch Lifesciences Private Limited	90.00	-
iii.	**Written off of loans**		
	KIMS Swastha Private Limited	2.90	-
iv.	**Interest income earned on loans given**		
	KIMS Swastha Private Limited	-	0.51
	KIMS Hospital Enterprises Private Limited	-	3.41
	Iconkrishi Institute of Medical Sciences Private Limited	0.72	2.48
	Saveera Institute of Medical Sciences Private Limited	0.04	23.46
	KIMS Hospitals Kurnool Private Limited	0.04	20.25
	KIMS Hospital Bengaluru private Limited	55.70	4.50
	Spanv Medisearch Lifesciences Private Limited	7.11	-
v.	**Professional fee to KMP**		
	Dr. B Bhaskara Rao	17.23	18.00
vi.	**Professional fee to relative of KMP**		
	Dr. Raavi Swetha	2.16	2.13
vii.	**Rent to KMP**		
	Dr. B Bhaskara Rao	0.10	0.10
viii.	**Managerial remuneration ***		
	Dr. B Bhaskara Rao	36.00	24.00
	Mrs. Dandamudi Anitha	5.25	4.74
	Dr. B Abhinay	15.00	11.75
	Mr. Vikas Maheshwari	11.00	9.60
	Mr. Uma Shankar Mantha	3.50	2.58
ix.	**Commission to Directors**		
	Mr G Rajeswara Rao	0.82	0.81
	Mr. Saumen Chakraborty	3.52	3.49
	Mr. Pankaj Vaish	1.76	1.74
	Mr. Kaza Ratna Kishore	0.82	0.81
	Mr. Venkata Ramudu Jasthi	0.82	0.81
	Mrs. Y.Prameela Rani	0.71	-
x.	**Expenditure towards CSR**		
	KIMS Foundation and Research Centre	51.42	34.04

INR in millions

xi.	**Purchase of medical consumables, drugs and surgical instruments**		
	Arunodaya Hospitals Private Limited	0.67	0.15
	KIMS Hospital Enterprises Private Limited	0.40	1.90
	Iconkrishi Institute of Medical Sciences Private Limited	0.04	1.54
	Saveera Institute of Medical Sciences Private Limited	0.44	7.59
	KIMS Hospitals Kurnool Private Limited	0.12	4.11
	Sarvejana Healthcare Private Limited	0.66	0.97
xii.	**Income from pharmacy**		
	KIMS Hospital Enterprises Private Limited	6.06	23.69
	Arunodaya Hospitals Private Limited	0.97	1.04
	Iconkrishi Institute of Medical Sciences Private Limited	4.75	7.52
	Saveera Institute of Medical Sciences Private Limited	4.86	7.53
	KIMS Hospitals Kurnool Private Limited	3.85	3.70
	Sarvejana Healthcare Private Limited	4.83	15.57
	Rajyalakshmi Healthcare Private Limited	1.57	-
	Spanv Medisearch Lifesciences Private Limited	1.19	-
xiii.	**Investment in subsidiaries**		
	KIMS Hospital Enterprises Private Limited	200.00	11.30
	Arunodaya Hospitals private Limited	73.72	-
	Sarvejana Healthcare Private Limited	1,085.06	-
	KIMS Manavata Hospital Private Limited	180.10	-
	Spanv Medisearch Lifesciences Private Limited	800.03	-
xvi.	**Investment in Joint Venture**		
	Sarvejana Health Care Private Limited	-	3,229.65
xv.	**Redemption of preferance shares**		
	Iconkrishi Institute of Medical Sciences Private Limited	5.00	-
xvi.	**Income from redemption of preferance shares**		
	Iconkrishi Institute of Medical Sciences Private Limited	2.57	-
xvii.	**Revenue from Test and Investigations**		
	KIMS Hospital Enterprises Private Limited	12.59	11.81
	Saveera Institute of Medical Sciences Private Limited	1.54	1.33
	KIMS Hospitals Kurnool Private Limited	-	0.03
	Rajyalakshmi Healthcare Private Limited	0.01	-
xviii.	**Guarantee closed**		
	Iconkrishi Institute of Medical Sciences Private Limited	170.00	-
	Savera Institute of Medical Sciences Private Limited	700.00	530.00
	KIMS Hospitals Kurnool Private Limited	-	480.00
xix.	**Guarantee given on behalf of**		
	Savera Institute of Medical Sciences Private Limited	-	650.00
	KIMS Hospitals Kurnool Private Limited	-	590.00
	KIMS Hospital Bengaluru private Limited	2,950.00	-
	Spanv Medisearch Lifesciences Private Limited	1,850.00	-
xx.	**Investment on account of financial guarantee**		
	KIMS Hospitals Kurnool Private Limited	-	22.32
	Savera Institute of Medical Sciences Private Limited	-	24.58
	KIMS Hospital Bengaluru private Limited	34.21	-
	Spanv Medisearch Lifesciences Private Limited	60.51	-
xxi.	**Commission income on guarantees given to**		
	Iconkrishi Institute of Medical Sciences Private Limited	1.89	0.52
	Saveera Institute of Medical Sciences Private Limited	23.76	15.67
	KIMS Hospitals Kurnool Private Limited	2.23	10.07
	KIMS Hospital Bengaluru private Limited	0.77	-
	Spanv Medisearch Lifesciences Private Limited	3.05	-

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i. Trade receivables		
Sri Viswa Medicare Limited	2.21	2.21
Iconkrishi Institute of Medical Sciences Private Limited	1.04	1.83
Saveera Institute of Medical Sciences Private Limited	4.37	6.09
KIMS Hospitals Kurnool Private Limited	2.03	-
Arunodaya Hospitals private Limited	0.32	0.52
Sarvejana Healthcare Private Limited	5.42	12.04
Rajyalakshmi Healthcare Private Limited	5.41	-
Spanv Medisearch Lifesciences Private Limited	0.87	-
ii. Loans		
KIMS Swastha Private Limited	-	6.40
Iconkrishi Institute of Medical Sciences Private Limited	10.00	-
Saveera Institute of Medical Sciences Private Limited	10.00	-
KIMS Hospitals Kurnool Private Limited	10.00	-
KIMS Hospital Bengaluru private Limited	645.87	725.00
Spanv Medisearch Lifesciences Private Limited	201.00	-
iii Interest accrued on loans		
KIMS Swastha Private Limited	-	2.43
Iconkrishi Institute of Medical Sciences Private Limited	0.04	9.74
Saveera Institute of Medical Sciences Private Limited	0.04	-
KIMS Hospitals Kurnool Private Limited	0.04	-
KIMS Hospital Bengaluru private Limited	12.64	4.06
Spanv Medisearch Lifesciences Private Limited	6.33	-
iv. Trade payables		
Dr. B Bhaskara Rao	1.20	0.14
Dr. Raavi Sweata	0.17	0.17
KIMS Hospitals Kurnool Private Limited	-	0.91
v. Commission payable to Directors		
Mr G Rajeswara Rao	0.16	0.16
Mr. Saumen Chakraborty	0.68	0.68
Mr. Pankaj Vaish	0.34	0.34
Mr. Kaza Ratna Kishore	0.16	0.16
Mr. Venkata Ramudu Jasthi	0.16	0.16
Mrs. Y.Prameela Rani	0.16	-
vi. Guarantee given on behalf of		
Iconkrishi Institute of Medical Sciences Private Limited	-	170.00
Saveera Institute of Medical Sciences Private Limited	-	700.00
KIMS Hospitals Kurnool Private Limited	640.00	640.00
KIMS Hospital Bemgaluru Private Limited	2,950.00	-
Spanv Medisearch Lifesciences Private Limited	1,850.00	
vii. Financial guarantee liability		
Iconkrishi Institute of Medical Sciences Private Limited	-	1.89
Saveera Institute of Medical Sciences Private Limited	-	23.76
KIMS Hospitals Kurnool Private Limited	19.34	21.57
KIMS Hospital Bemgaluru Private Limited	33.44	-
Spanv Medisearch Lifesciences Private Limited	57.45	-

(d) For certain loans availed by the Company, few Directors of the Company have given personal guarantee amounting to Rs. 41.70 (31 March 2022: Rs. 184.09).

* The managerial personnel are covered by the Company's gratuity policy and are eligible for leave encashment along with other employees of the Company. The proportionate amount of gratuity and leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are determined on an actuarial basis for the Company as a whole.

Terms and conditions:
All transactions with these related parties are priced on an arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash within a range of 30-120 days of the transaction date. None of the balances are secured.

2.29 Earnings per share (EPS)

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings		
Profit for the year attributable to equity shareholders	2,524.89	2,783.67
Shares		
Number shares at the beginning of the year	8,00,27,787	7,75,93,283
Add: Equity shares issued during the year	-	24,34,504
Total number of equity shares outstanding at the end of the year	**8,00,27,787**	**8,00,27,787**
Weighted average number of equity shares outstanding during the year - Basic	8,00,27,787	7,94,40,838
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS	-	-
Weighted average number of equity shares outstanding during the year - Diluted	8,00,27,787	7,94,40,838
Earnings per equity share of par value Rs. 10 - Basic (Rs.)	31.55	35.04
Earnings per equity share of par value Rs. 10 - Diluted (Rs.)	31.55	35.04

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 Financials Statements. Presently, the Company's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Company's total revenue. All non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets of the Company are located in India."

2.31 Due to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at 31 March 2023 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	For the year ended 31 March 2023	For the year ended 31 March 2022
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	1.97	0.75
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

2.32 Investments, loans, guarantees and security:

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

INR in millions

Entity	As at 1 April 2022	Allotted / purchased during the year	Sold/Redemption during the year	Adjustment	As at 31 March 2023
Investment in subsidiaries					
KIMS Hospitals Private Limited	161.84	-	-	-	161.84
KIMS Swastha Private Limited	0.10	-	-	-	0.10
Arunodaya Hospitals Private Limited	63.34	73.72	-	-	137.06
KIMS Hospitals Enterprises Private Limited	1,321.61	200.00	-	-	1,521.61
KIMS Hospital Bengaluru Private Limited	0.10	-	-	34.21	34.31
Iconkrishi Institute of Medical Sciences Private Limited	173.63	-	5.00	-	168.63
Saveera Institute of Medical Sciences Private Limited	353.27	-	-	-	353.27
KIMS Hospitals Kurnool Private Limited	116.54	-	-	-	116.54
Sarvejana Healthcare Private Limited *	-	1,085.06	-	3,229.65	4,314.71
KIMS Manavata Hospital Private Limited	-	180.10	-	-	180.10
Spanv Medisearch Lifesciences Private Limited	-	800.03	-	60.51	860.54
Investment in joint venture					
Sarvejana Healthcare Private Limited *	3,229.65	-	-	(3,229.65)	-

* Sarvejana Healthcare Private Limited has been converted from joint venture to subsidiary from 1 April 2022

Entity	As at 1 April 2021	Allotted / purchased during the year	Sold/Redemption during the year	Adjustment	As at 31 March 2022
Investment in subsidiaries					
KIMS Hospitals Private Limited	161.84	-	-	-	161.84
KIMS Swastha Private Limited	0.10	-	-	-	0.10
Arunodaya Hospitals Private Limited	63.34	-	-	-	63.34
KIMS Hospitals Enterprises Private Limited	1,310.31	11.30	-	-	1,321.61
KIMS Hospital Bengaluru Private Limited	0.10	-	-	-	0.10
Iconkrishi Institute of Medical Sciences Private Limited	173.63	-	-	-	173.63
Saveera Institute of Medical Sciences Private Limited	328.69	-	-	24.58	353.27
KIMS Hospitals Kurnool Private Limited	94.22	-	-	22.32	116.54
Investment in joint venture					
Sarvejana Healthcare Private Limited	-	3,229.65	-	-	3,229.65

* Sarvejana Healthcare Private Limited has been converted from joint venture to subsidiary from 1 April 2022

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

INR in millions

Entity	As at 1 April 2022	Given during the year	Repaid / adjusted during the year	As at 31 March 2023	Maximum amount Outstanding during the year
KIMS Swastha Private Limited *	6.40	-	(6.40)	-	6.40
Iconkrishi Institute of Medical Sciences Private Limited	-	70.00	(60.00)	10.00	50.00
Saveera Institute of Medical Sciences Private Limited	-	10.00	-	10.00	10.00
KIMS Hospitals Kurnool Private Limited	-	10.00	-	10.00	10.00
KIMS Hospital Bengaluru private Limited	725.00	778.88	(858.02)	645.87	1,495.88
Spanv Medisearch Lifesciences Private Limited	-	291.00	(90.00)	201.00	211.00

* Repaid/adjusted amount includes write off of loans amounting to Rs. 2.90

INR in millions

Entity	As at 1 April 2021	Given during the year	Repaid during the year	As at 31 March 2022	Maximum amount Outstanding during the year
KIMS Swastha Private Limited	6.40	-	-	6.40	6.40
KIMS Hospital Enterprises Private Limited	-	128.58	(128.58)	-	128.58
Iconkrishi Institute of Medical Sciences Private Limited	85.00	-	(85.00)	-	85.00
Saveera Institute of Medical Sciences Private Limited	30.00	595.00	(625.00)	-	625.00
KIMS Hospitals Kurnool Private Limited	75.60	502.75	(578.35)	-	578.35
KIMS Hospital Bengaluru private Limited	-	725.00	-	725.00	725.00

(c) Details of guarantee provided

The Company has provided guarantees to the following subsidiaries:

For the period ended 31 March 2023

INR in millions

Particulars	Guarantee provided outstanding as at the beginning of the year	Guarantee provided during the financial year	Guarantee cancelled during the financial year	Guarantee provided outstanding as at the end of the year
Iconkrishi Institute of Medical Sciences Private Limited	170.00	-	170.00	-
Saveera Institute of Medical Sciences Private Limited	700.00	-	700.00	-
KIMS Hospitals Kurnool Private Limited	640.00	-	-	640.00
KIMS Hospital Bemgaluru Private Limited	-	2,950.00	-	2,950.00
SPANV Medisearch Lifesciences Private Limited	-	1,850.00	-	1,850.00

For the year ended 31 March 2022

INR in millions

Particulars	Guarantee provided outstanding as at the beginning of the year	Guarantee provided during the financial year	Guarantee cancelled during the financial year	Guarantee provided outstanding as at the end of the year
Iconkrishi Institute of Medical Sciences Private Limited	170.00	-	-	170.00
Saveera Institute of Medical Sciences Private Limited	580.00	650.00	530.00	700.00
KIMS Hospitals Kurnool Private Limited	530.00	590.00	480.00	640.00

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 2023	For the year ended 31 March 2022
a) Gross amount required to be spent by the Company during the year			51.42	34.04
b) Amount approved by the Board to be spent during the year			51.42	34.04
c) Amount spent during the year ending on 31 March 2023:	In cash	Yet to be paid in cash		Total
i) Construction/acquisition of any asset	-	-		-
ii) On purposes other than (i) above	51.42	-		51.42
d) Amount spent during the year ending on 31 March 2022:	In cash	Yet to be paid in cash		Total
i) Construction/acquisition of any asset	-	-		-
ii) On purposes other than (i) above	34.04	-		34.04

	As at 31 31 March 2023	As at 31 31 March 2022
e) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	51.42	34.04
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-
	51.42	**34.04**

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 2023 and 31 March 2022 was as follows:

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Total borrowings	41.70	184.09
Less: Cash and cash equivalents	(380.99)	(198.59)
Net debt	**(339.29)**	**(14.50)**
Total equity	**16,250.95**	**13,717.83**
Net debt to equity ratio - Gearing Ratio	**-2.09%**	**-0.11%**

No changes were made in the objectives, policies or processes for managing capital during and for year ended 31 March 2023 and 31 March 2022.

