

Issue highlights

- ❑ **Krishna Institute of Medical Sciences Limited (“KIMS”)** was incorporated as Jagjit Singh and Sons Private Limited on July 26, 1973. KIMS is one of the **largest corporate healthcare groups in AP and Telangana** in terms of number of patients treated and treatments offered. They operate **9 multi-specialty hospitals under the “KIMS Hospitals” brand, with an aggregate bed capacity of 3,064, including over 2,500 operational beds as of March 31, 2021**, which are 2.2 times more beds than the 2nd largest provider in AP and Telangana. KIMS offers a comprehensive range of healthcare services across over 25 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother & child care.
- ❑ Their flagship hospital at Secunderabad is one of the **largest private hospitals in India at a single location (excluding medical colleges), with a capacity of 1,000 beds**. They have significantly expanded their hospital network in recent years through their acquisitions of hospitals in Ongole in Fiscal Year 2017, Vizag and Anantapur in Fiscal Year 2019 and Kurnool in Fiscal Year 2020.
- ❑ Their hospitals are equipped with high-quality medical equipment and employ practices and policies which help them provide quality healthcare services to their patients. **KIMS Secunderabad was the second hospital in Hyderabad to install the 4-Arm HD da Vinci robotic surgical system, which facilitates complex surgeries that are virtually scarless**. KIMS Vizag was one of the first hospitals in AP to have (i) an Endoscopic Ultrasound System with Radial & Linear Scopes; (ii) a 2T scope to perform high end endoscopy procedures such as ESG & therapeutic procedures; and (iii) a Power Spiral Endoscopy for performing end to end enteroscope through motorized scope.
- ❑ In Fiscal Year 2021, their 9 hospitals recorded Average Revenue Per Operating Bed (“ARPOB”) of ₹ 20,609, a bed occupancy rate of 78.60%, and an Average of length of stay (“ALOS”) of 5.53 days, on an aggregate basis. In Fiscal Year 2021, ARPOB for their hospitals situated in Tier 1 cities was ₹ 39,571 and ARPOB for their hospitals situated in Tier 2-3 cities was ₹ 11,187.

Brief Financial Details*

(₹ In Cr)

	As at Mar’ 31,		
	2021	2020	2019
Equity Share Capital	77.59	74.49	74.49
Reserves as stated	786.14	523.64	466.17
Net worth as stated	863.73	598.13	540.66
Revenue from Operations	1,329.94	1,122.65	918.01
Revenue Growth (%)	18.46%	22.29%	-
EBITDA as stated	381.05	251.08	86.82
Adj. EBITDA as stated	381.05	251.08	173.95
Adj. EBITDA (%) as stated	28.43%	22.24%	18.83%
Profit Before Tax	279.01	140.53	(15.38)
Net Profit/Loss for the period	205.48	115.07	(48.81)
Net Profit/Loss (%) as stated	15.45%	10.25%	(5.32)%
EPS-Basic (₹)	26.87	16.00	(6.91)
EPS-Diluted (₹)	26.42	15.87	(6.91)
RoNW (%)	23.30%	19.93%	(8.84)%
NAV(₹)	115.36	80.30	78.18

*Source: RHP *Consolidated Summary*

Issue Details

Fresh Issue of Equity Shares aggregating upto ₹ 200 Crore and Offer for sale of upto 23,560,538 Equity Shares

Issue size: ₹ 2,120.18 – 2,143.74 Cr

No. of shares: 26,027,191[^] - 25,997,132[#]

Face value: ₹ 10

Employee Reservation: Equity Shares aggregating upto ₹ 20 Cr

[^]Lower price Band #Upper Price Band

Price band : ₹ 815 – 825

Bid Lot: 18 Shares and in multiple thereof

Post Issue Implied Market Cap:

₹ 6,525 – 6,602 Cr

BRLMs: Axis Capital, Kotak Mahindra Capital, Credit Suisse Securities, IIFL Securities

Registrar: KFin Technologies Pvt. Ltd.

Issue opens on: Wednesday, 16th Jun’2021

Issue closes on: Friday, 18th Jun’2021

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	23-06-2021
Refunds/Unblocking ASBA Fund	24-06-2021
Credit of equity shares to DP A/c	25-06-2021
Trading commences	28-06-2021

Issue break-up

	No. of Shares (Approx)	₹ In Cr	% of Issue
QIB	19,326,846-19,306,767	1,575.14-1,592.81	75%
NIB	3,865,369-3,861,353	315.03-318.56	15%
Ret	2,576,912-2,574,235	210.02 – 212.37	10%
Emp	258,064-254,777	20.00 – 20.00	-
Total	26,027,191-25,997,132	2,120.18- 2,143.74	100%

Listing : BSE & NSE

Shareholding (No. of Shares)

	Pre issue	Post issue [^]	Post issue [#]
	77,593,283	80,059,936	80,029,878

[^]@Lower price Band #@ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters & Promoter Gr	46.81%	38.84%
Public	53.19%	61.16%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The company was incorporated as 'Jagjit Singh and Sons Private Limited', on July 26, 1973 at Mumbai. Until the year 2003, the company was owned, managed and controlled by Jagjit Singh and certain of his family members, who together owned the entire shareholding of the company. On February 15, 2003, acting in pursuance of the Takeover MoU, certain of their Promoters, namely Dr. Bhaskara Rao Bollineni and BRMH, along with certain other individuals and entities, acquired the entire equity share capital of the company (then 'Jagjit Singh and Sons Private Limited').

Dr. Bhaskara Rao Bollineni, Dr. Abhinay Bollineni, Adwik Bollineni, Rajyasri Bollineni, and Bollineni Ramanaiah Memorial Hospitals Pvt. Ltd. are the promoters of the company. Currently, the Promoters in aggregate hold 28,841,886 Equity Shares in the company, representing 37.17% of the paid-up Equity Share capital of the company.

Brief Biographies of Directors

Dr. Bhaskara Rao Bollineni is the Promoter and Managing Director of the company. He has over 27 years of experience in cardiothoracic surgery and has in the past held various positions with Apollo Hospitals, Austin Hospital, University of Melbourne and Mahavir Hospital and Research Centre.

Anitha Dandamudi is the Whole-time Director of the company. She has over 16 years of experience in the hospital industry, having held various positions with the company, and has also served as vice president of administration at e-Talent Software Ltd.

Dr. Abhinay Bollineni is the Promoter and Executive Director of the company. He played a key role in establishing KIMS Kondapur in 2014.

Sandeep Naik is the Non-executive Director of the company. He is the Managing Director and head of General Atlantic's business in India and Asia-Pacific and a member of the management committee at General Atlantic. He was previously associated with Apax Partners LP, Apax Partners India Advisers Pvt. Ltd., Medtronic Inc. and McKinsey & Company.

Shantanu Rastogi is the Non-executive Director of the company. He is the Managing Director at General Atlantic. He was previously associated with Apax Partners India Advisers Pvt. Ltd. and McKinsey & Company.

Pankaj Vaish is the Independent Director of the company. He has over 35 years of experience in various fields, including 28 years of experience with Accenture Services Pvt. Ltd.

Rajeswara Rao Gandu is the Independent Director of the company. He has over 37 years of experience as a civil servant and has worked in the Department of Supply, Gol in the past.

Ratna Kishore Kaza is the Independent Director of the company. He has held the position of Principal Secretary (health, medical and family welfare) to the Government of Andhra Pradesh and has served as an Administrative Member on the Andhra Pradesh Administrative Tribunal.

