

11<sup>th</sup> November, 2019

To

BSE Limited  
Corporate Relationship Department  
P J Towers  
Dalal Street, Fort  
Mumbai – 400 001.

Dear Sir/Madam,

**Sub:** Outcome of Board Meeting held on 11<sup>th</sup> November, 2019

**Ref:** Security Code: 524520; Security ID; KMCSHIL

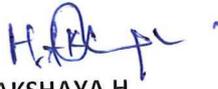
This is to inform you that the Board of Directors at their meeting held today, the 11<sup>th</sup> November, 2019 approved the Standalone Unaudited Financial results for the Quarter and Half year ended 30<sup>th</sup> September, 2019 along with the Limited Review Report of the Auditors, copy of which is enclosed for your records.

We hereby inform you that the Board Meeting commenced at 11.45 AM and concluded at 1.35 PM

Thank You

With regards,

For **KMC SPECIALITY HOSPITALS (INDIA) LIMITED**



**AKSHAYA H**  
COMPANY SECRETARY AND COMPLIANCE OFFICER



Regd. Office :

**KMC Speciality Hospitals (India) Ltd**

CIN - L85110TN1982PLC009781

No. 6, Royal Road, Cantonment, Trichy - 620 001.

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF KMC Speciality Hospitals (India) Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **KMC Speciality Hospitals (India) Limited** ("the Company"), for the quarter and half year ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Attention is drawn to Note 7 of the Statement which states that the statement of cash flows for the corresponding half year ended September 30, 2018, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 008072S)



  
**Ananthi Amarnath**  
Partner  
(Membership No. 209252)  
UDIN: 19209252AAAADP5776

Place: Chennai  
Date: November 11, 2019

KMC Speciality Hospitals (India) Limited  
Regd. Office: 6, Royal Road, Cantonment, Trichy - 620 001  
Corporate Identity Number: L85110TN1982PLC009781

Unaudited financial results for the Quarter and Half year Ended September 30, 2019

(Rs. In Lakhs except EPS)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	March 31, 2019 (Audited)
<b>1 Income</b>						
a) Revenue from operations	2,384.73	2,250.02	1,816.44	4,634.75	3,830.33	8,225.86
b) Other income	35.15	28.54	18.27	63.69	35.96	164.40
<b>Total income</b>	<b>2,419.88</b>	<b>2,278.56</b>	<b>1,834.71</b>	<b>4,698.44</b>	<b>3,866.29</b>	<b>8,390.26</b>
<b>2 Expenses</b>						
a) Cost of materials consumed - (Refer Note 8)	14.76	39.33	38.55	54.09	79.47	189.22
b) Purchase of traded goods - (Refer Note 8)	280.33	275.63	223.16	555.96	462.48	1,025.34
c) Changes in inventory of traded goods	(21.49)	3.67	2.69	(17.82)	2.67	(20.46)
d) Employee benefits expense	513.39	527.72	402.35	1,041.11	850.51	1,724.66
e) Finance costs	22.83	22.97	28.04	45.80	60.39	110.51
f) Depreciation and amortisation expense	117.08	108.46	107.07	225.54	212.62	419.94
g) Other expenses	1,037.05	925.72	892.37	1,962.77	1,778.09	3,708.23
<b>Total expenses</b>	<b>1,963.95</b>	<b>1,903.50</b>	<b>1,694.23</b>	<b>3,867.45</b>	<b>3,446.23</b>	<b>7,157.44</b>
<b>3 Profit before tax (1-2)</b>	<b>455.93</b>	<b>375.06</b>	<b>140.48</b>	<b>830.99</b>	<b>420.06</b>	<b>1,232.82</b>
<b>4 Income tax expense</b>						
a) Current tax	93.51	125.94	34.34	219.45	113.83	319.38
b) Deferred tax	31.09	(17.09)	9.08	14.00	10.57	52.67
<b>Total income tax expense</b>	<b>124.60</b>	<b>108.85</b>	<b>43.42</b>	<b>233.45</b>	<b>124.40</b>	<b>372.05</b>
<b>5 Profit after tax (3-4)</b>	<b>331.33</b>	<b>266.21</b>	<b>97.06</b>	<b>597.54</b>	<b>295.66</b>	<b>860.77</b>
<b>6 Other comprehensive income / (loss)</b>						
Items that will not be reclassified subsequently to profit or loss						
(a) Re-measurement of defined benefit plans	(10.23)	1.98	31.04	(8.25)	20.25	7.93
(b) Income tax effect	2.98	(0.58)	(9.04)	2.40	(5.90)	(2.31)
<b>Total other comprehensive income / (loss), net of tax</b>	<b>(7.25)</b>	<b>1.40</b>	<b>22.00</b>	<b>(5.85)</b>	<b>14.35</b>	<b>5.62</b>
<b>7 Total comprehensive income, net of tax (5+6)</b>	<b>324.08</b>	<b>267.61</b>	<b>119.06</b>	<b>591.69</b>	<b>310.01</b>	<b>866.39</b>
<b>8 Paid-up equity share capital (Face value of Re.1/- each)</b>	<b>1,630.85</b>	<b>1,630.85</b>	<b>1,630.85</b>	<b>1,630.85</b>	<b>1,630.85</b>	<b>1,630.85</b>
<b>9 Reserves i.e. Other equity</b>						<b>2,276.31</b>
<b>10 Earnings per share (EPS) of Re. 1/- each :</b>						
Basic and diluted EPS	0.20	0.16	0.07	0.37	0.19	0.53
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