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 and previous year.

2.35 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

INR in millions

As at 31 March 2023	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	1,199.44	1,199.44	
Investments	7,848.71	7,848.71	
Cash and cash equivalents	380.99	380.99	
Bank balances other than above	20.10	20.10	Level 3
Loans	876.87	876.87	
Other financial assets	209.34	209.34	
Total	**10,535.45**	**10,535.45**	
Financial asset at fair value through profit or loss			
Investment in mutual funds	411.74	411.74	Level 1
Total	**411.74**	**411.74**	
Financial liabilities at amortised cost (Refer note below)			
Current borrowings	41.70	41.70	
Trade payables	727.33	727.33	
Other financial liabilities	116.54	116.54	Level 3
Total	**885.57**	**885.57**	

As at 31 March 2022	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	873.78	873.78	
Investments	5,420.08	5,420.08	
Cash and cash equivalents	198.59	198.59	
Bank balances other than above	1,599.02	1,599.02	
Loans	731.40	731.40	
Other financial assets	311.92	311.92	Level 3
Total	**9,134.79**	**9,134.79**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings	184.09	184.09	
Trade payables	806.44	806.44	
Other financial liabilities	92.33	92.33	
Total	**1,082.86**	**1,082.86**	

The carrying amounts 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 fair values, due to their short-term nature.

The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of long term borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.

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. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(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 contract assets) 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 contract assets 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 contract assets based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and contract assets amounting to Rs. 1,562.17 as on 31 March 2023 (31 March 2022: Rs. 1,258.57). 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 2023	For the year ended 31 March 2022
Opening balance	279.78	343.22
Credit loss reversed	(15.43)	(63.44)
Closing balance	264.35	279.78
Trade receivable write off not routed through the above movement	7.57	35.56

The Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and contract assets and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Set out below is the information about the credit risk exposure of the Company's trade receivables and contract asset using provision matrix:

	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and contract assets
For the year ended 31 March 2023	555.85	700.08	306.23	1,562.17
For the year ended 31 March 2022	528.26	400.67	329.63	1,258.57

Customer Concentration

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2023 and 31 March 2022. 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 2023:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Current borrowings	41.70	41.70	-	-	41.70
Trade payables	727.33	727.33	-	-	727.33
Other financial liabilities	116.54	116.45	0.09	-	116.54
Total	**885.57**	**885.48**	**0.09**	**-**	**885.57**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings	184.09	-	42.26	-	42.26
Trade payables	806.44	806.44	-	-	806.44
Other financial liabilities	92.33	92.24	0.09	-	92.33
Total	**1,082.86**	**898.68**	**42.35**	**-**	**941.03**

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.

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 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	For the year ended 31 March 2023	For the year ended 31 March 2022
Variable rate long term borrowings (including current maturities) and short term borrowings	41.70	184.09
Total borrowings	**41.70**	**184.09**

(i) Sensitivity

Particulars	Impact on profit or loss		Impact on equity, net of tax	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Sensitivity				
1% increase in MCLR	(0.42)	(1.84)	(0.31)	(1.38)
1% decrease in MCLR	0.42	1.84	0.31	1.38

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

D. Currency risk

The Company is not exposed to currency risk.

2.36 Income-tax

a. Amount recognised in statement of profit and loss

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax	837.62	909.27
Adjustments of tax relating to earlier year	-	(12.63)
Deferred tax attributable to temporary differences	10.82	29.73
Tax expenses for the year	**848.44**	**926.37**

b. Amount recognised in other comprehensive income

INR in millions

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	11.00	(2.77)	8.23	2.63	(0.66)	1.97

c. Reconciliation of effective tax rate

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	**3,373.33**	**3,710.04**
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	849.00	933.74
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	(0.55)	5.26
Adjustment in respect of income-tax for earlier years	-	(12.63)
Total	**848.44**	**926.37**

d. Recognition of deferred tax assets and liabilities

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

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred tax asset		
Expected credit loss for trade receivables	66.53	70.42
Provision for employee benefits	71.20	67.23
Total deferred tax asset	**137.73**	**137.64**
Deferred tax liability		
Property, plant and equipment	482.70	468.91
Others	0.14	0.26
Total deferred tax liability	**482.84**	**469.16**
Deferred tax liability (net)	**(345.11)**	**(331.52)**

(ii) Movement in temporary differences

INR in millions

	Expected credit loss for trade receivables	Provision for employee benefits	Others - assets	Property, plant and equipment	Others - liability	Total
Balance as at 1 April 2021	**86.38**	**65.00**	**2.36**	**(454.22)**	**(0.66)**	**(301.14)**
Recognised in profit or loss during 2021-22	(15.97)	2.89	(2.36)	(14.69)	0.40	(29.73)
Recognised in OCI during 2021-22	-	(0.66)	-	-	-	(0.66)
Balance as at 31 March 2022	**70.41**	**67.23**	**-**	**(468.91)**	**(0.26)**	**(331.53)**
Recognised in profit or loss during 2022-23	(3.88)	6.74	-	(13.79)	0.12	(10.82)
Recognised in OCI during 2022-23	-	(2.77)	-	-	-	(2.77)
Balance as at 31 March 2023	**66.53**	**71.20**	**-**	**(482.70)**	**(0.14)**	**(345.11)**

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:

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income from hospital services	7,431.83	7,455.10
Income from pharmacy	3,627.95	3,782.76
Total revenue from contracts with customers	**11,059.78**	**11,237.86**
India	11,059.78	11,237.86
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	7,431.83	7,455.10
Goods transferred at a point of time	3,627.95	3,782.76
Total revenue from contracts with customers	**11,059.78**	**11,237.86**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	11,633.91	12,017.31
Less: Discounts and disallowances	(574.13)	(779.45)
Total revenue from contracts with customers	**11,059.78**	**11,237.86**

Contract balances

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Trade receivables	1,199.44	873.78	730.04
Contract assets	98.38	105.01	95.68
Contract liabilities	126.93	113.77	123.69

Contract liability: During the financial year ended 31 March 2023, the Company has recognised revenue of Rs. 102.31 from advance received from patients outstanding as on 31 March 2022. During the financial year ended 31 March 2022, the company has recognised revenue of Rs. 123.69 from advance received from patients outstanding as on 31 March 2021. It expects similarly to recognise revenue in year ended 31 March 2023 from the closing balance of advance from customers as at 31 March 2022.

Contract asset: During the financial period ended 31 March 2023, the company has transferred Rs. 105.01 of contract assets as at 31 March 2022 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2022, the company has transferred Rs. 95.68 of contract assets as at 31 March 2021 to trade receivables on completion of performance obligation.

2.38 Ratio Analysis and its elements

INR in millions

Particulars	Numerator	Denomerator	For the year ended 31 March 2023	For the year ended 31 March 2022	% change
Current Ratio	Current Assets	Current Liabilities	1.98	2.47	-19.73%
Debt-Equity ratio *	Total Debts(1)	Shareholder's Equity	0.00	0.01	-80.87%
Debt service coverage ratio *	Earnings for debts service(2)	Debt service(3)	17.87	2.64	577.91%
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	10.50	11.77	-10.76%
Trade Receivable turnover Ratio	Net Credit Sales(4)	Average Trade Receivables	10.67	14.01	-23.87%
Trade Payable turnover Ratio	Net credit Purchases (5)	Average Trade Payables	7.53	7.03	7.21%
Net Capital turnover ratio **	Net Sales(6)	Working capital(7)	9.65	5.80	66.21%
Return on Equity Ratio ***	Net profits after taxes	Average Shareholder's equity	16.79%	24.37%	-31.11%
Net Profit ratio	Net profit	Net Sales(6)	22.38%	24.36%	-8.15%
Return on Capital employed	Earnings before interest and taxes	Capital Employed(8)	20.51%	26.49%	-22.58%
Return on Investment	Interest (Finance Income)	Time Weighted Average Investment	5.20%	4.17%	24.70%

(1) Debt includes Lease Liabilities

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

(3) Interest and lease payments + Principal Repayments

(4) Gross credit sales - sales return

(5) Gross credit purchases - purchase returns + Other expenses

(6) Total sales - sales return

(7) Current assets - Current liabilities

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

* Repayment of borrowings during the year resulted in the change in the ratio.

** Investments in subsidiaries during the year resulted in the change in the ratio.

*** Decrease is on account of issue of shares in the prior year at a premium resulting in the change in the ratio.

2.39 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Company does not have any unhedged foreign currency exposure as at 31 March 2023 and 31 March 2022.

2.40 Other Statutory Information

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

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

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

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

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

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

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

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

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

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

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

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

2.41 Events after the reporting period

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

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

As per our report attached of even date

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: 18 May 2023

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

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

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CONSOLIDATED
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Krishna Institute of Medical Sciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Krishna Institute of Medical Sciences Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2023, 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 significant 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, 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 as at March 31, 2023, 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 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, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Allowance for credit losses relating to trade receivables (as described in Note 1.3 and 2.6 of the consolidated financial statements)	
As at March 31, 2023, the Group has outstanding gross trade receivables of Rs. 3,138.11 million which represents approximately 11% of the total assets of the Group and Rs. 611.58 million of allowance for Expected Credit Loss. In assessing the recoverability of the trade receivables and determination of allowance for expected credit loss, management's judgement involves consideration of aging status, historical payment records, the likelihood of collection based on the terms of the contract and the credit information of its customers. We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.	Our audit procedures included and were not limited to the following: - We assessed and tested the design and operating effectiveness of management control over assessing the recoverability of the trade receivables and key internal controls over allowance for credit losses. - We performed test of details and tested relevant contracts, documents, and subsequent receipts for material trade receivable balances. - In respect of material trade receivable balances from the government customers, we traced the trade receivable balances to the portals of the government customers. - We tested the aging of trade receivables at year end. - We reviewed management's assessment of the assumptions used in the allowance for Expected Credit Loss model and verified the expected credit loss computation based on model considered by the management. - We reviewed the disclosures made by the management in consolidated financial statements.
Accounting for Business combination (as described in Note 1.3 and 2.34 of the consolidated financial statements)	
During the year ended March 31, 2023, the group completed the acquisition of Sarvejena Healthcare Private Limited and SPANV Medisearch Lifesciences Private Limited with a purchase consideration of Rs. 3,627.71 million and Rs. 800.03 million respectively. The Group determined the acquisition to be business combination in accordance with Ind AS 103. Ind AS 103 requires the identified assets and liabilities be recognized at fair value at the date of acquisition with the excess of the purchase consideration over identified fair value of recognized assets and liabilities as Goodwill. The Group appointed independent professional valuers to perform valuation of assets and liabilities for the purpose of Purchase Price Allocation ("PPA"). The PPA exercise was completed resulting in the Group recognizing goodwill of Rs. 2,232.32 million and intangible assets of Rs. 529.50 million. Significant assumptions and estimates were used in the determination of the fair values of the identified assets acquired and liabilities assumed in the transaction and thus we consider this area to be a Key Audit Matter.	Our audit procedures included and were not limited to the following: • We assessed and tested the design and operating effectiveness of the Holding Company's key controls over the accounting of business combination. • We obtained the Shareholders Agreement ("SHA"), traced the value of the consideration transferred and understood the key terms and conditions for each acquisition. • We assessed the acquisition accounting in line with the requirements of Ind AS 103, including evaluation of the procedures applied to identify and value additional assets and liabilities on acquisition and evaluating the key judgements. In performing these procedures, we involved our valuation expert ("auditor's expert") to review the PPA reports including the work done by management experts to assess reasonableness of the underlying key assumptions and valuation methodology (terminal growth/discount rate etc) used in determining the fair value of assets and liabilities (including intangible assets) as at the acquisition date. • We evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work as audit evidence. • We evaluated the appropriateness of the disclosures in the financial statements and assessed the completeness and mathematical accuracy of the relevant disclosures

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group 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 are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 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 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, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of two subsidiaries whose financial statements include total assets of Rs 115.91 million as at March 31, 2023, and total revenues of Rs 2.93 million and net cash outflows of Rs 0.2 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. 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 our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries 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 matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

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

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 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 none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries 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, 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 in its consolidated financial statements – Refer Note 2.24 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries 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 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries 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 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 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 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 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 and its subsidiaries incorporated in India.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiary, companies incorporated in India, hence reporting under this clause is not applicable.

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

per Navneet Rai Kabra
Partner
Membership Number: 102328

UDIN: 23102328BGSBMN2755

Place of Signature: Hyderabad
Date: May 18, 2023

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 in the Companies (Auditors Report) Order (CARO) reports of the Company and its subsidiary companies included in the Consolidated Financial Statements. The report of the following component included in the Consolidated Financial Statements has not been issued by its auditor till the date of our auditor's report.