Saumen Chakraborty is the Independent Director of the company. He has more than 36 years of experience across various strategic and operational aspects of management. He was previously employed with Dr. Reddy's Laboratories Ltd for over 19 years. He currently continues to serve as an advisor to Dr. Reddy's Laboratories Ltd.

Venkata Ramudu Jasthi is the Independent Director of the company. He worked in the Indian Revenue Service (Income Tax) from 1979 to 1981 (1979 batch). He is the member of batch of 1981 of the Indian Police Service cadre of Andhra Pradesh.

Key Managerial Personnel

Vikas Maheshwari is the Chief Financial Officer of the company. He has been associated with the company since May 1, 2017. He has over 24 years of experience in accounting, finance and treasury.

Umashankar Mantha is the Company Secretary and General Manager (Legal) of the company. He has been associated with the company since July 1, 2015. He has over 17 years of experience in the secretarial and legal sectors.

OBJECTS OF THE ISSUE

Objects	Amount (₹ In Cr)
Repayment/pre-payment, in full or part, of certain borrowings availed by the company and by their subsidiaries viz. KIMS Hospital Kurnool Pvt. Ltd. ("KHKPL"), Saveera Institute of Medical Science Pvt. Ltd. ("SIMSPL") and KIMS Hospital Enterprises Pvt.Ltd. ("KHEPL")	150.00
General Corporate Purposes	[•]
Total	[•]

OFFER DETAILS

The Offer	
Fresh Issue (₹ 200 Cr)	Upto 2,466,653 [^] - 2,436,595 [~] Equity Shares <i>([^] at upper price band and [~] lower price band)</i>
Offer for sale by:	Upto 23,560,538 Equity Shares
Dr Bhaskara Rao Bollineni – The Promoter Selling Shareholder	<i>Up to 387,966 Equity Shares</i>
Rajyasri Bollineni – The Promoter Selling Shareholder	<i>Up to 775,933 Equity Shares</i>
Bollineni ramanaiah Memorial Hospital Pvt Ltd – The Promoter Selling S/h	<i>Up to 387,966 Equity Shares</i>
Seenaiah Bollineni – The Promoter Group Selling Shareholder	<i>Up to 1,163,899 Equity Shares</i>
Bollineni Aishwarya – The Promoter Group Selling Shareholder	<i>Up to 2,521,782 Equity Shares</i>
General Atlantic Singapore KH Pte Ltd- The Investor Selling Shareholder	<i>Up to 16,003,615 Equity Shares</i>
Other Investor Selling Shareholder	<i>Up to 2,319,377 Equity Shares</i>

Shareholding Pattern:

Shareholder	Pre-offer		No. of Shares offered	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter & Promoter Group	36,323,850	46.81%	5,237,546	31,086,304	38.84%
- Dr Bhaskara Rao Bollineni	21,407,895		387,966	21,019,929	
- Rajyasri Bollineni	2,149,936		775,933	1,374,003	
- Bollineni Ramanaiah Memorial Hospital Pvt Ltd	5,228,628		387,966	4,840,662	
- Other Promoter	55,427			55,427	
- Seenaiah Bollineni	4,582,517		1,163,899	3,418,618	
- Bollineni Aishwarya	2,683,272		2,521,782	161,490	
- Other Promoter Gr	216,175			216,175	
Total - Public	41,269,433	53.19%	18,322,992	48,943,574	61.16%
- General Atlantic Singapore KH Pte Ltd	31,739,906		16,003,615	15,736,291	
- Public - Others	9,529,527		2,319,377	33,207,283	
Total Equity Share Capital	77,593,283	100.00%	23,560,538	80,029,878	100.00%

No. of shares offered through fresh issue are taken @ upper price band

BUSINESS OVERVIEW

Krishna Institute of Medical Sciences Limited ("KIMS") is one of the largest corporate healthcare groups in AP and Telangana in terms of number of patients treated and treatments offered. KIMS provides multi-disciplinary integrated healthcare services, with a focus on primary secondary & tertiary care in Tier 2-3 cities and primary, secondary, tertiary and quaternary healthcare in Tier 1 cities. They operate 9 multi-specialty hospitals under the "KIMS Hospitals" brand, with an aggregate bed capacity of 3,064, including over 2,500 operational beds as of March 31, 2021, which are 2.2 times more beds than the 2nd largest provider in AP and Telangana. KIMS offers a comprehensive range of healthcare services across over 25 specialties and super specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother & child care.

KIMS has grown from a single hospital to a chain of multi-specialty hospitals through organic growth and strategic acquisitions under the leadership of Dr. Bhaskara Rao Bollineni, the founder and Managing Director, and Dr. Abhinay Bollineni, the Executive Director and CEO. Their first hospital in their network was established in Nellore in 2000 and has a capacity of approximately 200 beds. Their flagship hospital at Secunderabad is one of the largest private hospitals in India at a single location (excluding medical colleges), with a capacity of 1,000 beds. They have significantly expanded their hospital network in recent years through their acquisitions of hospitals in Ongole in Fiscal Year 2017, Vizag and Anantapur in Fiscal Year 2019 and Kurnool in Fiscal Year 2020. Approximately one-third of their 3,064 beds were launched in the last 4 years. KIMS has added over 940 beds, in aggregate, in their hospitals in Visakhapatnam (Vizag), Anantapur, Rajamundry and Kurnool in Fiscal Years 2019 and 2021, and improved the overall bed occupancy rate in these hospitals from 71.83% to 78.60% in the same period. They strive to provide quality service to more patients, and have scope for additional patients and improved occupancy rates. KIMS strategically focus on the southern India healthcare market where they have a strong understanding of regional nuances, customer culture and the mind-set of medical professionals and where there is significant and growing need for quality and affordable healthcare services. Each of their hospitals also has integrated diagnostic services and pharmacies that cater to their patients.

Dr. Bhaskara Rao Bollineni is a renowned cardiothoracic surgeon in India. He has over 27 years of experience in cardiothoracic surgery and has worked in several other leading medical institutions in the country. He started KIMS with the vision to create a hospital system for his home state of AP that is capable of attracting top medical talent and providing high-quality care at affordable prices. Under his leadership, and that of Dr. Abhinay Bollineni, who joined KIMS in 2014, they have expanded into 9 cities across AP and Telangana through a combination of greenfield, brownfield and acquisition-led expansion. Dr. Abhinay assumed CEO position in 2019 and played a leadership role in expanding the KIMS' network over the last 5 years, including in the launch of KIMS Kondapur and the acquisitions of their hospitals in Ongole, Vizag, Anantapur and Kurnool.

Currently their network consists of hospitals strategically located to serve the healthcare needs of AP and Telangana across urban Tier 1 cities such as Secunderabad and Hyderabad and more rural Tier 2-3 areas such as Vizag, Nellore, Rajahmundry, Srikakulam, Ongole, Anantapur and Kurnool. Their hospitals are also situated well to capture patient in-flow across AP and Telangana and from the neighboring states of Karnataka, Odisha, Tamil Nadu and parts of central India. An affordability and quality of healthcare services provided by them and their track record of building long-term relationships with medical professionals including their doctors, has enabled their growth and helped them build their 'KIMS Hospitals' brand.