S.No	Name	CIN	Relationship
1	Spanv Medisearch Lifesciences Private Limited	U74999MH2018PTC303510	Subsidiary

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

per Navneet Rai Kabra
Partner
Membership Number: 102328

UDIN: 23102328BGSBMN2755

Place of Signature: Hyderabad
Date: May 18, 2023

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMTED

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 Limted (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, 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"), 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, 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.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

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

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

Opinion

In our opinion, the Group, 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, 2023, 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 2 subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

per Navneet Rai Kabra
Partner
Membership Number: 102328

UDIN: 23102328BGSBMN2755

Place of Signature: Hyderabad
Date: May 18, 2023

Consolidated Balance Sheet as at 31 March 2023

INR in millions

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2.1 (a)	12,100.19	7,705.21
Capital work-in-progress	2.1(b)	4,769.34	207.59
Goodwill	2.39	3,080.07	847.75
Other intangible assets	2.1 (c)	777.35	317.62
Right-of-use assets	2.25	1,705.60	1,181.50
Investments	2.34	-	3,324.76
Financial assets			
(i) Other financial assets	2.3(a)	566.92	395.57
Deferred tax assets (net)	2.38	401.94	32.15
Non-current tax assets (net)	2.8	237.67	174.73
Other non-current assets	2.4	997.57	952.63
Total non-current assets		**24,636.65**	**15,139.51**
Current assets			
Inventories	2.5	428.65	364.27
Financial assets			
(i) Investments	2.2	678.88	-
(ii) Trade receivables	2.6	2,526.53	1,286.36
(iii) Cash and cash equivalents	2.7(a)	616.11	256.34
(iv) Bank balances other than (iii) above	2.7(b)	47.59	1,644.31
(v) Other financial assets	2.3(b)	363.96	280.97
Other current assets	2.9	114.66	101.71
Total current assets		**4,776.38**	**3,933.96**
Total assets		**29,413.03**	**19,073.47**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10 (a)	800.28	800.28
Other equity	2.10 (b)	15,895.10	13,072.81
Total equity attributable to owners of the Company		**16,695.38**	**13,873.09**
Non-controlling interests		2,684.24	233.31
Total Equity		**19,379.62**	**14,106.40**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (a)	4,974.41	1,376.63
(ii) Lease liabilities	2.25	1,361.54	886.59
(iii) Other financial liabilities	2.12(a)	4.25	3.92
Provisions	2.13	236.25	170.50
Deferred tax liabilities (net)	2.38	492.24	379.38
Total non-current liabilities		**7,068.69**	**2,817.02**
Current liabilities			
Financial liabilities			
(i) Borrowings	2.11 (b)	357.75	233.66
(ii) Lease liabilities	2.25	88.04	68.40
(iii) Trade payables	2.14		
(a) Total outstanding dues of micro enterprises and small enterprises; and		108.98	44.68
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,633.57	1,250.66
(iv) Other financial liabilities	2.12(b)	304.55	168.88
Provisions	2.15	140.65	103.39
Other current liabilities	2.16	331.18	278.66
Current tax liability (net)		-	1.72
Total current liabilities		**2,964.72**	**2,150.05**
Total equity and liabilities		**29,413.03**	**19,073.47**

Significant accounting policies 1.3
The accompanying notes are referred above form an integral part of the consolidated financial statements.
As per our report on 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: 18 May 2023

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

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

INR in millions

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Income from operations	2.17	21,976.78	16,508.25
Other income	2.18	258.72	202.60
Total income		**22,235.50**	**16,710.85**
Expenses			
Purchase of medical consumables, drugs and surgical instruments		4,744.87	3,674.97
(Increase)/ Decrease in inventories of medical consumables, drugs and surgical instruments	2.19	61.60	(123.42)
Employee benefits expense	2.20	3,464.36	2,619.08
Finance cost	2.21	305.45	160.33
Depreciation and amortisation expense	2.22	1,292.60	726.73
Other expenses	2.23	7,665.84	5,179.73
Total expenses		**17,534.72**	**12,237.42**
Profit before share of profit of Joint Venture and tax		**4,700.78**	**4,473.43**
Share of profit from Joint Venture, net of tax	**2.35**	**-**	**95.10**
Profit before tax and exceptional items		**4,700.78**	**4,568.53**
Exceptional Items			
Fair value gain on acquisition of control	2.34	148.29	-
Profit befor tax after exceptional items		**4,849.07**	**4,568.53**
Tax expense			
- Current tax	2.38	1,183.91	1,141.55
- Deferred tax charge /(credit)	2.38	24.84	1.66
- Adjustment of tax relating to earlier year	2.38	(17.81)	(12.63)
Total tax expense		**1,190.94**	**1,130.58**
Profit for the year (A)		**3,658.13**	**3,437.95**
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit and loss			
- Re-measurement income / (loss) of defined benefit plans		11.63	1.53
- Income tax effect		(3.12)	(0.33)
Other comprehensive income/(loss), net of tax (B)		**8.51**	**1.20**
Total comprehensive income for the year (A+B)		**3,666.64**	**3,439.15**
Profit attributable to:			
Owners of the Company		3,363.22	3,326.85
Non-controlling interests		294.91	111.10
Profit for the year		**3,658.13**	**3,437.95**
Other comprehensive income / (loss) attributable to:			
Owners of the Company		8.03	1.40
Non-controlling interests		0.48	(0.20)
Other comprehensive income / (loss) for the year		**8.51**	**1.20**
Total comprehensive income attributable to:			
Owners of the Company		3,371.25	3,328.25
Non-controlling interests		295.39	110.90
Total comprehensive income for the year		**3,666.64**	**3,439.15**
Earnings per equity share (face value of share Rs. 10 each)			
- Basic	2.28	42.03	41.88
- Diluted	2.28	42.03	41.88

Significant accounting policies 1.3

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

As per our report on even date attached

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

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

per Navneet Rai Kabra
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN:00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Place: Hyderabad
Date: 18 May 2023

Consolidated statement of Cash Flows for the year ended 31 March 2023

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
I. Cash flows from operating activities		
Profit before tax for the year	4,849.07	4,568.53
Adjustments for:		
Depreciation and amortisation expenses	1,292.60	726.73
Finance cost	305.46	160.33
Provision/(reversal) of expected credit loss for trade receivables (net of bad debts)	(115.43)	44.57
Interest income on fixed deposits and security deposit	(77.11)	(112.89)
Interest income on income tax refund	(18.21)	(9.93)
Loss on sale of property, plant and equipment (net)	1.46	27.17
Liabilities no longer required written back	(78.43)	(42.41)
Fair value gain on mutual funds	(30.01)	(95.10)
Income from sale of subsidiary	(7.56)	-
Exceptional items	(148.29)	-
Rental income	(5.70)	(13.10)
Operating profit before working capital changes	**5,967.85**	**5,253.90**
Adjustments for:		
Decrease/(increase) in inventories	64.70	(123.42)
Increase in trade receivables	(628.10)	(232.74)
Decrease/(increase) in other financial assets and other assets	281.42	(489.70)
(Decrease)/increase in trade payables, other financial liabilities, provisions and other liabilities	(410.83)	101.18
Cash generated from operations	**5,275.04**	**4,509.22**
Income taxes paid, net of refunds	(954.14)	(1,268.97)
Net cash generated from operating activities (A)	**4,320.90**	**3,240.25**
II. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(5,745.25)	(1,703.22)
Proceeds from sale of property, plant and equipment	26.30	3.18
Investment in joint venture	-	(3,229.65)
Investment in mutual funds	(1,884.98)	-
Redemption of mutual funds	1,236.11	-
Investment in subsidiaries (including acquisitions)	(2,163.92)	(11.30)
Proceeds from sale of subsidiary	2.00	-
Lease income received	5.70	13.10
Interest received	101.64	120.75
Redemption of bank deposits (having original maturity of more than three months)	5,774.24	6,519.99
Investment in bank deposits (having original maturity of more than three months)	(3,507.78)	(5,828.06)
Net cash used in investing activities (B)	**(6,155.95)**	**(4,115.20)**
III. Cash flows from financing activities		
Repayment of long-term borrowings	(2,011.30)	(1,709.40)
Proceeds from long-term borrowings	3,893.83	1,240.00
Repayment of short-term borrowings (net)	(399.51)	(625.00)
Payment of lease obligations	(412.24)	(95.48)
Proceeds from issue of shares (net off share issue expenses)	-	1,916.60
Interest paid	(187.37)	(116.72)
Net cash flows generated from financing activities (C)	**883.40**	**609.99**
Net decrease in cash and cash equivalents (A+B+C)	**(951.65)**	**(264.95)**
Cash and cash equivalents acquired through business combination	**1,311.42**	**-**
Cash and cash equivalents at the beginning of the year	**256.34**	**521.29**
Cash and cash equivalents at the end of the year	**616.11**	**256.34**

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 2023	As at 31 March 2022
Cash on hand	18.99	10.00
Balances with banks		
- On current accounts	588.22	246.34
- In deposit accounts (with original maturity of 3 months or less)	8.90	-
Total	**616.11**	**256.34**

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

As per our report on even date attached

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

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

per Navneet Rai Kabra
Partner
Membership no.: 102328

Dr. B Bhaskara Rao
Managing Director
DIN:00008985

Dr. B Abhinay
Chief Executive Officer
DIN: 01681273

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Place: Hyderabad
Date: 18 May 2023

Consolidated statement of changes in equity for year ended 31 March 2023

INR in millions

a) Equity share capital

Equity shares of Rs.10 each issued, subscribed and fully paid	No of shares	Amount
At 1 April 2021	**7,75,93,283**	**775.93**
Add: Shares issued during the year	24,34,504	24.35
At 31 March 2022	**8,00,27,787**	**800.28**
Add: Shares issued during the year	-	-
At 31 March 2023	**8,00,27,787**	**800.28**

b) Other equity

Particulars	Other equity attributable to the owners of the Company				Total other equity	Non-controlling interest	Total (Includes equity share capital as per (a) above)
	Reserve and surplus						
	Securities premium account	Adjustment reserve	Capital contribution	Retained earnings			
Balance as at 01 April 2021	**8,448.10**	**57.64**	**-**	**(644.33)**	**7,861.41**	**124.61**	**8,761.95**
Profit for the year	-	-	-	3,326.85	3,326.85	111.10	3,437.95
Issue of shares	1,975.65	-	-	-	1,975.65	-	2,000.00
Share issue expenses	(83.40)	-	-	-	(83.40)	-	(83.40)
Acquisition of non-controlling interests	-	-	-	(9.10)	(9.10)	(2.20)	(11.30)
Other comprehensive income for the year	-	-	-	1.40	1.40	(0.20)	1.20
Balance as at 31 March 2022	**10,340.35**	**57.64**	**-**	**2,674.82**	**13,072.81**	**233.31**	**14,106.40**
Profit for the year	-	-	-	3,363.22	3,363.22	294.91	3,658.13
Acquisition of subsidiaries (refer note 2.34)	-	-	-	-	-	2,343.22	2,343.22
Acquisition of non-controlling interests (refer note 2.34)	-	-	-	(663.24)	(663.24)	(297.48)	(960.72)
Other equity (refer note 2.10(b))	-	-	114.28	-	114.28	109.80	224.08
Other comprehensive income for the year	-	-	-	8.03	8.03	0.48	8.51
Balance as at 31 March 2023	**10,340.35**	**57.64**	**114.28**	**5,382.83**	**15,895.10**	**2,684.24**	**19,379.62**

The accompanying notes referred to above form an integral part of the financial statements.
As per our report attached of even date

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: 18 May 2023

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

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

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") and its subsidiaries (collectively, the Group) for the year ended 31 March 2023. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at D. No. 1-8-31/1, Minister's Road, Secunderabad, Telangana, India - 500003.

The Group is principally engaged in the business of rendering medical and healthcare services. Information on the Group's structure is provided in Note 1.3A. Information on other related party relationships of the Group is provided in Note 2.27. The Company's shares were listed on the BSE Limited and National Stock Exchange of India Limited on 28 June 2021.

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

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 18 May 2023.

1.2 Basis of preparation of consolidated financial statements

a) Statement of compliance:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

All amounts are in Indian Rupees millions, rounded off to two decimals, except share data, unless otherwise stated.

b) Basis of measurement:

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

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

c) Functional and presentation currency:

The Group's consolidated financial statements are presented in Indian rupee (INR), which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

d) New and amended standards

Standards issued but not yet effective and not early adopted by the Group

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2022. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

- Ind AS 101, First-time Adoption of Indian Accounting Standards
- Ind AS 109, Financial Instruments Classification, Recognition and Derecognition
- Ind AS 16, Property, Plant and Equipment
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

These amendments had no impact on the financial statements of the Group.

Standards issued but not yet effective and not early adopted by the Group

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On March 31, 2023, the MCA, issued certain amendments to Ind AS. The amendments relate to the following standards:

- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes
- Ind AS 1, Presentation of Financial Statements

These amendments are effective from April 01, 2023. The Group believes that the aforementioned amendments will not materially impact the financial statements of the Group.

e) Significant accounting judgement, estimates and assumptions:

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

Estimates and assumptions

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

Provision for expected credit losses of trade receivables and contract assets

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

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

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

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

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 2.38 – Recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 2.26 - Measurement of defined benefit obligations, key actuarial assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 2.33 for further disclosures.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

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

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Impairment of non-financial assets

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

1.3 Significant accounting policies

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory, property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements as at and for the year ended 31 March 2023 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	Country of incorporation	Ownership interest (in %)	
		31 March 2023	31 March 2022
Arunodaya Hospitals Private Limited ('AHPL')	India	67.66	57.83
KIMS Hospital Enterprises Private Limited ('KHEPL')	India	90.74	86.67
Iconkrishi Institute of Medical Sciences Private Limited ('ICIMSPL')	India	51.00	51.00
Saveera Intitute of Medical Sciences Private Limited ('SIMSPL')	India	76.50	80.00
KIMS Hospitals Private Limited ('KHPL')	India	100.00	100.00
KIMS Swastha Private Limited ('KSPL')	India	100.00	100.00
KIMS Hospital Bengaluru Private Limited ('KHBPL') (Note 3)	India	100.00	100.00
KIMS Hospital Kurnool Private Limited ('KHKPL')	India	55.00	55.00
Sarvejana Healthcare Private Limited ('SHPL')*	India	56.61	49.38
Rajyalakshmi Healthcare Private Limited (RHPL)*	India	56.61	49.38
Suryateja Healthcare Private Limited (STHPL)**	India	56.61	49.38
Spanv Medisearch Lifesciences Private Limited ('Spanv')*	India	51.00	NA
KIMS Manavata Hospitals Private Limited ('KHMPL')*	India	51.00	NA

*Became subsidiary during the year from April 01, 2022 to March 31, 2023

**Entity ceased to be subsidiary from December 01, 2022

B. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and it's subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

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.

B. Fair value measurement:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or

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

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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

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

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.33 – financial instruments.

E. Revenue from contract with customer

The Group's revenue from medical and healthcare services comprises of income from hospital services and sale of pharmacy items.

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

Income from hospital services comprises of fees charged for inpatient and outpatient hospital services. The performance obligations for this stream of revenue include accommodation, surgery, medical/clinical professional services, food and beverages, investigation and supply of pharmaceutical and related products.

Revenue is measured based on the transaction price, which is the fixed consideration adjusted for components of variable consideration which constitutes discounts, estimated disallowances and any other rights and obligations as specified in the contract with the customer. Revenue also excludes taxes collected from customers and deposited back to the respective statutory authorities. Revenue is recognised at the point in time for the outpatient hospital services when the related services are rendered at the transaction price. With respect to the inpatients hospital services who are undergoing treatment/ observation on the balance sheet date, revenue is recognised over the period to the extent of services rendered.

Revenue from sale of pharmacy and food and beverages (other than hospital services), where the performance obligation is satisfied at a point in time, is recognised when the control of goods is transferred to the customer.

Revenue from admission fees, tuition fees and other fees for academic courses are recognised on the due date for the receipt of fees and apportioned over the academic term on a time proportion basis. Fee waivers, discounts, rebates provided to students are reduced from fee received.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Contract Balances:

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

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (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 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.

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.
- 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.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

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

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

Expenses and assets are recognised net of the amount of goods and service taxes paid, except:

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

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

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews

the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

G. Property, plant and equipment

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

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

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

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

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

De-recognition

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

Depreciation

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its Property, plant and equipment which are in compliance with the Schedule II of Companies Act, 2013:

Category of Assets	Useful life (In years)
Buildings	60
Medical and surgical equipment	13-14
Plant and equipment	15
Office equipment	5
Electrical equipment	10
Computers	3-6
Furniture and fixtures	10
Vehicles	8

Based on the planned usage of certain specific assets and technical assessment, the management has estimated the useful lives of Property, plant and equipment as below:

- Individual asset not exceeding Rs. 5,000 have been fully depreciated in the year of purchase.
- Leasehold land is perpetual lease without any limited useful life and hence is not amortised.
- Leasehold improvements are amortised over the period of the lease or estimated useful life, whichever is shorter.

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

H. Intangible assets

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

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

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

De-recognition

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

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

Amortisation

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

The estimated useful lives of intangibles are as follows:

Category of Assets	Useful life (In years)
Software	6
Brand	5
Non-Compete fee	5
Customer Contract	5

I. Borrowing costs

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

J. Leases

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

Group as a lessee

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

Right-of-use assets

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

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

Lease Liabilities

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

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

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

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

K. Inventories

The inventories comprising of medical consumables, drugs and surgical instruments are valued at lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The Group follows the weighted average method for determining the cost of such inventories. The Comparison of cost and net realisable value is made on item by item basis.

L. Impairment of non-financial assets

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

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

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

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

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.

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

Retirement and other employee benefitss

Defined contribution plans

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

Defined benefit plans

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

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

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

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

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

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

Short term employee benefits

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

Compensated Absences

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

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

N. Financial instruments

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

Financial Assets

Initial recognition and measurement

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

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

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in to following categories

- Financial assets at amortised cost
- Financial assets at fair value through OCI (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured 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 and loan to a director included under other non-current financial assets. For more information on receivables, refer to Note 2.33.

Financial assets at fair value through OCI (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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Group's debt instruments are not fair value through OCI assets.

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.

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

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.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

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 considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

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

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

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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

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

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

Financial liabilities at amortised cost (loans and borrowings)

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

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

Financial guarantee contracts

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

Offsetting of financial instruments

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

Derecognition

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

O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

P. Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of parent company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Q. Segment reporting

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

R. Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture 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 joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, 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 joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), 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 joint venture. If the joint venture 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 a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the joint venture 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 joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the statement of profit and loss.

Upon loss of significant influence over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

S. Corporate social responsibility

The Group charges its Corporate Social Responsibility expenditure to the consolidated statement of profit and loss.

T. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting year, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

2.1 (a) Property, plant and equipment (Refer Note 1)

INR in millions

Particulars	Freehold land	Leasehold land (refer note 3)	Leasehold improvement	Buildings (refer note 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 2021	**563.77**	**151.82**	**196.00**	**4,133.71**	**3,654.99**	**305.70**	**76.93**	**474.34**	**192.30**	**393.55**	**68.24**	**10,211.34**
Additions	146.17	-	13.83	46.15	286.79	34.65	11.46	10.24	67.37	33.62	10.13	660.41
Disposals	-	-	-	(14.51)	(21.67)	(1.84)	(4.41)	(3.56)	(0.08)	(3.04)	(2.15)	(51.26)
Balance as at 31 March 2022	**709.94**	**151.82**	**209.83**	**4,165.35**	**3,920.11**	**338.51**	**83.98**	**481.02**	**259.59**	**424.13**	**76.22**	**10,820.49**
Balance as at 1 April 2022	**709.94**	**151.82**	**209.83**	**4,165.35**	**3,920.11**	**338.51**	**83.98**	**481.02**	**259.59**	**424.13**	**76.22**	**10,820.49**
Acquisition of subsidiaries (refer note 2.34)	596.15	-	378.34	1,189.43	1,343.52	147.03	11.47	154.26	27.12	188.09	19.57	4,054.98
Additions	-	-	54.61	307.00	784.95	27.36	13.88	26.06	50.54	30.00	26.25	1,320.65
Disposals (including sale of subsidiary)	-	-	(0.42)	-	(64.59)	-	(0.21)	(3.60)	(0.07)	(0.42)	(5.04)	(74.35)
Balance as at 31 March 2023	**1,306.09**	**151.82**	**642.36**	**5,661.78**	**5,983.99**	**512.90**	**109.12**	**657.74**	**337.18**	**641.80**	**117.00**	**16,121.77**
Accumulated depreciation												
Balance as at 1 April 2021	**-**	**-**	**62.01**	**318.70**	**1,352.99**	**100.94**	**53.08**	**265.91**	**131.13**	**190.09**	**30.26**	**2,505.08**
Depreciation charge for the year	-	-	27.18	75.48	341.16	23.64	9.67	60.57	38.16	45.96	9.29	631.11
Disposals	-	-	-	(3.35)	(8.44)	(0.55)	(3.14)	(2.99)	(0.07)	(1.24)	(1.13)	(20.91)
Balance as at 31 March 2022	**-**	**-**	**89.19**	**390.83**	**1,685.71**	**124.03**	**59.61**	**323.49**	**169.21**	**234.81**	**38.42**	**3,115.28**
Balance as at 1 April 2022	**-**	**-**	**89.19**	**390.83**	**1,685.71**	**124.03**	**59.61**	**323.49**	**169.21**	**234.81**	**38.42**	**3,115.28**
Depreciation charge for the year	-	-	108.26	94.19	499.45	32.76	13.36	55.36	71.59	63.52	14.40	952.89
Disposals (including sale of subsidiary)	-	-	(0.06)	-	(40.04)	-	(0.05)	(2.63)	(0.03)	(0.24)	(3.54)	(46.59)
Balance as at 31 March 2023	**-**	**-**	**197.39**	**485.02**	**2,145.12**	**156.79**	**72.92**	**376.22**	**240.77**	**298.09**	**49.28**	**4,021.58**
Net block value												
At 31 March 2022	**709.94**	**151.82**	**120.64**	**3,774.52**	**2,234.40**	**214.48**	**24.37**	**157.53**	**90.38**	**189.32**	**37.80**	**7,705.21**
At 31 March 2023	**1,306.09**	**151.82**	**444.97**	**5,176.76**	**3,838.87**	**356.11**	**36.20**	**281.52**	**96.41**	**343.71**	**67.72**	**12,100.19**

1. Buildings amounting to gross block Rs. 75.06 (31 March 2022: Rs. 75.06) and net block Rs. 53.56 (31 March 2022: Rs. 54.67) are constructed on the land taken on lease from promoters for a period of 30 years without making any upfront payment and renewable at the option of the Company.
2. Refer note 2.11 for details of assets pledged as security.
3. Lease hold land that is remaining in PPE schedule is related to land taken on perpetual lease.
4. The title deeds of immovable properties (other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee) are held in the name of the Group and the Group does not have any investment property.
5. The Group has not revalued any of its Property, Plant and Equipment during the year.

2.1(b) Capital work in progress

INR in millions

	As at 31 March 2023	As at 31 March 2022
Gross carrying amount		
Balance as at beginning of the year	207.59	92.44
Acquisition of subsidiaries (refer note 2.34)	105.16	-
Additions	4,755.06	195.10
Capitalised during the year	(298.47)	(79.95)
Balance as at end of the year	**4,769.34**	**207.59**

i) For capital work in progress, ageing Schedule as on 31 March 2023

CWIP	amount in CWIP for a period of				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Progress	4,549.97	202.21	7.43	9.72	4,769.34
Total	**4,549.97**	**202.21**	**7.43**	**9.72**	**4,769.34**

ii) For capital work in progress, ageing Schedule as on 31 March 2022

CWIP	amount in CWIP for a period of				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
-Projects in Progress	161.82	36.05	9.72	-	207.59
Total	**161.82**	**36.05**	**9.72**	**-**	**207.59**

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 2023 and 31 March 2022. The Group has started the construction of hospital buildings in three of its subsidiaries during the year. The hospital buildings are expected to be completed starting September 2023 till March 2026. The carrying amount of the hospital buildings at 31 March 2023 was Rs. 4,294.54. The construction of hospital buildings is financed through borrowings taken by the Group. The amount of borrowing costs capitalised during the year ended 31 March 2023 was Rs. 69.49. The rates used to determine the amount of borrowing costs eligible for capitalisation are ranging between 8.15% to 8.55% which is the effective interest rate of these specific borrowings.

2.1 (c) Other intangible assets

INR in millions

Particulars	Software	Brand	Non compete	Customer contract	Total of Intangible assets
Gross carrying amount					
Balance as at 1 April 2021	**90.14**	**25.24**	**28.30**	**188.02**	**331.70**
Additions	112.74	-	-	-	112.74
Balance as at 31 March 2022	**202.88**	**25.24**	**28.30**	**188.02**	**444.44**
Balance as at 1 April 2022	202.88	25.24	28.30	188.02	444.44
Acquisition of subsidiaries (refer note 2.34)	20.11	487.83	-	-	507.95
Additions	119.70	-	-	-	119.70
Balance as at 31 March 2023	**342.69**	**513.07**	**28.30**	**188.02**	**1,072.09**
Accumulated amortisation					
Balance as at 1 April 2021	**40.56**	**11.41**	**14.15**	**18.17**	**84.27**
Amortisation charge for the year	25.57	5.05	5.66	6.27	42.55
Balance as at 31 March 2022	**66.13**	**16.46**	**19.81**	**24.44**	**126.82**
Balance as at 1 April 2022	66.13	16.46	19.81	24.44	126.82
Amortisation charge for the year	47.50	108.49	5.66	6.27	167.92
Balance as at 31 March 2023	**113.63**	**124.95**	**25.47**	**30.71**	**294.74**
Net book value					
At 31 March 2022	**136.75**	**8.78**	**8.49**	**163.58**	**317.62**
At 31 March 2023	**229.06**	**388.12**	**2.83**	**157.31**	**777.35**

2.2 Current investments (Quoted investments, fair value through profit or loss)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Investment in mutual funds	678.88	-
Total	**678.88**	**-**
Aggregate book value of quoted investments	678.88	-
Aggregate market value of quoted investments	678.88	-
Aggregate provision for impairment in value of investments	-	-

2.3 Other financial assets (at amortised cost) (Unsecured, considered good)

INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
-To parties other than related parties		
Deposits with remaining maturity more than 12 months*	61.07	12.70
Interest accrued on bank deposits	0.61	0.64
Security deposits	505.24	382.23
Total	**566.92**	**395.57**
*Includes Rs 60.58 (March 2022: Rs 6.45) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing after12 months of the reporting date.		
(b) Current (Unsecured)		
-To parties other than related parties		
Contract assets (Unbilled revenue) (Refer note 2.31)	170.45	152.33
Other advances	61.90	2.75
Interest accrued on bank deposits	2.83	27.33
Security deposits	128.78	98.56
Total	**363.96**	**280.97**

2.4 Other non-current assets (Unsecured, considered good)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Capital advances	954.40	889.33
Balance with government authorities	21.54	41.01
Prepaid expenses	21.63	22.29
Total	**997.57**	**952.63**

2.5 Inventories

INR in millions

	As at 31 March 2023	As at 31 March 2022
(Valued at lower of cost or net realisable value)		
Medical consumables, drugs and surgical instruments	428.65	364.27
Total	**428.65**	**364.27**

2.6 Trade receivables (amortised cost) (Unsecured)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Considered good - Unsecured*	3,138.11	1,690.26
Less: Allowance for expected credit loss	(611.58)	(403.90)
	2,526.53	**1,286.36**
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	**2,526.53**	**1,286.36**
* Includes amount receivables 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 2023

Particulars	Current but no due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	1,013.40	1,316.77	341.47	235.76	81.57	149.14	3,138.11
(ii) Undisputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Total							**3,138.11**
Less : Allowance for expected credit loss							**(611.58)**
Balance at the end of the year							**2,526.53**

Trade Receivables ageing schedule as on 31 March 2022

Particulars	Current but no due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	634.78	593.13	188.99	91.59	62.96	118.81	1,690.26
(ii) Undisputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit imparied	-	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables- significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables- credit imparied	-	-	-	-	-	-	-
Total							**1,690.26**
Less : Allowance for expected credit loss							**(403.90)**
Balance at the end of the year							**1,286.36**

2.7 Cash and bank balances

INR in millions

	As at 31 March 2023	As at 31 March 2022
a) Cash and cash equivalents		
Cash on hand	18.99	10.00
Balances with banks		
Balances with banks		
- in current accounts	588.22	246.34
- in deposit accounts (with original maturity of 3 months or less)	8.90	-
	616.11	**256.34**
b) Bank balances other than (a) above		
Deposits with remaining maturity less than 12 months*	47.59	1,644.31
	47.59	1,644.31
Total	**663.70**	**1,900.65**

Cash at banks earns interest at floating rates based on daily bank deposit rates. 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. 0.21 (31 March 2022: 0.77) deposits placed which are restrictive in nature as it pertains to bank guarantee. These guarantees are maturing with in 12 months of the reporting date.

C) Changes in liabilities arising from financing activities:

INR in millions

	As at 31 March 2023	As at 31 March 2022
Borrowings (Non-current and current):		
Opening balance	1,610.29	2,704.68
Proceeds from/ (repayment of) borrowings, net	1,483.02	(1,094.38)
Acquisition of subsidiaries (refer note 2.34)	2,238.86	-
Closing balance	**5,332.16**	**1,610.29**
Lease liabilities:		
Opening balance	954.99	459.02
Additions	47.73	541.87
Acquisition of subsidiaries (refer note 2.34)	791.40	-
Interest accrued on lease liabilities	116.04	45.43
Payment of lease liabilities	(412.24)	(95.49)
Others (includes deletion and interest transferred to CWIP)	(48.34)	4.16
Closing balance	**1,449.58**	**954.99**

2.8 Non-current tax assets (net)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Advance tax (net of provision for taxation)	237.67	174.73
Total	**237.67**	**174.73**

2.9 Other current assets (Unsecured, considered good)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Advance to suppliers	50.92	66.75
Prepaid expenses	44.65	21.61
Staff advances	16.24	12.06
Other receivables	2.85	1.29
Total	**114.66**	**101.71**

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2.10 (a) Equity share capital

INR in millions

	As at 31 March 2023	As at 31 March 2022
Authorised share capital		
95,000,000 (31 March 2022: 95,000,000) equity shares of Rs. 10 each	950.00	950.00
	950.00	**950.00**
Issued, subscribed and paid-up		
80,027,787 (31 March 2022: 80,027,787) equity shares of Rs. 10 each fully paid-up	800.28	800.28
	800.28	**800.28**

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

INR in millions

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	8,00,27,787	800.28	7,75,93,283	775.93
Add: Shares issued during the year	-	-	24,34,504	24.35
Shares outstanding at the end of the year	**8,00,27,787**	**800.28**	**8,00,27,787**	**800.28**

(ii) Rights, preferences and restrictions attached to equity shares of Rs. 10 each, fully paid up:
The Company has only one class of equity shares having par value of Rs. 10/- each. Each equity share holder is entitled to one vote per equity share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Particulars of shareholders holding more than 5% equity shares of Rs. 10 each, fully paid up

INR in millions

Name of shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Dr. B Bhaskara Rao	2,02,75,033	25.33%	2,10,19,929	26.27%
General Atlantic Singapore KH Pte Ltd	68,89,147	8.61%	1,37,96,898	17.24%
Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	6.05%	48,40,662	6.05%

(iv) The Company has not issued bonus shares during the period of five years immediately preceding the reporting period.
(v) The Company has not bought back any shares during the period of five years immediately preceding the reporting period.