KIMS operates and manage all of their hospitals, which provide them with greater control over their facilities and helps them to better deliver high quality and affordable healthcare services. In Fiscal Year 2021, their 9 hospitals recorded *Average Revenue Per Operating Bed* ("**ARPOB**") of ₹ 20,609, a bed occupancy rate of 78.60%, and an *Average of length of stay* ("**ALOS**") of 5.53 days, on an aggregate basis. In Fiscal Year 2021, ARPOB for their hospitals situated in Tier 1 cities was ₹ 39,571 and ARPOB for their hospitals situated in Tier 2-3 cities was ₹ 11,187.

KIMS has taken significant efforts to create a culture that nurtures their medical talent and encouraged their doctors to become stakeholders in the KIMS hospitals where they work. This culture of empowerment and ownership has led to good talent retention and allowed patients to create long-term relationships with their doctors. Since inception in 2000, KIMS has retained over 80% of their doctors.

KIMS has approached their network expansion with financial prudence and has been disciplined with taking on financial leverage for capital investments. All of their significant capital investments are carefully deliberated and approved by their experienced Board. In Fiscal Year 2020, the capital expenditure per bed was ₹ 6.35 million for hospitals in Tier 1 cities and ₹ 2.21 million for hospitals in Tier 2-3 cities, compared to the industry average of ₹ 5-8 million in Tier 1 cities and ₹ 1-5 million in Tier 2-3 cities. Their ability to keep the capex / bed at these levels has been important to their model of providing quality and affordable healthcare services. They expect to remain disciplined with expansion. In Fiscal Year 2021, their capital expenditure per bed was ₹ 6.91 million for hospitals in Tier 1 cities and ₹ 2.21 million for hospitals in Tier 2-3 cities.

KIMS's revenue is diversified across specialties and their doctors. In Fiscal Year 2021, the Total Income Mix was 17.82% from cardiac sciences, 12.55% from neuro sciences, 9.30% from renal sciences, 4.64% from orthopaedics, 5.25% from gastric sciences, 5.71% from oncology, 6.11% from mother & child care, 1.86 from organ transplant, 35.28% from others, and 1.48% from other income. In the same year, the top 10 doctors contributed 21.80% of their total income and the top 25 doctors contributed 36.10% of their total income.

Certain of their hospitals, including the flagship hospital at Secunderabad, have been accredited by the NABH, achieve NABH standards for emergency care and are “green operating theatre” by Bureau VERITAS. As on January 30, 2021, KIMS Secunderabad is the only hospital in AP and Telangana to have an emergency department complying with NABH standards. Their hospitals are equipped with high-quality medical equipment and employ practices and policies which help them provide quality healthcare services to their patients. **KIMS Secunderabad was the second hospital in Hyderabad to install the 4-Arm HD da Vinci robotic surgical system, which facilitates complex surgeries that are virtually scarless.** KIMS Vizag was one of the first hospitals in AP to have (i) an Endoscopic Ultrasound System with Radial & Linear Scopes; (ii) a 2T scope to perform high end endoscopy procedures such as ESG & therapeutic procedures; and (iii) a Power Spiral Endoscopy for performing end to end enteroscope through motorized scope. They continue to invest in improving their technological capabilities, training their doctors and other healthcare professionals, increasing day-to-day operational efficiencies, and finding new ways to engage and retain patients.

They also conduct medical education programs through their affiliations with state medical boards and universities, for various broad and super specialties at their hospitals at Secunderabad and Kondapur, including for DNB and post-doctoral fellowship programs. As of March 31, 2021, there were 230 students enrolled in their DNB and post-doctoral fellowship programs. They also offer post-graduate, undergraduate and diploma programs that are affiliated with Kaloji Narayana Rao University of Health Sciences and the Telangana Para Medical Board.

	CAGR (2019 – 2021)	As of and for the year ended March 31,		
		2021	2020	2019
Bed Capacity	4.53%	3,064	3,004	2,804
Bed occupancy rate (%)	-	78.60%	80.49%	71.83%
Inpatient Volume	2.31%	116,592	140,676	111,382
Outpatient Volume	(3.96)%	830,211	1,137,560	900,043

Details of Key Specialties income to the group revenue:

	Year ended 31 st Mar'2021		Year ended 31 st Mar'2020		Year ended 31 st Mar'2021		Year ended 31 st Mar'2020	
	No. of Patients				Revenue			
	Inpatients	outpatients	Inpatients	outpatients	₹ Cr	% to Total Group revenue	₹ Cr	% to Total Group revenue
Cardiac science	24,940	143,064	28,233	184,930	240.25	17.82%	237.91	20.98%
Neurosciences	11,575	98,757	13,534	128,880	169.14	12.55%	166.33	14.67%
Organ Transplantation	139	-	93	-	25.06	1.86%	9.54	0.84%
Oncology	7,544	19,564	9,465	24,679	76.91	5.71%	79.21	6.98%
Orthopaedics	6,270	52,262	8,613	77,271	62.58	4.64%	86.47	7.62%
Renal Sciences	19,881	71,577	24,130	96,988	125.31	9.30%	112.27	9.90%
Gastric Sciences	6,156	52,256	8,852	68,929	70.77	5.25%	77.96	6.87%
Mother & Child Care	12,835	90,365	20,839	135,676	82.39	6.11%	98.81	8.71%
Total	89,340	527,845	113,759	71,7353	852.41	63.24%	868.50	76.58%

Revenue from Operations: Business Segment-wise

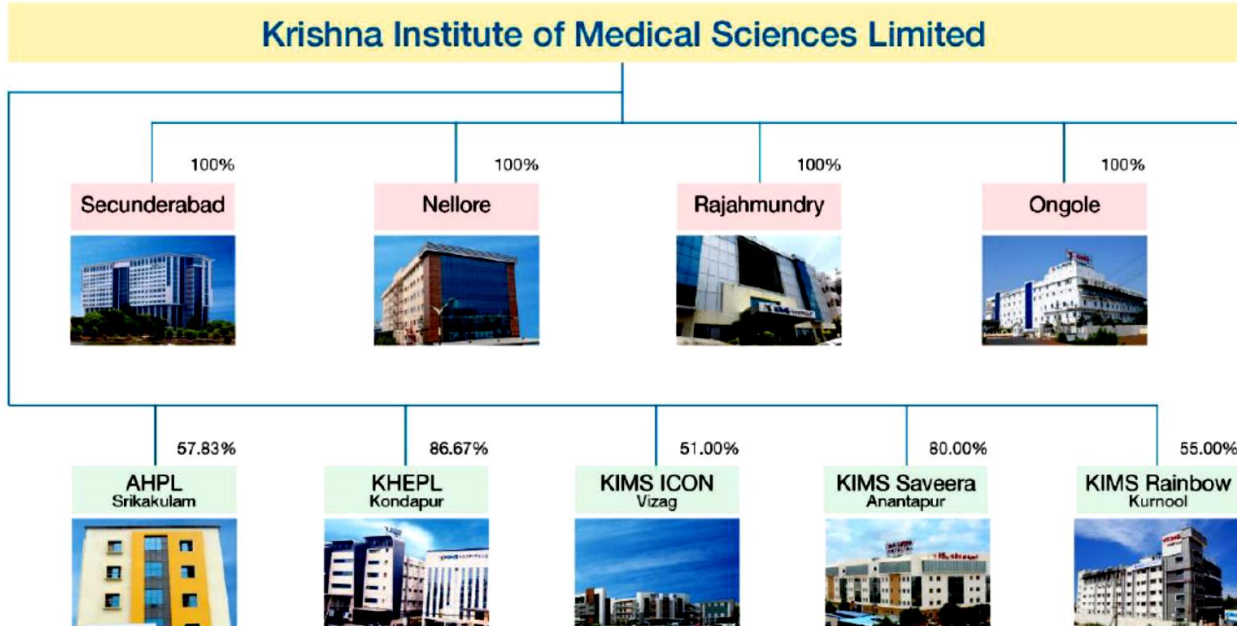
Particulars	Year Ended March 31,					
	2021		2020		2019	
	Revenue (₹ in Cr)	Revenue (₹ in Cr)	Revenue (₹ in Cr)	Revenue (₹ in Cr)	Revenue (₹ in Cr)	% to Total
Revenue from contracts with customers	1,312.21	98.67%	1,103.71	98.31%	900.80	98.13%
Income from hospital services	886.14		733.98		603.70	
Income from pharmacy and others	426.07		369.73		297.10	
Other operating revenues	17.73	1.33%	18.94	1.69%	17.21	1.87%
Income from academic courses	6.21		6.16		5.83	
Income from sale of food and beverages	10.57		11.58		10.51	
Other hospital income	0.95		1.20		0.88	
Total for Revenue from Operations	1,329.94	100.00%	1,122.65	100.00%	918.01	100.00%