(vi) Details of shares held by Promoters*

As at 31 March 2023

INR in millions

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Dr. B Bhaskara Rao	2,10,19,929	(7,44,896)	2,02,75,033	25.33%	(3.54%)
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	48,40,662	-	48,40,662	6.05%	0.00%
3	Equity shares of Rs. 10 each fully paid	Mrs. Rajyasri Bollineni	13,74,003	-	13,74,003	1.72%	0.00%
4	Equity shares of Rs. 10 each fully paid	Dr. Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Mr. Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
Total			**2,72,90,021**	**(7,44,896)**	**2,65,45,125**	**33.17%**	**(2.73%)**

As at 31 March 2022

INR in millions

S. No.	Particulars	Promoter name	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% change during the year
1	Equity shares of Rs. 10 each fully paid	Bhaskara Rao Bollineni	2,14,07,895	(3,87,966)	2,10,19,929	26.27%	(1.81%)
2	Equity shares of Rs. 10 each fully paid	Bollineni Ramanaiah Memorial Hospitals Private Limited	52,28,628	(3,87,966)	48,40,662	6.05%	(7.42%)
3	Equity shares of Rs. 10 each fully paid	Rajyasri Bollineni	21,49,936	(7,75,933)	13,74,003	1.72%	(36.09%)
4	Equity shares of Rs. 10 each fully paid	Abhinay Bollineni	47,299	-	47,299	0.06%	0.00%
5	Equity shares of Rs. 10 each fully paid	Adwik Bollineni	8,128	-	8,128	0.01%	0.00%
Total			**2,88,41,886**	**(15,51,865)**	**2,72,90,021**	**34.10%**	**(5.38%)**

*Promoters as per the annual return filed by the Company

2.10 (b) Other equity

INR in millions

	As at 31 March 2023	As at 31 March 2022
(i) Securities premium (refer below note 1)		
Balance as per last financial statements	10,340.35	8,448.10
Add: Shares issued during the year	-	1,975.65
Less: Shares issue expense	-	(83.40)
Closing balance	**10,340.35**	**10,340.35**
(ii) Adjustment reserve (refer below note 2)		
Balance as per last financial statements	57.64	57.64
Movement during the year	-	-
Closing balance	**57.64**	**57.64**
(iii) Capital contribution (refer below note 3)		
Balance as per last financial statements	-	-
Additions	114.28	-
Closing balance	**114.28**	**-**
(iv) Retained earnings (refer below note 4)		
Balance as per last financial statements	2,674.82	(644.33)
Add: Acquisition of non-controlling interests (refer note 2.34)	(663.24)	(9.10)
Add: Profit for the year	3,363.22	3,326.85
Add: Other comprehensive income/(loss) for the year	8.03	1.40
Closing balance	5,382.83	2,674.82
	15,895.10	**13,072.81**

1. Securities premium

Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

2. Adjustment reserve

During the year ended 31 March 2014, pursuant to the Scheme of Arrangement approved by Honourable High Court of Andhra Pradesh, the Company has allotted 306,069 Equity Shares of Rs. 10 each to the Share holders of the Bollineni Heart Centre Limited ("transferor Company") against 4,455,000 equity shares of Rs. 10 each outstanding in the transferor Company in the ratio of 9 equity shares of Rs. 10 each for every 131 equity shares of Rs. 10 each of the Transferor Company. The difference of Rs. 41.49 on account of the above share swap has been added to the Adjustment Reserve of the Company as per the Scheme.

During the year ended 31 March 2014, pursuant to the Scheme of Arrangement approved by the High Court, the Company allotted 969,231 equity shares of Rs. 10 each to the shareholders of the Bollineni Ramanaiah Memorial Hospitals Private Limited ("Demerged Company") against 2,100,000 equity shares of Rs. 10 each outstanding in the Demerged Company in the ratio of 6 equity shares of Rs. 10 each for every 13 equity shares of Rs. 10 each of the Demerged Company. The difference between the consideration payable and the value of net assets taken over as per the Scheme amounting to Rs. 16.15 has been added to the Adjustment Reserve of the Company as per the Scheme.

3. Capital contribution

During the year ended March 31, 2023, the Group has entered into a land lease agreement with the promoter shareholders of KHMPL at a concessional rate for a period of 99 years on which the hospital building is being constructed. The Group has obtained valuation report from an independent valuer for land lease, and the ROU asset has been accounted for, at fair value of land of Rs. 230. The difference between the ROU asset and lease liability has been recognised as capital contribution.

4. Retained earnings

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

2.11 Borrowings (at amortised cost)

INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current borrowings (Secured)		
Term loans from banks		
- HDFC Bank vehicle loan (refer note i)	0.68	1.53
- Federal bank term loans (refer note ii, iii, iv and v)	206.07	70.11
- HDFC Bank term loan (refer note vi)	513.64	633.75
- HDFC Bank term loan (refer note vii and viii)	588.05	629.54
- HDFC Bank term loan (refer note ix)	993.50	-
- ICICI Bank (refer note x)	1,119.56	-
- HDFC Bank term loan (refer note xi)	1,503.91	-
Total loans from banks (A)	**4,925.41**	**1,334.93**
Term loans from financial institutions		
- NIIF Infrastructure Finance Limited (refer note xii)		
Total loans from financial institutions (B)	**-**	**41.70**
Unsecured		
Loan from others (refer note xiv)	49.00	-
Total unsecured loans (C)	**49.00**	**-**
Total non-current borrowings (A) + (B)+ (C)	**4,974.41**	**1,376.63**
(b) Current borrowings		
Secured		
Working capital loans from banks (refer note xiii)	193.02	15.14
Current maturity of long term borrowings		
- HDFC Bank vehicle loan (refer note i)	0.85	0.78
- Federal bank term loan (refer note ii, iii, iv and v)	38.23	22.56
- HDFC Bank term loan (refer note vi)	11.72	13.00
- HDFC Bank term loan (refer note vii and viii)	33.72	37.29
- HDFC Bank term loan (refer note xi)	36.01	-
Term loans from financial institutions		
- NIIF Infrastructure Finance Limited (refer note xii)	41.70	142.39
Unsecured		
Loan from others	2.50	2.50
Total current borrowings	**357.75**	**233.66**

Note:

i - Term loan from HDFC Bank of KHEPL is secured by first exclusive hypothecation charge on the vehicle acquired from the said loans. The loan carries interest rate of 8.01% (31 March 2022: 8.01%) per annum.

- These loans are repayable in 84 equated monthly instalments starting from January 2018 to December 2024."

ii - Term loan 1 from Federal bank of ICIMSPL is secured by way of first charge on the medical equipment, other movable assets, building improvements and fixtures of ICIMSPL and second charge on entire current assets of ICIMSPL.

- The loan is repayable in 72 equated monthly instalments starting September 2019 and carries an interest rate of 8.40% - 8.80% per annum (31 March 2022:8.40% - 9.30% per annum) with annual reset (linked to 1 year MCLR)."

iii - Term loan 2 from Federal bank of ICIMSPL is secured by way of first charge on medical equipment (minimum 1.19x cover), with 15% margin, of the ICIMSPL and second charge on entire current assets of the ICIMSPL.

- The loan is repayable in 72 equated monthly instalments starting April 2020 and carries an interest rate of 8.70% - 9.80% per annum (31 March 2022: 8.5% - 9.50% per annum) with annual reset (linked to 1 year MCLR)."

iv - Term loan 3 from Federal bank of ICIMSPL is secured by way of first charge on the medical equipment, furniture and fixture of the ICIMSPL and second charge on entire current assets of the ICIMSPL. The loan is repayable in 72 equated monthly instalments starting April 2023 and carries an interest rate of 7.90%-9.00% per annum (31 March 2022: Nil per annum) with annual reset (linked to 1 year MCLR).

v - Term loan 4 from Federal bank of ICIMSPL is hypothecated by all the assets acquired or to be acquired out of the facility or loan amount in favour of the Bank by way of first and exclusive charge as security for the repayment of facility together with interests, costs and other charges, expenses. Further hypothecated, by way of second charge all assets as security lot the repayment of the facility and also for payment of any other charges, interest costs and expenses payable to or incurred by the Bank in relation thereto.The loan is repayable in 60 monthly instalments starting July 2022 and carries an interest rate of REPO+6.35 % per annum (31 March 2022: Nil per annum).

vi Term loan from HDFC Bank of SIMSPL has repayment term of 120 months and the last installment in the said facilities is due in December 2031.The loan carries an interest rate of 7.9% (31 March, 2022: 6%) floating rate linked to 3 months T-Bill +1%(spread) per annum. The loans are secured by first and exclusive charge on movable fixed assets and current assets of the SIMSPL (both Present and future) and equitable mortgage on the land and building owned by the SIMSPL situated at 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 personal guarantee given by the directors - Mr. S.V Kishore Reddy and Mr. Yelakala Surendra Reddy.

vii a) 'Term loan 1 from HDFC Bank of KHKPL has repayment term of 48 months and the last instalment in the said facilities is due in March 2025. The loan carries an interest rate of 1Y MCLR+ 0.50% (spread) per annum (31 March 2022 : 1Y MCLR+ 0.50%).The loan is secured by way of extension of Second ranking charge over existing primary and collateral securities including Mortagages created in favour of HDFC Bank. Further, the loan is also secured by corporate guarantee given by Company.

viii Term Loan 2 from HDFC Bank of KHKPL has a repayment term of 120 months and the last instalment in the said facility is due in December 2031. The loan carries an interest rate of 7.90% (floating rate linked to 3 months T-Bill) per annum (31 March 2022 : 6%). The same is secured by way of equitable mortgage on the property situated at Plot Nos. 27 & 28 (part) in Sy.No.931/J1B 931/J2B,931/15B,931/K1B and 931/K3 of kallur,Johrapuram Road, Kurnool and first and exclusive charge on entire movable fixed assets of the KHKPL (both present and future) and current assets of the KHKPL. Further, the loan is also secured by corporate guarantee given by Company.

ix Term loan from HDFC Bank of SHPL is secured by:

- A first mortgage and charge on all immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,

- A first charge by way of hypothecation on (i) all tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) all intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) all current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; (iv) all bank accounts and reserves including other reserves and any other bank accounts, wherever maintained and account(s) in substitution thereof;

- The loan is repayable in 120 monthly instalments starting from March 2025 to February 2033. The loan carries an interest rate of 3 months T Bill Rate plus spread (161 bps), currently interest rate is 8.15% p.a (31 March 2022 : Nil)

x Term loan from ICICI Bank of KHBPL is secured by the exclusive charge by way of equitable mortgage over the immovable fixed assets located at Bengaluru, lease hold rights, movable and current assets of the KHBPL (both present and future). Further, the loan is also secured by unconditional and irrecovable letter of comfort/corporate guarantee given by the Company. The loan shall be repaid in 32 structured quarterly installments starting from 01 January 2026. The loan carries an interest rate of 1Y MCLR+ 0.15% (spread) per annum (31 March 2022 : Nil)

xi Term loan from HDFC Bank of SMLPL is secured by:

- A first mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,

- A first charge by way of hypothecation on SMLPL (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves of SMLPL including but not limited to other reserves and any other bank account of SMLPL, whereever maintained and account(s) in substitution thereof.

- Further, the loan is also secured by corporate guarantee given by the Company.

- The loan is repayable in 36 Quarterly instalments starting from December 2023 to March 2033. The loan carries an interest rate of 3 months T Bill Rate at the date of disbursement plus spread (160 bps), currently interest rate is 8.15% p.a (31 March 2022 : Nil)"

xii - Term loan from NIIF Infrastructure Finance Limited (formerly known as IDFC Infrastructure Finance Limited) is taken by the Company and is secured by a first pari-passu mortgage and charge of immovable properties of the Secunderabad hospital and Nellore hospital building of the Company.

- Also secured by a first pari-passu charge by way of hypothecation of Secunderabad hospital and Nellore Hospital movable properties including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature excluding the equipment which are purchased by Company out of medical equipment loans and a second pari-passu mortgage and charge of immovable properties of the Ongole hospital.

- Also includes a second pari-passu charge by way of hypothecation of Ongole hospital movable properties including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature excluding the equipment which are purchased by Company out of medical equipment loans; a second charge on the entire cash flows, receivables, book debts and revenues of the Company, of whatsoever nature and wherever arising; subject to the prior charge of the working capital lenders.
- Also secured by personal guarantee of Dr. B. Bhaskara Rao. The loan is repayable in 58 equal monthly instalments and carries an interest rate of 9.10% p.a. (31 March 2022: 9.10% p.a)."

xiii Working capital loans consists of loans from :

"a) Working capital loan from Federal Bank of ICIMSPL is secured by first charge on entire current assets of ICIMSPL with a margin of 25% on stock and receivables and second charge on medical equipment, other movable assets, building improvements and fixtures of ICIMSPL.

- Loan is repayable on demand and carries an interest rate of 8.50% per annum (31 March 2022: 9.50% per annum) with annual reset (linked to 1 year MCLR)."

b) Working capital loan from HDFC Bank taken by SIMSPL carries interest rate of 8.25% per annum, linked to 1 year MCLR (31 March 2022: 9.95% per annum, linked to 1 year MCLR).

- The loan is secured by first and exclusive charge on moveable and immoveable assets, current assets of the SIMSPL and equitable mortgage on the property owned by SIMSPL situated at Sy no.155, D.No.1-1348, NH 44, Rudrampet Panchayat, Sri Nagar Colony extension, Near Ayyappa Swamy Temple, Anantapur-515004.

- Further, the loan is secured by way of personal guarantee given by Mr. Veera Kishore Reddy and Mr. Yelakala Surendra Reddy (Directors of SIMSPL).

c) Working capital loan from HDFC Bank taken by KHKPL is secured by way of equitable mortgage on the property situated at Plot Nos.27 & 28 (part) in Sy.No.931/J1B 931/J2B,931/15B,931/K1B and 931/K3 of kallur, Johrapuram Road, Kurnool and first and exclusive first charge on movable and immovable assets and current assets of KHKPL.

- Further, the loan is also secured by corporate guarantee given by the Company.

- The loan carries an interest rate of 1Y MCLR+ 1.10% (spread) per annum (31 March 2022: 1Y MCLR+ 1.10% (spread) per annum).

d) Working capital loan from HDFC Bank taken by SMLPL secured by:

- A first mortgage and charge on all Borrower's immovable properties, present and future, pertaining to the project together with all structures and appurtenances thereon, present and future,

- A first charge by way of hypothecation on SMLPL's (i) tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (ii) intangible assets, including but not limited to goodwill, uncalled capital, intellectual property rights and undertaking, present and future; (iii) current assets and receivables, Including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future; and (iv) all bank accounts and reserves of SMLPL including but not limited to other reserves and any other bank account of SMLPL, whereever maintained and account(s) in substitution thereof.

- Further, the loan is also secured by corporate guarantee given by the Company.

- The loan carries an interest rate of 3 months T Bill Rate + 1.6% (spread), presently 8.4% (31 March 2022: Nil)"

xiv Unsecured loan obtained from Spark Mall and Parking Solutions Private Limited (promoter shareholders of SMLPL) which carries interest equal to the bank floating rate, currently 8.15% p.a.

xv Aggregate amount of secured loans guaranteed by few Directors of the Company is Rs. 41.70 (31 March 2022: Rs. 279.26).

xvi The quarterly returns or statements of the current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

2.12 **Other financial liabilities** (at amortized cost)

INR in millions

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Security deposits	0.14	2.15
Capital creditors	4.11	1.77
Total	**4.25**	**3.92**
(b) Current		
Capital creditors	96.60	14.77
Employee related payables *	137.01	140.61
Interest accrued but not due on borrowings	26.15	6.98
Security and caution deposit	44.78	6.52
Total	**304.55**	**168.88**
*Includes payables to related parties. For details refer note 2.27		

2.13 Long-term provisions

INR in millions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity (refer note 2.26)	236.25	170.50
Total	**236.25**	**170.50**

2.14 Trade payables (at amortised cost)

INR in millions

	As at 31 March 2023	As at 31 March 2022
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 2.30)	108.98	44.68
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,633.57	1,250.66
Total	**1,742.55**	**1,295.34**
The above includes payable to related party. For details refer note 2.27		
Trade payables are non-interest bearing and are normally settled on 30-90 day terms.		

Trade Payable ageing Schedule as on 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	39.00	69.98	-	-	-	108.98
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	596.81	960.18	41.44	16.56	18.58	1,633.57
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						**1,742.55**

Trade Payable ageing Schedule as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	< 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	24.11	20.57	-	-	-	44.68
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	383.30	794.51	32.51	4.48	35.86	1,250.66
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total						**1,295.34**

2.15 Short-term provisions

INR in millions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity (refer note 2.26)	5.41	1.37
Compensated absences	135.24	102.02
Total	**140.65**	**103.39**

2.16 Other current liabilities

INR in millions

	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	138.90	111.57
Contract liabilities (Refer note 2.31)	169.69	135.13
Other liabilities	22.59	31.96
Total	**331.18**	**278.66**

2.17 Income from operations

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Income from contract with customers		
Income from medical and healthcare services (Refer note 2.31)		
Income from hospital services	14,198.43	10,800.53
Income from pharmacy	7,478.21	5,509.26
Total	**21,676.64**	**16,309.79**
B. Other operating income		
Income from academic courses	90.19	66.34
Income from sale of food and beverages	160.82	129.66
Other hospital income	49.13	2.46
Total	**300.14**	**198.46**
Total income from operations (A+B)	**21,976.78**	**16,508.25**

2.18 Other income

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on:		
- fixed deposits	61.09	101.91
- income tax refunds	18.21	9.93
- security deposits	16.02	10.98
Fair value gain on mutual funds	30.01	-
Rental income (refer note 2.25)	5.70	13.10
Income from sale of subsidiary	7.56	-
Liabilities no longer required written back	78.43	42.41
Miscellaneous income	41.70	24.27
Total	**258.72**	**202.60**

2.19 Decrease/ (increase) in inventories of medical consumables, drugs and surgical instruments

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock	364.27	240.85
Addition on acquisition of subsidiaries	125.99	-
Less: Closing stock	428.65	364.27
Total	**61.60**	**(123.42)**

2.20 Employee benefit expense

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	3,210.57	2,426.76
Contribution to provident and other funds (refer note no 2.26)	214.96	153.98
Staff welfare expenses	38.83	38.34
Total	**3,464.36**	**2,619.08**

2.21 Finance cost

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest to banks and financial insitutions		
- term loans	171.88	109.34
- other loans	5.26	4.44
Interest expense on lease liabilities (refer note no 2.25)	116.04	45.43
Others	12.28	1.12
Total	**305.45**	**160.33**

2.22 Depreciation and amortisation expense

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (refer note no 2.1(a))	952.89	631.11
Amortisation of intangible assets (refer note no 2.1(c))	167.92	42.55
Amortisation of Right-of-use assets (refer note no 2.25)	171.79	53.07
Total	**1,292.60**	**726.73**

2.23 Other expenses

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Consultancy charges	4,465.38	3,007.12
House keeping expenses	685.32	472.85
Power and fuel	436.87	258.27
Catering and patient welfare expenses	299.87	194.27
Rent (refer note 2.25)	155.07	93.50
Tests and investigations	214.01	24.73
Academic courses expenses	2.55	1.73
Repairs and maintenance:		
- Medical equipment	309.14	270.04
- Hospital building and others	213.17	235.18
Printing and stationery	82.65	50.51
Audit fee	17.77	10.02
Legal and professional charges	136.23	53.24
Rates and taxes	150.47	45.60
Travelling and conveyance	144.57	72.94
Advertisement and publicity	197.39	111.51
Communication expenses	27.82	21.73
Provision/(reversal) of expected credit loss for trade receivables (net of bad debts)	(115.43)	44.57
Insurance	27.10	10.31
Subscriptions and membership fees	8.52	7.72
Donations	0.67	2.91
Contribution towards Corporate Social Responsibility expenditure	70.54	39.06
Loss on sale of property, plant and equipment (net)	1.46	27.17
Bank charges	67.34	58.41
Directors sitting fee	1.32	-
Commission to Directors	8.45	7.67
Miscellaneous expenses	57.59	58.67
Total	**7,665.84**	**5,179.73**

2.24 Contingent liabilities and commitments

(a) Contingent liabilities

INR in millions

	Particulars	As at 31 March 2023	As at 31 March 2022
i)	Luxury tax matters in dispute	-	82.27
ii)	Good and Service tax matters in dispute	6.59	6.59
iii)	VAT matters in dispute	-	1.76
iv)	Medical and other claims (gross, excluding interest/costs)	199.07	132.44
v)	Income Tax matter in dispute (Refer Note viii below)	355.57	-
vi)	The Company has obtained a stay from High Court for the state of Andhra Pradesh, dated 11 November 2014, directing the local authorities not to proceed with the acquisition of part of the building in Nellore for the purpose of road widening. No provision thereof has been made in the Consolidated financials statements.		
vii)	An individual has filed a consumer case at National Consumer Disputes Redressal Commission against the Company along with 3 other hospitals demanding a total compensation of Rs 235.01 (31 March 2022: Rs. 235.01) along with a further interest @ 18% p.a towards medical negligence. Based on the legal opinion obtained by the company and the internal evaluation by the management, the Company believes that it has strong case in this regard and there shall not be any outflow of resources. No provision thereof has been made in the Consolidated financial statement.		
viii)	The Group disputed the demands raised by income tax authorities for the assessment years 2016-17, 2017-18 and 2020-21 (31 March 2022: 2016-17 and 2017-18) which are pending at Commissioner of Income Tax (Appeals). The Group is confident that these appeals will be decided in its favour.		
ix)	On 28 February 2019, the Supreme Court of India issued a judgement which provided further guidance for companies in determining which components of their employee's compensation are subject to statutory withholding obligations, and matching employer contribution obligations, for Provident Fund contributions under Indian law. There are interpretative issues relating to the retrospective applicability of the judgement. However, from the date of order, the Group has complied with the aforesaid Supreme court's judgement. The Group will evaluate the same and update its position for earlier years, if any on receiving further clarity on the subject.		

Notes:

i. 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.

ii. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable in its consolidated financial statements. The Group does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

(b) Commitments

INR in millions

Particulars	As at 31 March 2023	As at 31 March 2022
I) Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4,028.45	812.65

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. Leases of land , building and medical equipment generally have lease terms between 3 and 15 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. One of our hospital buildings taken on lease has applied for the requisite approvals from municipal and other authorities. The lessor is in the process of obtaining these approvals from respective authorities.

The Group also has certain leases of buildings and medical equipment with lease terms of 12 months or less with no purchase option and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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

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

Particulars	Leasehold Land	Building	Medical equipment	Total Right of Use Asset
As at 1 April 2021	116.68	390.10	2.56	509.34
Additions	780.89	-	-	780.89
Deletion	-	(14.79)	-	(14.79)
Amortization expense charged to P&L	(43.83)	(6.76)	(2.48)	(53.07)
Amortization expense included in CWIP	(40.87)	-	-	(40.87)
As at 31 March 2022	**812.86**	**368.55**	**0.08**	**1,181.50**
Additions	234.07	41.81	-	275.88
Acquisition of subsidiaries (refer note 2.34)	-	566.53	56.05	622.58
Deletion (including sale of subsidiary)	-	(64.48)	(54.89)	(119.37)
Amortization expense charged to P&L	(2.95)	(167.59)	(1.24)	(171.79)
Amortization expense included in CWIP	(83.20)	-	-	(83.20)
As at 31 March 2023	**960.78**	**744.82**	**-**	**1,705.60**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

INR in millions

	As at 31 March 2023	As at 31 March 2022
Opening Balance	**954.99**	**459.02**
Additions	47.73	541.87
Acquisition of subsidiaries (refer note 2.34)	791.40	-
Deletion (including sale of subsidiary)	(82.35)	(17.36)
Accretion of interest charged to P&L	116.04	45.43
Accretion of interest included in CWIP	34.01	21.51
Payments	(412.24)	(95.48)
Balance as at	**1,449.58**	**954.99**
Current	**88.04**	**68.40**
Non-current	**1,361.54**	**886.59**

The effective interest rate for lease liabilities ranges between 8% to 10.5%, with maturity between 2023-2036 (31 March 2022: 8% to 10.5%, with maturity between 2022-2031)

The following are the amounts recognised in the statement of profit or loss:

INR in millions

	As at 31 March 2023	As at 31 March 2022
Amortisation expense of right-of-use assets	171.79	53.07
Interest expense on lease liabilities	116.04	45.43
Expense relating to short-term leases and low-value assets (included in other expenses)	155.07	93.50
Total amount recognised in profit or loss	**442.90**	**192.00**

The Group had total cash outflows for leases of Rs. 567.31 in 31 March 2023 (31 March 2022: Rs. 188.99).

Set out below are the undiscounted potential future rental payments relating to periods included in the lease term:

INR in millions

	As at 31 March 2023	As at 31 March 2022
Within less than one year	220.61	150.36
Between one and five years	923.76	632.80
After more than five years	1,237.09	609.39
Total	**2,381.46**	**1,392.55**

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. 5.70 (31 March 2022: Rs. 13.10).

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:

INR in millions

	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligation	309.60	227.08
Fair value of plan assets	67.94	56.50
Total employee benefit liability	**241.66**	**170.58**
Non-current	236.25	170.50
Current	5.41	1.37

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

INR in millions

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation as at beginning of the year	227.08	197.64
Addition on acquisition of subsidiaries	52.07	-
Benefits paid	(22.71)	(14.68)
Current service cost	49.03	33.24
Interest cost	15.72	10.50
Actuarial losses/(gains) recognised in other comprehensive income due to:		
- Changes in financial assumptions	(17.22)	0.02
- Changes in demographic assumptions	-	(5.96)
- experience changes	6.88	6.32
Sale of subsidiary	(1.24)	-
Defined benefit obligation as at the end of the year	**309.60**	**227.08**

ii) Reconciliation to fair value of plan assets

INR in millions

Particulars	As at 31 March 2023	As at 31 March 2022
Plan assets at beginning of the year	56.50	24.51
Addition on acquisition of subsidiaries	11.23	-
Contributions paid into the plan	18.76	44.02
Interest income	3.36	0.74
Benefits paid	(22.71)	(14.68)
Return on plan assets	1.29	1.91
Sale of subsidiary	(0.49)	-
Plan assets at end of the year	**67.94**	**56.50**

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	49.03	33.24
Interest on defined benefit obligation / plan assets (net)	12.36	9.76
Net gratuity cost, included in 'employee benefits expense'	**61.39**	**43.00**

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial gain / (loss) on net defined benefit obligation	(10.34)	0.38
Actual return on plan assets less interest on plan assets	(1.29)	(1.91)

D. Plan assets

Plan assets comprises of the following:

INR in millions

Particulars	As at 31 March 2023	As at 31 March 2022
Fund managed by Insurer	67.94	56.50

E. Defined benefit obligation

i) Actuarial assumptions

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

INR in millions

Particulars	As at 31 March 2023	As at 31 March 2022
Attrition rate	Medical - 12% to 42% Medical - 12% to 42%	Non-medical - 9% to 32% Non-medical - 9% to 32%
Discount rate	7.30%	6.25%
Salary escalation rate	8.00%	8.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement age	58	58

F. Maturity profile of defined benefit obligation

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1st following year	54.92	38.51
Year 2 to 5	166.40	92.98
Year 6 to 9	107.13	74.51
Year 10 and above	185.95	114.08

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 period ended 31 March 2023		For the year ended 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	10.45	81.58	(17.33)	19.30
Salary escalation rate (1% movement)	80.42	11.08	18.28	(16.78)

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amount recognised in the consolidated statement of profit and loss towards		
i) Provident fund	120.87	81.82
ii) Employee state insurance	32.70	29.16

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code and will record any related impact in the period of the Code becomes effective.

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 Mr. Uma Shankar Mantha - Company Secretary Mr. Vikas Maheshwari - Chief Financial Officer Mrs. Dandamudi Anitha -Whole-time Director
Directors of the Company	Mr G Rajeswara Rao Mr. Saumen Chakraborty Mr. Pankaj Vaish Mr. Venkata Ramudu Jasthi Mr. Kaza Ratna Kishore Mrs. Y.Prameela Rani (w.e.f 19 May 2022) Mr. Sandeep Achyut Naik (resigned w.e.f 6 August 2021) Mr. Shantanu Rastogi
Relative of KMP	Dr. Raavi Swetha- Daughter in law of Managing Director
Enterprises under control or joint control of KMP and close family members of KMP	Sri Viswa Medicare Limited KIMS Foundation and Research Centre BSCPL Infrastructure Limited
Enterprise having significant influence over the Group	General Atlantic Singapore KH Pte. Ltd
Joint Venture	Sarvejana Healthcare Private Limited (from 27 October 2021 to 31 March 2022)

(b) Transactions with related parties

INR in millions

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i.	**Professional fee to KMP**		
	Dr. B Bhaskara Rao	17.23	18.00
ii.	**Professional fee to relative of KMP**		
	Dr. Raavi Swetha	2.16	2.13
iii	**Rent to KMP**		
	Dr. B Bhaskara Rao	0.10	0.10
iv.	**Managerial remuneration***		
	Dr. B Bhaskara Rao	36.00	24.00
	Mrs. Dandamudi Anitha	5.25	4.74
	Dr. B Abhinay	15.00	11.75
	Mr. Vikas Maheshwari	11.00	9.60
	Mr. Uma Shankar Mantha	3.50	2.58
v.	**Expenditure towards CSR**		
	KIMS Foundation and Research Centre	51.42	34.04
ix.	**Commission to Directors**		
	Mr G Rajeswara Rao	0.82	0.81
	Mr. Saumen Chakraborty	3.52	3.49
	Mr. Pankaj Vaish	1.76	1.74
	Mr. Kaza Ratna Kishore	0.82	0.81
	Mr. Venkata Ramudu Jasthi	0.82	0.81
	Mrs. Y.Prameela Rani	0.71	-
x.	**Purchase of medical consumables, drugs and surgical instruments**		
	Sarvejana Healthcare Private Limited	-	0.97
xi.	**Income from pharmacy**		
	Sarvejana Healthcare Private Limited	-	15.57
xii.	**Investment in Joint Venture**		
	Sarvejana Healthcare Private Limited	-	3,229.65
xiii.	**Share of profit of a Joint Venture, net of tax**		
	Sarvejana Healthcare Private Limited	-	95.10

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

INR in millions

	Particulars	As at 31 March 2023	As at 31 March 2022
i.	**Trade receivables**		
	Sri Viswa Medicare Limited	2.21	2.21
	Sarvejana Healthcare Private Limited	-	12.04
ii.	**Trade payables**		
	Dr. B Bhaskara Rao	1.20	0.14
	Dr. Raavi Swetha	0.17	0.17
iii.	**Commission to Directors**		
	Mr G Rajeswara Rao	0.16	0.16
	Mr. Saumen Chakraborty	0.68	0.68
	Mr. Pankaj Vaish	0.34	0.34
	Mr. Kaza Ratna Kishore	0.16	0.16
	Mr. Venkata Ramudu Jasthi	0.16	0.16
	Mrs. Y.Prameela Rani	0.16	-

(d) For certain loans availed by the Group, few Directors of the Company have given personal guarantee. Refer note 2.11 for details.