COVID 19 - BUSINESS IMPACT

KIMS experienced a negative CAGR of (3.96)% for their outpatient volume from 2019 to 2021 mainly due to COVID-19 related lockdown, quarantines and other travel related restrictions, which resulted in fewer people traveling to their hospitals to seek outpatient treatment. The negative outpatient volume CAGR was offset by 2.31% growth of inpatient volume, which resulted in growth of total income, as a large proportion of their inpatients during the COVID-19 pandemic were critical and complex cases with longer stays as well as multiple procedures and treatments being administered throughout the patient’s hospitalization.

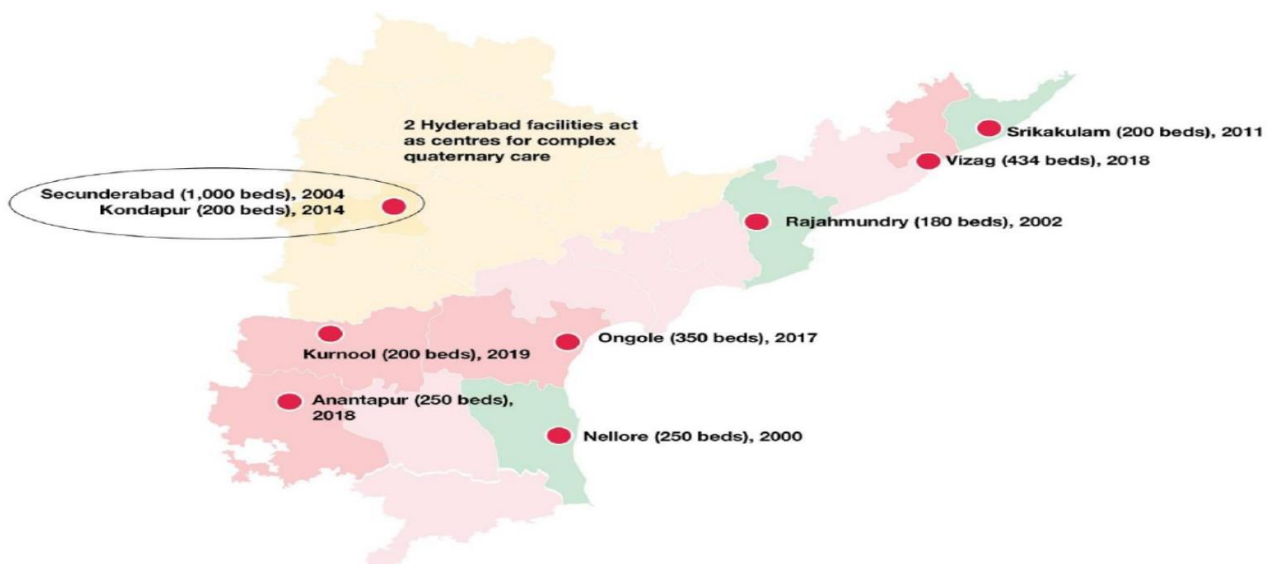
KIMS HOSPITALS

Corporate Structure



KIMS own, operate and manage a network of 9 multispecialty hospitals across AP and Telangana. Most of their hospitals provide a broad range of specialties, including cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences, mother & child care, laboratory services, radiology and imaging, general surgery as well as diagnostic and critical care services and on-site pharmacies. They also provide outpatient services, including consultation for a range of ailments and preventive health screenings.

The location of their hospitals in AP and Telangana:



Product	Particulars
KIMS Secunderabad	<p>The flagship hospital at Secunderabad is one of the largest private hospitals in India at a single location (excluding medical colleges), with a capacity of 1,000 beds, including 885 operational beds, as of March 31, 2021. KIMS Secunderabad commenced operations in 2004. It occupies 5 acres of land and is strategically located and easily accessible from within the city of Secunderabad, Telangana. In Fiscal 2021 and Fiscal 2020, KIMS Secunderabad had 35,818 and 45,402 aggregate admissions, primarily in the areas of cardiac sciences, oncology, neurosciences, gastric sciences, orthopaedics, organ transplantation, renal sciences and mother & child care. During Fiscal Year 2021, their doctors performed 44 kidney transplants and 22 liver transplants and 33 heart and lung transplant. KIMS Secunderabad was the 2nd hospital in Hyderabad to install a 4-Arm HD da Vinci robotic surgical system on its premises.</p> <p>KIMS Secunderabad has 216 dedicated ICU beds, 31 operation theatres, 2 catheterization laboratories, 6 ECMO, 2 MRIs, 2 CT scan units, 3 linear accelerators, 1 PTF scan, 1 spyglass, 1 spiro-enteroscope and 1 endosono. In Fiscal Year 2021, they performed a monthly average of 164 neuro surgeries, 25 paediatric CT surgeries, 74 adult CT surgeries, 116 urological surgeries, 84 gastro surgeries, 89 orthopaedic surgeries and 94 oncological surgeries, respectively. Doctors at KIMS Secunderabad performed India's first successful double lung transplant on a COVID patient in 2020.</p> <p>KIMS Secunderabad is NABH and NABL accredited and ISO 9001:2008 certified. It was recently awarded as the Best Super-Specialty Hospital in Telangana by the National Quality Excellence Awards, 2019, and it was also recognized as the "Energy Efficient Unit" at the National Award by Excellence in Energy Management in 2019. As of January 30, 2021, KIMS Secunderabad is the only hospital in AP and Telangana that has an emergency department in compliance with the NABH standards.</p>
KIMS Nellore	<p>The hospital at Nellore is a multispecialty hospital that commenced operations in 2000. KIMS Nellore is among the top three hospitals in Nellore in terms of bed capacity. It had 250 patient beds, all of which are operational beds, as of March 31, 2021.</p> <p>In Fiscal 2021 and Fiscal Year 2020, KIMS Nellore had 13,571 and 18,191 aggregate admissions, primarily in the areas of cardiac sciences, renal sciences, neuro sciences, gastric sciences, mother & child and orthopaedics. It is equipped with 6 laminar flow operation theatres, 1 catheterization laboratory, 6 advanced intensive care units with 112 ICU beds, 24-hour MRI scan unit, a CT scan unit, a diagnostic lab and ambulance and pharmacy services.</p>
KIMS Rajahmundry	<p>The hospital at Rajahmundry is a multispecialty hospital that commenced operations in 2002. It is the largest private hospital in Rajahmundry in terms of bed capacity in January 2021. This hospital had a total of 180 beds, all of which were operational beds, as of March 31, 2021.</p> <p>In Fiscal 2021 and 2020, KIMS Rajahmundry had 10,477 and 11,019 aggregate admissions, primarily in the areas of in cardiac sciences, renal sciences, neuro sciences and orthopaedics at this hospital, respectively. KIMS Rajahmundry is equipped with 3 operation theatres, an advanced intensive care unit with 76 ICU beds, 1 catheterization laboratory, 1 CT scan unit, an acute medical care unit, a department of casualty, diagnostic and laboratory services and ambulance and pharmacy services.</p>
KIMS Ongole	<p>The hospital at Ongole is a multispecialty hospital that commenced operations in April 2017. It has a total of 350 beds, including 246 operational beds, as of March 31, 2021.</p> <p>In Fiscal 2021 and 2020, KIMS Ongole had 9,925 and 11,489 aggregate admissions, primarily in the areas of cardiac sciences, renal sciences, neuro sciences, gastric sciences, mother & child care and orthopaedics. KIMS Ongole is equipped with 9 operation theatres, an advanced intensive care unit with 83 ICU beds, 1 catheterization laboratory, 1 CT scan unit, 1 MRI unit, an acute medical care unit, a department of casualty, diagnostic and laboratory services and ambulance and pharmacy services.</p>
KIMS Srikakulam	<p>The hospital at Srikakulam is a multispecialty hospital that was established by their Subsidiary, AHPL, and became operational in 2011. KIMS Srikakulam is the largest private hospital in Srikakulam in terms of bed capacity in January 2021. KIMS Srikakulam had 200 patient beds, 150 of which were operational beds, as of March 31, 2021. This hospital is strategically located to serve patients in Srikakulam as well as from the neighboring state of Odisha.</p> <p>In Fiscal 2021 and 2020, KIMS Srikakulam had 6,455 and 7,762 admissions in aggregate, primarily in the areas of renal sciences, cardiac sciences, orthopaedics, neuro sciences and mother & child. KIMS Srikakulam is equipped with 5 operation theatres, an advanced intensive care unit with 47</p>