* The managerial personnel are covered by the Group's gratuity policy and are eligible for leave encashment along with other employees of the Group. The proportionate amount of gratuity and leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are determined on an actuarial basis for the Group as a whole.

Terms and conditions:
All transactions with these related parties are priced on an arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash within a range of 30-120 days of the transaction date. None of the balances are secured.

2.28 Earnings per share (EPS)

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings		
Profit attributable to equity shareholders of the Company	3,363.22	3,326.85
Shares		
Number of shares at the beginning of the year	8,00,27,787	7,75,93,283
Add: Equity shares issued during the year	-	24,34,504
Total number of equity shares outstanding at the end of the year	**8,00,27,787**	**8,00,27,787**
Weighted average number of equity shares outstanding during the year - Basic	8,00,27,787	7,94,40,838
Weighted average number of equity shares arising out of issue of share warrant that have dilutive effect on EPS	-	-
Weighted average number of equity shares outstanding during the year - used in calculating Diluted EPS	8,00,27,787	7,94,40,838
Earnings per share of par value Rs. 10 - Basic (Rs.)	42.03	41.88
Earnings per share of par value Rs. 10 - Diluted (Rs.)	42.03	41.88

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 2023 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 2023	As at 31 March 2022
The amounts remaining unpaid to micro and small supplies as at end of the year		
- Principal	108.98	44.68
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-

2.31 Revenue from contracts with customers:

Disaggregated revenue information

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

INR in millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income from hospital services	14,198.43	10,800.53
Income from pharmacy	7,478.21	5,509.26
Total revenue from contracts with customers	**21,676.64**	**16,309.79**
India	21,676.64	16,309.79
Outside India	-	-
Timing of revenue recognition		
Services transferred over time	14,198.43	10,800.53
Goods transferred at a point of time	7,478.21	5,509.26
Total revenue from contracts with customers	**21,676.64**	**16,309.79**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	22,806.88	17,449.06
Less: Discounts and disallowances	(1,130.24)	(1,139.27)
Total revenue from contracts with customers	**21,676.64**	**16,309.79**

Contract balances

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Trade receivables	2,526.53	1,286.36	1,098.19
Contract assets	170.45	152.33	133.52
Contract liabilities	169.69	135.13	137.75

Contract liabilities: During the financial year ended 31 March 2023, the Group has recognised revenue of Rs. 123.67 from advance received from patients outstanding as on 31 March 2022. During the financial year ended 31 March 2022, the company has recognised revenue of Rs. 137.75 from advance received from patients outstanding as on 31 March 2023. It expects similarly to recognise revenue in year ended 31 March 2024 from the closing balance of advance from customers as at 31 March 2023.

Contract asset: During the financial year ended 31 March 2023, the company has transferred Rs. 152.33 of contract assets as at 31 March 2022 to trade receivables on completion of performance obligation. During the financial year ended 31 March 2022, the company has transferred Rs. 133.52 of contract assets as at 31 March 2021 to trade receivables on completion of performance obligation.

2.32 Capital management

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

The Group's net debt to equity ratio as of 31 March 2023 and 31 March 2022 was as follows:

INR in millions

Particulars*	As at 31 March 2023	As at 31 March 2022
Total borrowings	5,332.16	1,610.29
Less: Cash and cash equivalents	(616.11)	(256.34)
Net debt	**4,716.05**	**1,353.95**
Total equity	**16,523.46**	**13,815.45**
Net debt to equity ratio - Gearing ratio	**28.54%**	**9.80%**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March 2022.

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 the financial covenants of any interest-bearing loans and borrowing in the current year.

* For this purpose, net debt is defined as total borrowings, less cash and cash equivalents. Total equity comprises all components Total equity attributable to owners of the Group excluding adjustment reserve and capital contribution.

2.33 Financial instruments : Fair value and risk management

A. Accounting classification and fair values

As at 31 March 2023	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	2,526.53	2,526.53	
Cash and cash equivalents	616.11	616.11	Level 3
Bank balances other than above	47.59	47.59	
Other financial assets	930.88	930.88	
Total	**4,121.11**	**4,121.11**	
Financial asset at fair value through profit or loss (Refer note below)			
Investment in mutual funds	678.88	678.88	Level 1
Total	**678.88**	**678.88**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings	4,974.41	4,974.41	
Lease liabilities	1,449.58	1,449.58	
Short-term borrowings	357.75	357.75	Level 3
Trade payables	1,742.55	1,742.55	
Other financial liabilities	308.80	308.80	
Total	**8,833.09**	**8,833.09**	

As at 31 March 2022	Carrying value	Fair Value	Fair value level
Financial assets at amortised cost (Refer note below)			
Trade receivables	1,286.36	1,286.36	
Cash and cash equivalents	256.34	256.34	
Bank balances other than above	1,644.31	1,644.31	
Other financial assets	676.54	676.54	
Total	**3,863.55**	**3,863.55**	
Financial liabilities at amortised cost (Refer note below)			
Long-term borrowings	1,376.63	1,376.63	Level 3
Lease liabilities	954.99	954.99	
Short-term borrowings	233.66	233.66	
Trade payables	1,295.34	1,295.34	
Other financial liabilities	172.80	172.80	
Total	**4,033.42**	**4,033.42**	

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

The fair values of long term borrowings and lease liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair value hierarchy due to the use of unobservable inputs including own credit risk.

The fair values of Investment in mutual funds are based on the market value using net asset value. They are classified as level 1 fair value hierarchy due to the use of quoted prices in an active market.

B. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

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

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

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

(ii) Credit risk

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and contract assets amounting to Rs. 3,308.56 as on 31 March 2023 (31 March 2022 : Rs. 1,842.59). 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 2023	As at 31 March 2022
Opening balance	403.90	411.87
Credit loss (reversed)/added	207.68	(7.97)
Closing Balance	611.58	403.90
Trade receivable write off not routed through the above movement	92.25	52.54

The Group uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and contract assets and is adjusted for forward looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due in the provision matrix. Set out below is the information about the credit risk exposure of the Group's trade receivables and contract asset using provision matrix:

	Not past due	0-180 days due past due date	More than 180 days past due date	Gross trade receivables and contract assets
For the year ended 31 March 2023	1,183.85	1,316.77	807.93	3,308.56
For the year ended 31 March 2022	787.11	593.13	462.35	1,842.59

Customer Concentration

No single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2023 and 31 March 2022. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

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

(iii) Liquidity risk

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings	4,974.41	-	2,243.53	2,749.96	4,993.49
Lease liabilities	1,449.58	220.61	923.76	1,237.09	2,381.46
Short-term borrowings	357.75	357.75	-	-	357.75
Trade payables	1,742.55	1,742.55	-	-	1,742.55
Other financial liabilities	308.80	304.55	4.11	0.14	308.80
Total	**8,833.09**	**2,625.46**	**3,171.40**	**3,987.19**	**9,784.05**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022:

Particulars	Carrying value	Less than 1 year	1 - 5 years	More than 5 years	Total
Long-term borrowings	1,376.63	-	477.05	900.27	1,377.32
Lease liabilities	954.99	150.36	632.80	609.39	1,392.55
Short-term borrowings	233.66	233.66	-	-	233.66
Trade payables	1,295.34	1,295.34	-	-	1,295.34
Other financial liabilities	172.80	168.88	1.77	2.15	172.80
Total	**4,033.42**	**1,848.24**	**1,111.62**	**1,511.81**	**4,471.67**

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

C. Market risk

(i) Interest rate risk exposure

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

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate long term borrowings and short term borrowings	5,328.13	1,605.48
Total borrowings	**5,328.13**	**1,605.48**

(i) Sensitivity

Particulars	Impact on profit or loss	
	As at 31 March 2023	**As at 31 March 2022**
Sensitivity		
1% increase in MCLR	(53.28)	(16.05)
1% decrease in MCLR	53.28	16.05

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

D. Currency risk

The Company is not exposed to currency risk.

2.34 Business combinations and acquisition of non-controlling interests

Acquisitions during the year ended 31 March 2023

Acquisition of Subsidiaries:

(a) On April 01, 2022, the Group has increased its stake in Sarvejana Healthcare Private Limited (“”Sunshine Hospitals””) from 49.38% to 51.07% through payment of last call on 12,232,890 equity shares for a total amount of Rs. 398.07. Sunshine Hospitals is principally engaged in the business of rendering medical and healthcare services. Sunshine Hospitals became a subsidiary of the Krishna Institute of Medical Sciences Limited effective April 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 3,434.71. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired.

The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 2,116.71 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

(b) On September 01, 2022, the Group has invested in Spanv Medisearch Lifesciences Private Limited (“”Spanv””) by acquiring 51.00% through purchase of 8,917,989 equity shares fully paid up for a total amount of Rs. 800.03. Spanv is principally engaged in the business of rendering medical and healthcare services. Spanv became a subsidiary of the Krishna Institute of Medical Sciences Limited effective September 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 1,342.43. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. Refer table below for summary of net assets acquired.

The intangible assets are amortised over a period of 5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The goodwill amounting to Rs. 115.61 is attributable to the workforce and synergy benefits of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes.

From the date of acquisition, Spanv has contributed Rs. 861.97 of revenue and Rs. (128.93) to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been Rs. 1,445.01 and the profit before tax from continuing operations for the Group would have been Rs. (410.64).

(c) On July 01, 2022, the Group has invested in KIMS Manavata Hospital Private Limited (“Manavata”), a newly incorporated entity by acquiring 51.00% through purchase of 510,000 equity shares fully paid up for a total amount of Rs. 5.10. Manavata became a subsidiary of the Krishna Institute of Medical Sciences Limited effective July 01, 2022 and has been consolidated with effect from that date. The fair value of net assets acquired on the acquisition date amounted to Rs. 10. Refer table below for summary of net assets acquired.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of subsidiaries as at the date of acquisition were:

Particulars	Sunshine Hospitals	Spanv	Manavata	Total
Assets				
Property, plant and equipment including CWIP (Note 2.1(a), (b))	1,372.02	2,775.32	12.80	4,160.14
Right-of-use assets (Note 2.25)	566.53	56.05	-	622.58
Trade Receivables	380.72	115.92	-	496.64
Deferred Tax assets	74.72	223.84	-	298.56
Cash and bank (including deposits)	1,226.00	833.82	5.74	2,065.56
Patents and licences (Note 2.1(c))	468.27	39.68	-	507.95
Other assets	589.37	159.41	0.76	749.54
	4,677.63	**4,204.04**	**19.30**	**8,900.97**
Liabilities				
Borrowings (Note 2.7 (c))	-	2,229.56	9.30	2,238.86
Lease liability (Note 2.25)	738.57	52.82	-	791.40
Trade Payables	455.94	414.24	-	870.18
Other liabilities	48.41	164.99	-	213.39
	1,242.92	**2,861.61**	**9.30**	**4,113.83**
Total identifiable net assets at fair value	3,434.71	1,342.43	10.00	4,787.14
Non-controlling interests measured at fair value	(1,680.31)	(658.00)	(4.90)	(2,343.22)
Goodwill arising on acquisition (Note 2.39)	2,116.71	115.61	-	2,232.32
Purchase consideration transferred*	**3,871.11**	**800.03**	**5.10**	**4,676.24**

*During the year, the Group has completed acquisition of 51.07% of the equity share capital of Sunshine Hospitals for a total cash consideration of Rs. 3,627.71 Mn and Sunshine Hospitals had accordingly become a subsidiary. The transaction was accounted in accordance with Ind AS 103 - Business Combinations (“Ind AS 103”). The exceptional item for the current year represents a gain of Rs 148.29 Mn on completion of purchase price allocation upon conversion of Sunshine Hospitals from a Joint Venture to a Subsidiary.

Acquisition of additional interests during the year ended 31 March 2023

(i) The Group has increased its stake in KIMS Hospital Enterprises Private Limited from 86.67 % to 90.74% through secondary purchase of 1,000,000 equity shares from existing shareholders for a total amount of Rs. 200.00. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 57.19 and Rs. 142.81 respectively.

(ii) The Group has further increased its stake in Sunshine Hospitals from 51.07% to 56.61% through purchase of 2,020,571 equity shares fully paid up from existing shareholders for a total amount of Rs.686.99. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 213.55 and Rs. 473.45 respectively.

(iii) The Group has increased its stake in Arunodaya Hospital Private Limited from 57.83 % to 67.66% through secondary purchase of 199,256 equity shares from existing shareholders for a total amount of Rs.73.72. This has resulted in reduction of non controlling interest and other equity amounting to Rs. 26.28 and Rs. 47.44 respectively.

(iv) The Group has transferred 3.5% of the shares (350 shares) in Saveera Institute of Medical Sciences Private Limited to the promoter shareholders on fulfilling conditions pursuant to the Shareholders agreement dated September 05, 2018. This has resulted in reduction of non controlling interest and increase in other equity amounting to Rs. 0.46.

Acquisitions during the year ended 31 March 2022

The Group had increased its stake in KIMS Hospitals Enterprise Private Limited from 86.32 % to 86.67% through secondary purchase of 86,950 equity shares from existing shareholders for a total amount of Rs. 11.30. This had resulted in reduction of non controlling interest and other equity amounting to Rs. 2.20 and Rs. 9.10 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.

2.35 Interest in joint venture for the year ended 31 March 2022

The Company had invested in Sarvejana Healthcare Private Limited ("Sunshine Hospitals") by acquiring 49.38% through purchase of 64,16,666 equity shares fully paid up from existing shareholders for a total amount of Rs.1,248.17 and 12,232,890 equity shares partly paid up from existing shareholders on rights basis for a total amount of Rs.1,981.48. The shares were purchased at Rs.194.52 (premium of Rs.184.52) per share.

On April 01, 2022, the Group has increased its stake in Sarvejana Healthcare Private Limited ("Sunshine Hospitals") from 49.38% to 51.07% through payment of last call on 12,232,890 equity shares for a total amount of Rs. 398.07. Sunshine Hospitals became a subsidiary of the Krishna Institute of Medical Sciences Limited effective April 01, 2022 and has been consolidated with effect from that date.

As at 31 March 2022, the Group's interest in Sarvejana Healthcare Private Limited was accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised balance sheet as at 31 March 2022:

	Amount
Current assets	1,467.85
Non-current assets	2,593.09
Current liabilities	607.67
Non-current liabilities	714.43
Equity	**2,738.84**
Group's share in equity- 49.38%	**1,352.44**
Consolidation adjustment (including goodwill / intangible assets)	**1,972.32**
Group's carrying amount of the investment	**3,324.76**

Summarised statement of profit and loss of the Sarvejana Health Care Private Limited for the period of 27 October 2021 to 31 March 2022:

	Amount
Revenue from contracts with customers	1,867.17
Purchase of medical consumables, drugs and surgical instruments	(495.70)
(Increase)/ Decrease in inventories of medical consumables, drugs and surgical instruments	5.96
Depreciation and amortisation expense	(115.20)
Finance cost	(38.71)
Employee benefits expense	(194.85)
Other expenses	(694.61)
Profit before tax	**334.06**
Income tax expense	109.04
Profit for the period	**225.02**
Total comprehensive income for the period	**234.72**
Group's share of profit for the period @ 49.38%	**115.90**
Less: Consolidation adjustments	(20.80)
Group's share of profit for the period	**95.10**

The joint venture had following contingent liabilities and capital commitments (to the extent of Group' share) as at 31 March 2022. Sarvejana Healthcare Private Limited cannot distribute its profits until it obtains the consent from the Venture partners.