Product	Particulars
	ICU beds, a catheterization laboratory, 1 CT unit and diagnostic, laboratory, pharmacy and ambulance services.
KIMS Kondapur	<p>KIMS Kondapur is a multispecialty hospital that commenced operations in 2014. It largely caters to India's IT belt of Kondapur, Hitech City and Gachibowli areas of Hyderabad. They had a total of 200 beds, including 150 operational beds, as of March 31, 2021. KIMS Kondapur is NABH accredited. In Fiscal 2021 and 2020, KIMS Kondapur had 9,269 and 11,909 aggregate admissions, primarily in the areas of mother & child (KIMS Cuddles Program), cardiac sciences, renal sciences, gastric sciences, neuro sciences, orthopaedics and oncology. This hospital is equipped with 5 dedicated operation theatres, an advanced intensive care unit with 53 ICU beds, 1 catheterization laboratory, a CT unit, an MRI unit and pharmacy.</p> <p>Their mother & child care unit, KIMS Cuddles, is a dedicated unit for catering to obstetrics, gynaecology and children-related medical service, with 2 OT units for obstetrics, 26 adult beds and 7 NICU beds.</p>
KIMS ICON Super Specialty Hospital (Vizag)	<p>KIMS ICON Super Specialty Hospital is a multispecialty hospital situated in the harbour city of Visakhapatnam, AP. This hospital offers a wide range of medical services in over 25 specialties, including cardiac sciences, neuro sciences, gastro sciences, renal sciences, ortho sciences, oncological sciences and mother & child care. As of March 31, 2021, KIMS ICON Super Specialty Hospital had 434 patient beds, including 314 operational beds.</p> <p>In Fiscal 2021 and 2020, KIMS ICON Super Specialty Hospital (Vizag) had 11,238 and 14,046 aggregate admissions, primarily in the areas of mother & child, cardiac sciences, renal sciences, neuro sciences, orthopaedics, gastric sciences, organ transplant. It is equipped with a full spectrum of medical facilities including 12 operation theatres, an advanced intensive care unit with 95 ICU beds, 1 catheterization laboratory, 1 CT scan, 1 MRI, an endosono unit, a spyglass system, a spiral enteroscope system, a fibroscan unit, a ECMO, a blood bank, 24x7 emergency care, facilities for medical and therapeutic procedures and diagnostic and laboratory services.</p> <p>KIMS Vizag was one of the first hospitals in AP to have (i) an Endoscopic Ultrasound System with Radial & Linear Scopes; (ii) a 2T scope to perform high end endoscopy procedures such as ESG & therapeutic procedures; and (iii) a Power Spiral Endoscopy for performing end to end enteroscope through motorized scope.</p>
KIMS Saveera Super Specialty Hospital (Anantapur)	<p>KIMS Saveera Super Specialty Hospital is a multispecialty hospital that commenced operations in 2018. This hospital is situated in Anantapur, AP. It had 250 patient beds, of which 215 were operational beds, as of March 31, 2021. KIMS Anantapur is equipped with 7 operation theatres, 1 catheterization laboratory, 1 CT scan unit, 1 MRI unit, 101 advanced intensive care beds, 26 dialysis beds, facilities for medical and therapeutic procedures and diagnostic and laboratory services. KIMS Saveera has the largest critical care unit and the largest dialysis centre in Anantapur, in terms of bed capacity as of January 2021. KIMS Saveera is in the process of renewing its arrangement for running a medical center at KIA Motors Plant in Anantapur.</p> <p>In Fiscal 2021 and 2020, KIMS Saveera Super Specialty Hospital (Anantapur) had 10,654 and 10,394 aggregate admissions, primarily in the areas of cardiac sciences, orthopaedics, renal sciences, neuro sciences, mother & child and gastric sciences.</p>
KIMS Kurnool	<p>KIMS Kurnool was acquired by KIMS as a mother & child care hospital in Fiscal Year 2020. Since their acquisition, they have grown KIMS Kurnool into a multi-specialty hospital with a total of 200 beds, all of which were operational beds, as of March 31, 2021. In Fiscal 2021 and 2020, KIMS Kurnool had 9,185 and 10,464 aggregate admissions, primarily in the areas of mother & child, cardiac sciences, renal sciences, gastric sciences, orthopaedics, neuro sciences. This hospital is equipped with 5 operation theatres, 1 catheterization laboratory, 1 CT scan unit, an advanced intensive care unit that has 74 ICU beds provides cardiac intensive care, cardiothoracic intensive care, advanced critical care and surgical intensive care, 24x7 emergency care services, diagnostic lab, physiotherapy, a child development unit and pharmacy services.</p>

Key Financial and Operational Metrics

The key highlights and operational parameters for each of their hospitals as of and for the year ended March 31, 2021:

	Secunderabad	Nellore	Rajahmundry	Srikakulam	Kondapur	Ongole	Vizag	Anantapur	Kurnool
Ownership %	100.00%	100.00%	100.00%	57.80%	85.30%	100.00%	51.00%	80.00%	55.00%
Bed capacity	1,000	250	180	200	200	350	434	250	200

	Secunderabad	Nellore	Rajahmundry	Srikakulam	Kondapur	Ongole	Vizag	Anantapur	Kurnool
Operational beds	885	250	180	150	150	246	314	215	200
Bed occupancy rate (%)	66.22%	88.67%	82.78%	63.78%	82.24%	96.68%	88.64%	97.65%	64.01%
ALOS (days)	4.97	5.13	4.76	4.87	3.89	8.21	6.16	6.02	4.58
ARPOB (₹ per day)	38,478	13,563	15,035	11,445	44,965	8,915	11,897	10,785	12,380
Inpatient volume	35,818	13,571	10,477	6,455	9,269	9,925	11,238	10,654	9,185
Outpatient volume	253,174	124,126	47,265	37,787	78,535	88,400	85,803	58,298	56,823
Hospital revenue (₹ Cr)	684.48	94.37	74.96	35.97	161.98	72.67	82.36	69.19	52.06
Revenue from inpatients (₹ Cr)	575.87	60.20	47.51	23.85	132.33	48.31	66.11	52.66	41.22
Revenue from outpatients (₹ Cr)	108.61	34.17	27.45	12.12	29.65	24.36	16.24	16.53	10.84
EBITDA (₹ Cr)	243.32	27.76	19.58	5.28	41.92	23.01	13.91	6.01	3.89
EBITDA Margin (%)	34.75%	29.38%	26.10%	14.47%	25.59%	31.63%	16.66%	8.65%	7.41%

ALOS = Average of length of stay, which is the total length of stay days for a year divided by inpatients volume for such year;

ARPOB = Average Revenue Per Operating Bed, which is hospital revenue divided by the total length of stay days.

The key highlights and operational parameters for the hospitals by vintage for the period indicated.

The vintage of their hospitals established or operational more than 4 years ago (i.e. prior to January 1, 2017) comprises their hospitals at Secunderabad, Nellore, Rajahmundry, Srikakulam and Kondapur. The vintage of their hospitals operational within the last 4 Fiscal Years comprises their hospitals at Ongole, Vizag, Anantapur and Kurnool.

In hospitals established/operational more than 4 Fiscal Years ago

Year	Bed Capacity	Operating Beds	Bed Occupancy Rate	Inpatient Volume	Outpatient Volume	ALOS	ARPOB	Hospital Revenue*	Revenue from inpatients*	Revenue from outpatient*
2021	1,830	1,615	72.89%	75,590	540,887	4.83	28,833	1,051.75	839.76	212.00
2020	1,770	1,555	81.94%	94,283	747,565	4.17	23,048	907.17	721.33	185.84
2019	1,770	1,555	78.19%	87,161	674,668	4.31	21,475	806.59	641.03	165.56
2019-2021 CAGR	-	-	-	6.87%	(10.46)%	-	-	14.19%	14.46%	13.16%

* ₹ in Cr

In hospitals operational within last 4 Fiscal Years

Year	Bed Capacity	Operating Beds	Bed Occupancy Rate	Inpatient Volume	Outpatient Volume	ALOS	ARPOB	Hospital Revenue*	Revenue from inpatients*	Revenue from outpatient*
2021	1,234	975	87.55%	41,002	289,324	6.82	9,881	276.28	208.31	67.97
2020	1,234	879	78.00%	46,393	389,995	4.69	9,727	211.57	158.61	52.96
2019	1,034	654	57.50%	24,221	225,375	5.06	8,705	106.69	76.62	30.07
2019-2021 CAGR	-	-	-	30.11%	13.30%	-	-	60.92%	64.88%	50.34%

* ₹ in Cr

Group

Year	Bed Capacity	Operating Beds	Bed Occupancy Rate	Inpatient Volume	Outpatient Volume	ALOS	ARPOB	Hospital Revenue*	Revenue from inpatients*	Revenue from outpatient*
2021	3,064	2,590	78.60%	116,592	830,211	5.53	20,609	1,328.03	1,048.06	279.97
2020	3,004	2,434	80.49%	140,676	1,137,560	4.34	18,307	1,118.74	879.94	238.80
2019	2,804	2,209	71.83%	111,382	900,043	4.47	18,334	913.28	717.65	195.63
2019-2021 CAGR	-	-	-	2.31%	(3.96)%	-	-	20.59%	20.85%	19.63%

* ₹ in Cr

COMPETITIVE STRENGTHS

- Regional leadership driven clinical excellence and affordable healthcare**

KIMS has over 20 years of expertise in AP and Telangana since opening their first hospital in Nellore in 2000. They strategically focus on the southern India healthcare market where they have a strong understanding of regional nuances, customer culture and the mind-set of medical professionals and where there is significant and growing need for quality and affordable healthcare services. The “KIMS Hospitals” brand is well recognized in the region among patients, doctors, other healthcare professionals and vendors.

Their leadership in AP and Telangana is driven by (i) the clinical excellence and (ii) the affordable pricing.

- **Clinical excellence:** KIMS deliver clinical excellence through quality healthcare services, supported by a combination of top medical talent, strong clinical and patient safety protocols and investments in new medical technology. They provide treatment for complex and chronic diseases covering primary, secondary, tertiary and quaternary healthcare. In addition to providing core medical, surgical and emergency services, they provide complex and advanced quaternary healthcare in various specialties.

The quality of care improves when multiple specialties and the resources to support them are brought together under one roof. All of their hospitals provide comprehensive healthcare services across a range of specialties and super-specialties. They had the largest cardiac and cardiothoracic surgery and cardiology treatments programs in AP (in terms of patients treated in 2018), with an 18.20% share of cardiology treatments. They also ranked first in genito urinary surgeries performed; neurosurgery and poly trauma treatments and first among private hospitals (second overall) in nephrology treatments in AP in 2018. They also have one of the largest neurosciences programs for epilepsy among private hospitals in India.

KIMS hire doctors, some of whom have been trained in premier medical institutions and have received accolades and awards for their work in their respective fields. Their continuous investment in medical technology and equipment has enabled them to offer advanced healthcare services that few other hospitals in India can match.

- **Affordable pricing:** The Company strive to offer their quality healthcare services at affordable prices, regardless of the markets, specialty or service type. They have successfully implemented their affordable pricing model in their hospitals in both Tier 1 and Tier 2-3 markets, even though hospitals in different markets face different competitive landscapes and pricing pressures, serve patients from different economic backgrounds and offer a different mix of specialty offerings. In Tier 1 cities, their prices across medical procedures are on average 20% to 30% lower than other private hospitals in India. In Fiscal Year 2020, their ARPP is ₹ 79,526, which is 41% lower than the industry average of ₹ 112,000.

To sustain their affordable pricing while still generating strong returns, they rationalize their doctor, procurement and other administrative costs. They manage their doctor costs by using a mix of fixed and variable compensation arrangements, based on patient volumes, costs and other factors at each of their hospitals. They also have access to a deep pool of doctors from their DNB student programs and nursing staff through their affiliations with in-house nursing schools and colleges.

- ***Ability to attract, train and retain high quality doctors, consultants and medical support staff***

KIMS's multi-disciplinary approach, combined with their affordable cost for treatment, a high-volume tertiary care model, and their focus on teaching and research, has helped them attract and retain high quality doctors and other healthcare professionals.