	Amount
Contingent liabilities	188.55
Capital commitments	244.68

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 2023	Arunodaya Hospitals Private Limited	Iconkrishi Institute of Medical Sciences Private Limited	KIMS Hospital Enterprises Private Limited	Saveera Institute of Medical Sciences Private Limited	KIMS Hospitals Kurnool Private Limited	Sarvejana Healthcare Private Limited	KIMS Manavata Hospital Private Limited	Spanv Medisearch Lifesciences Private Limited
NCI Percentage	32.34%	49.00%	9.24%	23.50%	45.00%	43.39%	49.00%	49.00%
Non-current assets	**231.07**	**476.75**	**2,158.01**	**814.41**	**501.62**	**4,966.97**	**397.48**	**3,510.63**
Current assets	133.93	226.69	506.96	258.29	149.43	732.89	28.58	245.74
Non-current liabilities	(9.67)	(254.78)	(808.90)	(529.80)	(602.05)	(1,545.49)	(5.59)	(1,765.30)
Current liabilities	(86.70)	(189.05)	(293.68)	(202.51)	(195.61)	(458.76)	(16.37)	(352.46)
Net Assets	**268.64**	**259.60**	**1,562.39**	**340.40**	**(146.61)**	**3,695.61**	**404.10**	**1,638.60**
Net Assets attributable to NCI (before adjustments)	86.88	127.21	144.36	79.99	(65.97)	1,603.69	198.01	802.92
Business combination and other adjustment on consolidation	(1.06)	9.09	(1.11)	(83.00)	(14.93)	93.83	(85.75)	(210.14)
Net Assets attributable to NCI	**85.82**	**136.30**	**143.25**	**(3.01)**	**(80.90)**	**1,697.52**	**112.26**	**592.78**
Revenue	365.56	1,078.39	2,528.72	942.43	715.18	4,303.98	0.86	883.62
Profit	40.50	66.52	470.25	77.64	30.92	557.72	(4.98)	(129.92)
Other comprehensive income/(loss) ('OCI')	0.53	(0.62)	(0.72)	(0.52)	0.37	1.01	-	0.24
Total comprehensive income	**41.02**	**65.89**	**469.54**	**77.12**	**31.29**	**558.73**	**(4.98)**	**(129.67)**
Profit allocated to NCI	16.95	32.59	56.71	15.54	13.92	266.46	(2.44)	(63.66)
OCI allocated to NCI	0.22	(0.31)	(0.10)	(0.10)	0.17	0.48	-	0.12
Business combination and other adjustment on consolidation	(0.17)	(2.30)	-	-	(0.82)	(36.61)	-	(1.26)
Total comprehensive income allocated to NCI	**17.01**	**29.99**	**56.61**	**15.43**	**13.26**	**230.33**	**(2.44)**	**(64.80)**
Cash flows								
Cash flow from operating activities	13.18	52.39	611.13	166.41	86.42	976.08	(4.95)	(233.51)
Cash flow from investing activities	(15.46)	(190.87)	(465.26)	(39.80)	(53.28)	(2,168.22)	(152.10)	(137.81)
Cash flow from financing activities	(0.80)	133.93	(150.58)	(126.01)	(51.43)	1,160.95	185.00	357.78
Net increase / (decrease) in cash and cash equivalents	**(3.08)**	**(4.55)**	**(4.71)**	**0.60**	**(18.29)**	**(31.19)**	**27.95**	**(13.54)**
Cash flows attributable to NCI	**(1.00)**	**(2.23)**	**(0.46)**	**0.14**	**(8.23)**	**(13.53)**	**13.70**	**(6.63)**

As at 31 March 2022	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
NCI Percentage	**42.17%**	**49.00%**	**13.33%**	**20.00%**	**45.00%**
Non-current assets	212.78	266.38	2,097.22	903.85	485.91
Current assets	96.71	149.32	197.20	159.50	108.45
Non-current liabilities	(9.86)	(70.16)	(892.37)	(636.48)	(632.83)
Current liabilities	(72.00)	(144.25)	(309.21)	(163.60)	(139.43)
Net Assets	**227.62**	**201.28**	**1,092.85**	**263.28**	**(177.90)**
Net Assets attributable to NCI (before adjustments)	95.99	98.63	145.66	52.66	(80.05)
Business combination and other adjustment on consolidation	(0.89)	7.66	(1.60)	(70.64)	(14.11)
Net Assets attributable to NCI	**95.10**	**106.29**	**144.06**	**(17.98)**	**(94.16)**
Revenue	306.28	1,059.94	2,308.49	855.77	652.94
Profit	(28.16)	153.78	459.15	22.84	(33.12)
Other comprehensive income/(loss) ('OCI')	0.40	(0.40)	(0.49)	(0.07)	(0.23)
Total comprehensive income	**(27.76)**	**153.38**	**458.66**	**22.76**	**(33.35)**
Profit allocated to NCI	(11.87)	75.35	61.20	4.57	(14.90)
OCI allocated to NCI	0.17	(0.20)	(0.06)	(0.01)	(0.10)
Business combination and other adjustment on consolidation	(0.23)	(2.21)	(0.01)	(0.01)	(0.79)
Total comprehensive income allocated to NCI	**(11.93)**	**72.94**	**61.13**	**4.55**	**(15.79)**
Cash flows					
Cash flow from operating activities	(14.19)	112.91	183.01	101.35	43.89
Cash flow from investing activities	16.36	(35.20)	(44.45)	(47.94)	(36.84)
Cash flow from financing activities	(2.13)	(103.48)	(241.21)	(61.28)	10.76
Net increase / (decrease) in cash and cash equivalents	**0.04**	**(25.77)**	**(102.65)**	**(7.87)**	**17.81**
Cash flows attributable to NCI	**0.02**	**(12.63)**	**(13.68)**	**(1.57)**	**8.01**

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 2023

	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
Name of the entity	**As % of consolidated net assets**	**Amount**	**As % of consolidated profit and loss**	**Amount**	**As % of consolidated other comprehensive income**	**Amount**	**As % of consolidated total comprehensive income**	**Amount**
Parent								
Krishna Institute of Medical Sciences Limited	84.15%	16,308.59	69.02%	2,524.89	96.71%	8.23	69.09%	2,533.12
Subsidiary								
Arunodaya Hospitals Private Limited	1.39%	268.64	0.64%	23.53	3.41%	0.29	0.65%	23.82
KIMS Hospitals Private Limited	0.58%	113.06	-0.09%	(3.23)	0.00%	-	-0.09%	(3.23)
KIMS Swastha Private Limited	0.00%	(0.10)	0.08%	2.90	0.00%	-	0.08%	2.90
KIMS Hospital Bengaluru Private Limited	0.14%	27.88	-0.05%	(1.84)	0.00%	-	-0.05%	(1.84)
KIMS Hospital Enterprises Private Limited	8.06%	1,562.39	11.30%	413.55	-7.40%	(0.63)	11.26%	412.92
Iconkrishi Institute of Medical Sciences Private Limited	1.34%	259.60	0.93%	33.92	-3.76%	(0.32)	0.92%	33.60
Saveera Institute of Medical Sciences Private Limited	1.76%	340.40	1.70%	62.11	-4.94%	(0.42)	1.68%	61.69
KIMS Hospitals Kurnool Private Limited	-0.76%	(146.61)	0.46%	17.01	2.35%	0.20	0.47%	17.21
Sarvejana Healthcare Private Limited	19.07%	3,695.61	7.96%	291.26	6.23%	0.53	7.96%	291.79
KIMS Manavata Hospital Private Limited	2.09%	404.10	-0.07%	(2.54)	0.00%	-	-0.07%	(2.54)
Spanv Medisearch Lifesciences Private Limited	8.46%	1,638.60	-1.81%	(66.26)	1.41%	0.12	-1.80%	(66.14)
Non-controlling interests in all subsidiaries	13.85%	2,684.24	8.06%	294.91	5.64%	0.48	8.06%	295.39
Eliminations	-40.13%	(7,776.78)	1.86%	67.92	0.35%	0.03	1.85%	67.95
Total	**100.00%**	**19,379.62**	**100.00%**	**3,658.13**	**100.00%**	**8.51**	**100.00%**	**3,666.64**

31 March 2022

	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in total comprehensive income	
Name of the entity	**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	97.65%	13,775.47	80.97%	2,783.64	164.17%	1.97	81.00%	2,785.61
Subsidiary								
Arunodaya Hospitals Private Limited	1.61%	227.62	-0.47%	(16.29)	19.17%	0.23	-0.47%	(16.06)
KIMS Hospitals Private Limited	0.82%	116.29	-0.10%	(3.37)	0.00%	-	-0.10%	(3.37)
KIMS Swastha Private Limited	-0.02%	(3.00)	-0.02%	(0.54)	0.00%	-	-0.02%	(0.54)
KIMS Hospital Bengaluru Private Limited	-0.03%	(4.48)	-0.13%	(4.53)	0.00%	-	-0.13%	(4.53)
KIMS Hospital Enterprises Private Limited	7.75%	1,092.85	11.58%	397.95	-35.83%	(0.43)	11.56%	397.52
Iconkrishi Institute of Medical Sciences Private Limited	1.43%	201.28	2.28%	78.43	-16.67%	(0.20)	2.27%	78.23
Saveera Institute of Medical Sciences Private Limited	1.87%	263.28	0.53%	18.27	-5.00%	(0.06)	0.53%	18.21
KIMS Hospitals Kurnool Private Limited	-1.26%	(177.90)	-0.53%	(18.22)	-10.83%	(0.13)	-0.53%	(18.35)
Joint venture								
Sarvejana Healthcare Private Limited	NA	NA	2.77%	95.10	0.00%	-	2.77%	95.10
Non-controlling interests in all subsidiaries	1.65%	233.31	3.23%	111.10	-16.67%	(0.20)	3.22%	110.90
Eliminations	-11.47%	(1,618.32)	-0.10%	(3.59)	1.67%	0.02	-0.10%	(3.57)
Total	**100.00%**	**14,106.40**	**100.00%**	**3,437.95**	**100.00%**	**1.20**	**100.00%**	**3,439.15**

2.36 Income-tax

a. Amount recognised in statement of profit and loss

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax	1,183.91	1,141.55
Deferred tax attributable to temporary differences	24.84	1.66
Adjustment of tax relating to earlier years	(17.81)	(12.63)
Tax expenses for the year	**1,190.94**	**1,130.58**

b. Amount recognised in other comprehensive income

INR in millions

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Re-measurement on defined benefit plans	11.63	(3.12)	8.51	1.53	(0.33)	1.20

c. Reconciliation of effective tax rate

INR in millions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	**4,700.78**	**4,473.43**
Enacted tax rates	25.17%	25.17%
Tax expense at enacted rates	1,183.09	1,125.87
Adjustment of tax relating to earlier years	(17.81)	(12.63)
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Non-deductible expenses	14.34	6.40
Others	11.32	10.93
Total	**1,190.94**	**1,130.58**

d. Recognition of deferred tax assets and liabilities

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

INR in millions

	As at 31 March 2023	As at 31 March 2022
Deferred tax asset		
Expected credit loss for trade receivables	133.31	102.83
Provision for employee benefits	107.50	87.88
Property, Plant and Equipment	2.15	3.45
Carry forward of tax losses (including unabsorbed depreciation)	75.49	21.03
Fair valuation of net assets on business combination	227.32	-
Others	76.37	25.46
Deferred tax liability		
Property, Plant and Equipment	711.87	586.88
Others	0.56	1.00
Deferred tax asset	**(90.30)**	**(347.23)**
Net deferred tax liabilities	**(492.24)**	**(379.38)**
Net deferred tax asset	**401.94**	**32.15**

(ii) Movement in temporary differences

Particulars	Expected credit loss for trade receivables	MAT Credit entitlement	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 (liability)	Others - liability	Total
Balance as at 1 April 2021	**93.99**	**16.26**	**20.55**	**-**	**79.98**	**-**	**6.24**	**(543.70)**	**(2.28)**	**(328.96)**
Recognised in profit or loss during the year	8.85	-	0.48	-	8.23	25.46	(2.79)	(43.18)	1.28	(1.66)
Recognised in OCI during the year	-	-	-	-	(0.33)	-	-	-	-	(0.33)
Others	-	(16.26)	-	-	-	-	-	-	-	(16.26)
Balance as at 31 March 2022	**102.83**	**-**	**21.03**	**-**	**87.88**	**25.46**	**3.45**	**(586.88)**	**(1.00)**	**(347.23)**
Addition on acquisition of subsidiaries	84.33	-	83.45	231.08	13.60	43.30		(157.20)	-	298.56
Recognised in profit or loss during the year	(42.76)	-	(28.99)	(3.76)	9.49	12.10	(1.30)	29.94	0.44	(24.84)
Recognised in OCI during the year	-	-	-	-	(3.12)	-	-	-	-	(3.12)
Deletion on account of sale of subsidiary	(11.09)	-	-	-	(0.35)	(4.50)	-	2.28	-	(13.66)
Balance as at 31 March 2023	**133.31**	**-**	**75.49**	**227.32**	**107.50**	**76.37**	**2.15**	**(711.87)**	**(0.56)**	**(90.30)**

Tax loss and unabsorbed depreciation carry-forward for which no deferred tax assets were recorded with expiry date:

	As at 31 March 2023	As at 31 March 2022
Expiry within 1-5 years	**45.52**	**-**
Expiry within 6-8 years	11.10	70.54
Indefinite	125.95	125.95
	182.57	**196.49**

Amount of deferred tax asset that has not been recorded as at year end:

	As at 31 March 2023	As at 31 March 2022
Tax rate	25.17%	25.17%
Deferred tax asset not recorded as at year end	**45.95**	**49.46**

2.39 Goodwill

INR in millions

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	847.75	847.75
Acquisition of subsidiaries (refer note 2.34)	2,232.32	-
Impairment of goodwill	-	-
Balance at the end of the year	**3,080.07**	**847.75**

For impairment testing, goodwill acquired through business combinations and goodwill on consolidation has been allocated to the medical and healthcare services CGU.

The group has performed its annual impairment testing for the year ended 31 March 2023 and 31 March 2022.

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.

	As at 31 March 2023	As at 31 March 2022
Discount rate	12.69%	12.20%
Long term growth rate	5.00%	5.50%

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU.

There is no impairment noted in the Medical and Healthcare Services CGU based on the assessment performed by the Management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount of the Medical and Healthcare Services CGU lower than the carrying amount of CGU.

2.40 Other Statutory Information

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

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

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

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

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

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

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

2.41 Events after the reporting period

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

As per our report attached of even date

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: 18 May 2023

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

Vikas Maheshwari
Chief Financial Officer

Uma Shankar Mantha
Company Secretary
Membership no:A21035

Place: Hyderabad
Date: 18 May 2023

Note:

Note:

MAKING QUALITY HEALTHCARE ACCESSIBLE & AFFORDABLE

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