KIMS has taken significant efforts to create a culture that nurtures their medical talents and encouraged their doctors to become stakeholders in the KIMS hospitals where they work. This culture of empowerment and ownership has encouraged learning and training in their hospitals, and led to good talent retention and allowed patients to create long-term relationships with their doctors.

KIMS has accredited by the National Board of Examination to enroll students in a number of specialty specific DNB courses, which serves as a training ground for a number of their doctors and medical support staff and helps them contribute to the availability of skilled doctors for recruitment. As of March 31, 2021, they had 230 doctors in their DNB and post-doctoral fellowship programs.

- ***Track record of strong operational and financial performance***

KIMS has achieved healthy profitability in both Tier 1 and Tier 2-3 markets by identifying markets with significant underserved healthcare demand and delivering quality healthcare services at affordable prices, which in turn drives patient volumes. Their hospitals in Tier 1 markets provide higher margin services such as organ transplants, oncology and neuro-critical care, resulting in higher ARPOB and EBITDA.

Their multispecialty healthcare platform has resulted in diversified revenue streams, with no single specialty accounting for more than 25% of their total income in any of the last 3 years. As of March 31, 2021, the debt-to-Adjusted EBITDA ratio was 0.95x and the gearing ratio was 0.37x compared to the industry range from 0.1 to 5.2.

KIMS has achieved strong free cash flow levels, in terms of their cash flows from operations relative to their capital expenditures, by effectively managing their capital expenditures as their business and hospital network have grown, resulting in attractive cash flow conversion, in terms of free cash flow compared to Adjusted EBITDA. They are one of only 3 hospitals in India that are rated AA by CRISIL.

- ***Well positioned to consolidate in India's large, unorganized yet rapidly growing and underserved affordable healthcare market***

There is a significant and growing need for quality and affordable healthcare services across the country, particularly in AP and Telangana where KIMS's hospital network is concentrated. In Fiscal Year 2020, AP is among the top ranking states in terms of GSDP growth. AP and Telangana also ranked among the top 3 in terms of overall health index score. AP is also a leading state in terms of doctors per person in 2018, and has been attracting doctors and patients seeking treatments. Health insurance penetration in India stood at only 37% as of March 31, 2018. AP and Telangana also stand as one of the underpenetrated states in terms of health insurance, with a penetration rate of 4% and 12%, respectively, in Fiscal Year 2020. The government-backed schemes in AP and Telangana also help to set the stage for future growth.

Demands from patients and doctors for high quality facilities, modern technologies, and multidisciplinary care are the key factors driving healthcare industry consolidation. Larger hospital brands typically have stronger financial disciplines and negotiating power with suppliers, better ability to attract medical talent, and greater capital and administrative resources to meet these needs over standalone hospitals. In addition, consolidation of hospital brands in India's Tier 2-3 cities in the last few years have formed regional clusters that provide a base for further expansion and consolidation.

KIMS is well positioned to consolidate in the region. Between Fiscal Year 2017 and Fiscal Year 2020, they completed 4 significant hospital acquisitions, namely KIMS Ongole, KIMS Vizag, KIMS Anantapur and KIMS Kurnool, to consolidate the healthcare market in AP, growing at a pace much faster than their competing brands, in terms of year-on-year revenue growth in Fiscal Year 2020 and operating margin from Fiscal Years 2017-2020.

- ***Disciplined approach to acquisitions resulting in successful inorganic growth***

KIMS has a successful history of sourcing, executing and integrating acquisitions. They have a disciplined, low-leverage approach to acquisitions that has enabled them to maintain their affordable pricing model as they have grown in both Tier 1 and Tier 2-3 markets.

Since Fiscal Year 2017, they have expanded their hospital network primarily through acquisitions of other hospitals. They seek to acquire hospitals that can fit into their hospital network and match their existing hospital profile in terms of specialties, technologies and healthcare professionals. They have encouraged doctors at the hospital they acquire to stay with them, participate in the equity ownership of the hospital and contribute to the hospital's future growth.

- ***Experienced senior management team with strong institutional shareholder support***

KIMS benefited from an experienced senior management team which has made significant contributions to their growth and has a long and proven track record in the healthcare services industry. The professionally managed team with a commitment to patient care and ethical standards enables them to operate their facilities efficiently while at the same time providing quality affordable healthcare to the patients.

The senior management team has extensive healthcare industry experience and is led by Dr. Bhaskara Rao Bollineni and Dr. B Abhinay, the Managing Director and CEO of the company, respectively. Dr. Bhaskara Rao Bollineni is a renowned cardiothoracic surgeon with over 27 years of experience in cardiothoracic surgery. Dr. Abhinay Bollineni has led the Company's growth initiatives, including setting up their KIMS Kondapur facility and their acquisitions in Vizag, Anantapur, Kurnool and Ongole in AP. Dr. Abhinay is also responsible for their strategy, growth, marketing and operations. Vikas Maheshwari, the CFO, has over 2 decades of experience in finance and accounting and has worked in leading companies across different sectors. Others on their senior management team have over 15-years of experience in their relevant fields, covering various aspects of their operations from information technology to biomedical services.

KIMS's largest shareholder, General Atlantic, is a leading global growth investor with a track record of providing strategic, practical, and impactful support to high-growth companies in India and globally. General Atlantic has a 40 year history of identifying emerging companies with strong fundamental performance and organic growth that can

accelerate their expansion and scale. General Atlantic has more than \$40 billion in assets under management across five global sectors: healthcare, life sciences, technology, consumer and financial services.

KEY BUSINESS STRATEGIES

- ***Strengthen the existing hospitals and specialties***

KIMS intends to offer organ transplantation services in more of their hospitals in the future. They also aim to strengthen their oncology services by adding radiation and surgical services and introducing oncology services at more of their hospitals. They plan to continue to focus on, and expand their ability to provide, complex and advanced quaternary healthcare in various specialties, and to launch mother & child care services in more of their hospitals.

As demand for healthcare services in AP and Telangana grow in the future, they will also periodically evaluate whether to increase the bed capacity of their existing hospitals. KIMS has sufficient capacity across their hospital network to add additional beds through a mix of brownfield and greenfield projects if demand for quality and affordable healthcare services significantly increases in the future.

- ***Strategically grow the presence in adjacent markets***

KIMS plans to expand their hospital network into markets that are adjacent to their core markets of AP and Telangana, initially focusing on the following areas:

- Karnataka (Bangalore and greater Karnataka) – The cash patients and insurance patients traveling from the districts of AP bordering Karnataka (Anantapur, Kurnool and Chittoor) to seek treatment at larger hospitals in Bangalore (Karnataka).
- Odisha (Bhubaneswar) – Bhubaneswar is a natural extension of their existing hospital network northward given the state's proximity to their hospitals in Vizag and Srikakulam in northern AP.
- Tamil Nadu (Chennai) – Chennai is a major city on the border of Tamil Nadu and AP that already attracts patients from AP's four southern border districts of Chittoor, Kadapa, Nellore and Ongole and has a large Telugu-speaking population.
- Central India (Indore, Aurangabad, Nagpur and Raipur) – The flagship hospital KIMS Secunderabad in Hyderabad attracts patients in need of complex care, as well as doctors seeking to develop their career, from across central India, which has further raised the familiarity with their KIMS brand among patients from the region. As a result, there is strong KIMS brand awareness in the region that can support smaller, KIMS-branded hospital units in the future.

As they entered into these new markets, their strong existing brand recognition among patients in these regions can accelerate the growth of new hospitals that they establish or acquire.

- ***Implementation of initiatives to improve existing operational efficiencies***

Maximizing operating efficiencies across their network is critical to maintaining and improving the affordability of their healthcare services and, ultimately, their profitability. KIMS aims to improve their occupancy rates and the utilization of key equipment and operating theatres by expanding delivery of tertiary care services, growing their preventive healthcare and health screening programs and increasing community outreach programs. They monitor their costs of pharmacy and consumables, human resources costs and other administrative costs very closely.

They intend to undertake initiatives that help them to improve their daily ARPOB and minimize ALOS at their hospitals. They focus on reducing ALOS at their hospitals and increasing their patient turnover rate in order to drive revenue growth because a significant portion of in-patient revenues are derived from medical services provided in the initial 2 to 3 days of a patient's stay in the hospital.

- ***Invest in digital health care and technology***

There is growing interest in digital health platforms that enable patients to manage their own personal health and wellness journeys, access their medical records and get prescriptions online and obtain online consultations, particularly for routine and minor consultations. Digital health technology can also help better understand and manage the patient journey and enable clinical improvement and intervention. This technology can allow KIMS and

their patients to monitor their health and recovery, identify deviations or setbacks and determine when follow-up consultations or inpatient admissions are advisable.

KIMS also intends to invest in the infrastructure and technology necessary to perform technology-enabled operating procedures in their hospitals. Greater adoption of robotics technology in their hospitals can improve their diagnostic services and enable their doctors to perform more complex procedures. Greater integration of technology in operations can reduce their costs by streamlining their processes and allow them to use human interventions with patients more selectively, while also providing patients with around-the-clock access to care. Currently, they are in the process of adopting and enhancing end-to-end automation in their key operational procedures such as outpatient registration, billing, admissions and discharge. On the clinical side, they are piloting a new digital nursing portal to better optimize time and resource allocation at nursing stations and enhance patient care satisfaction.

COMPETITION

KIMS faces competition mainly from other providers who offer secondary and tertiary healthcare services across specialties. Their principal competitors in India include international and national players with multiple facilities, such as **Apollo Hospitals, Fortis Healthcare, Narayana Health and Care Hospitals**, as well as regional or standalone hospitals. In addition, some of the hospitals that compete with them are owned by Government agencies or non-profit entities supported by endowments and charitable contributions.

INDUSTRY OVERVIEW

The healthcare industry in India is poised for growth. The Indian healthcare delivery industry is expected to grow at a 17-18% CAGR (2020 - 2024E) and reach ₹ 7.07 trillion by 2024, according to the CRISIL Report. In Fiscal Year 2020, 68% of hospital treatments, in terms of the treatment value, were carried out in private hospitals, and the number is expected to reach 72% in Fiscal Year 2024, according to the CRISIL Report.

The Details of estimated number of Beds

Key Hospitals	Estimated number of beds				
	Hyderabad	Nellore	Rajahmundry	Srikakulam	Vizag
KIMS Hospitals	1,000	250	180	200	434
Yashoda Hospitals	1,000	-	-	-	-
Sunshine Hospitals	~350	-	-	-	-
KIMS Kondapur	200	-	-	-	-
Apollo Speciality Hospitals	-	~200	-	-	~250
Medicover Hospital	-	150	-	150	-
Delta Hospitals	-	-	220	-	-
Raju Neuro and Multi-specialty hospitals	-	-	100	-	-
GMR Varalaskhmi Care hospital	-	-	-	200	-
Care Hospitals	-	-	-	-	~300

Key financial parameters of Major Hospital Players

Key Financials (FY20)	Operating Income (₹ Cr)	3-Year CAGR (Mar 2017-Mar 2020)	Income from Healthcare service (₹ Cr)	Y-o-y Growth (%)	EBITDA (₹ Cr)	Y-o-y growth (%)	3-Year CAGR (Mar 2017-Mar 2020)	PAT (₹ Cr)	Y-o-y growth (%)	3-Year CAGR (Mar 2017-Mar 2020)
AHEL	11,253.0	16%	5,729.7	17%	998.7	17%	15%	432.0	116%	49%
Fortis	4,560.0	0%	3,634.1	3%	639.8	(8)%	(12)%	91.5	140%	(43)%
HCGEL	1,096.0	16%	1,007.6	12%	179.1	35%	16%	(125.0)	NA	(276)%
KMCHL	709.6	10%	517.4	13%	181.7	27%	12%	94.5	57%	16%
KIMS Ltd	1,122.6	26%	1,122.6	22%	251.1	189%	61%	115.1	128%	57%
MHEPL	2,160.9	16%	2,160.9	23%	458.8	59%	24%	55.7	141%	NA
MHIL	4,023.6	NA	4,023.6	12%	589.7	66%	NA	NA	NA	NA
NH	3,131.4	19%	2,962.3	10%	446.4	45%	23%	119.0	116%	15%
Shalby	483.6	12%	444.2	5%	94.8	3%	3%	25.3	(9)%	22%

Key Financial Ratios (FY20)	EBITDA Margin	Net profit margin	ROCE	Asset Turnover (times)	Interest Coverage (times)	Gearing (times)	BITDA/Bed (₹ Cr)
AHEL	17.4%	3.8%	12%	1.4	3.4	1.2	1.0
Fortis	13.8%	2.0%	9%	0.8	3.6	0.4	1.7

Key Financial Ratios (FY20)	EBITDA Margin	Net profit margin	ROCE	Asset Turnover (times)	Interest Coverage (times)	Gearing (times)	BITDA/Bed (₹ Cr)
HCGEL	16.2%	(11.4)%	1%	0.5	1.2	5.2	0.9
KMCHL	25.2%	13.3%	15%	1.1	10.3	1.2	1.3
KIMS Ltd	22.2%	10.3%	22%	1.4	6.3	0.6	0.8
MHEPL	20.9%	2.6%	11%	0.6	2.2	1.8	1.7
MHIL	15.0%	2.5%	NA	-	1.4	0.7	1.7
NH	14.2%	3.8%	16%	1.3	5.1	0.9	0.8
Shalby	19.1%	5.2%	7%	0.6	13.0	0.1	0.5

COMPARISON WITH LISTED INDUSTRY PEERS*

Name of the Company	Consolidated / Standalone	Face Value	Closing Price on June 7, 2021	Total Income for Fiscal 2021/2020 (₹ Cr)	EPS (Basic)	NAV [^]	P/E [~]	RoNW (%)
Krishna Medical Institute of Sciences	Consolidated	10	NA	1,340.10	26.87	115.36	[•]	23.30%
Peer Group								
Apollo Hospitals Enterprise Ltd	Consolidated	5	3,315.30	11,246.80	32.70	240.01	101.39	12.91%
Fortis Healthcare Ltd	Consolidated	10	236.25	4,076.68	(1.45)	88.98	NA	1.37%
Narayana Hrudayalaya Ltd	Consolidated	10	481.15	2,610.52	(0.70)	54.85	NA	10.48%
Max Healthcare Institute Ltd	Consolidated	10	244.15	2,619.41	(1.59)	57.34	NA	9.66%

Source: RHP; * Financial Information of KIMS, Fortis Healthcare Ltd, Narayana Hrudayalaya Ltd and Max Healthcare Institute Ltd has been sourced from the financial statements for the year ended March 31, 2021 and financial information of Apollo Hospitals Enterprise Ltd has been sourced from the annual report for the year ended March 31, 2020.

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