Statement of assets and liabilities (Refer Note 4)

(Rs. In Lakhs)

Particulars	As at	As at
	September 30, 2019 (Unaudited)	March 31, 2019 (Audited)
<b>A Assets</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	3,378.18	3,489.85
(b) Right-of-Use-Assets	31.00	-
(c) Capital work in progress	-	9.45
(d) Investment property	40.43	40.43
(e) Intangible assets	55.32	58.02
(f) Financial assets		
Investments	0.28	0.22
Loans	428.61	473.54
Other financial assets	7.43	11.66
(g) Deferred tax asset (net)	304.42	318.41
(h) Income tax assets (net)	169.62	278.78
(i) Other assets	266.41	19.81
<b>Sub-total - Non-current assets</b>	<b>4,681.70</b>	<b>4,700.17</b>
<b>2 Current assets</b>		
(a) Inventories	160.93	93.62
(b) Financial assets		
Trade receivables	232.23	173.02
Cash and cash equivalents	49.52	178.43
Other bank balances	898.19	459.03
Loans	110.43	99.58
Other financial assets	298.28	221.16
(c) Other assets	30.91	27.14
<b>Sub-total - Current assets</b>	<b>1,780.49</b>	<b>1,251.98</b>
<b>Total - Assets</b>	<b>6,462.19</b>	<b>5,952.15</b>
<b>Equity and liabilities</b>		
<b>1 Equity</b>		
(a) Equity share capital	1,630.85	1,630.85
(b) Other equity	2,868.01	2,276.31
<b>Sub-total - Equity</b>	<b>4,498.86</b>	<b>3,907.16</b>
<b>2 Non-current liabilities</b>		
(a) Financial Liabilities		
Borrowings	644.68	765.23
Lease Liabilities	30.76	-
Other financial liabilities	11.80	12.26
(b) Provisions	26.14	29.68
<b>Sub-total - Non-current liabilities</b>	<b>713.38</b>	<b>807.17</b>
<b>3 Current liabilities</b>		
(a) Financial Liabilities		
Trade payables		
(i) Total outstanding dues of micro and small enterprises	-	10.76
(ii) Total outstanding dues of creditors other than micro and small enterprises	569.19	516.43
Other financial liabilities	417.08	450.13
(b) Other liabilities	167.39	171.80
(c) Provisions	96.29	88.70
<b>Sub-total - Current liabilities</b>	<b>1,249.95</b>	<b>1,237.82</b>
<b>Total - Equity and liabilities</b>	<b>6,462.19</b>	<b>5,952.15</b>



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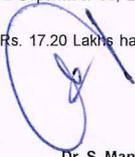


**Notes:**

- 1 The statement of unaudited financial results for the quarter and half year ended September 30, 2019, in respect of KMC Speciality Hospitals (India) Limited ("the Company") has been reviewed by Audit Committee and approved by the Board of Directors on November 11, 2019. The above results are subjected to limited review by the statutory auditors of the Company. The unaudited financial results of the company for the quarter ended June 30, 2019 and for the quarter and half year ended September 30, 2018, were reviewed by the B S R & Co. LLP, Chartered Accountants, the predecessor auditor who had expressed an unqualified review opinion. The financial statements of the company for the year ended March 31, 2019, were audited by the B S R & Co. LLP, Chartered Accountants, the predecessor auditor who had expressed an unqualified audit opinion.
- 2 These financial results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016.
- 3 The Company operates in a single segment i.e. "Medical and Healthcare services" and hence, does not have any additional disclosures to be made under Ind AS 108- Operating Segments.
- 4 The Statement of Assets and Liabilities as at September 30, 2019 is provided as an Annexure to this Statement.
- 5 Effective April 1, 2019, the Company adopted IND AS 116 - Leases, applied to its lease contracts existing on April 01, 2019, using the modified retrospective method which has resulted in recognition of Right-of-Use (ROU) asset and Lease Liability of Rs. 36.88 Lakhs. The adoption of the standard did not have any material impact on the financial results of the Company for the quarter and half year ended September 30, 2019.
- 6 The Company is in the process of evaluating the impact of availment of the option of applying lower income tax rate with effect from April 01, 2019 to The Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, and accordingly, no effect in this regard has presently been considered in the measurement of tax expense for the quarter and half year ended September 30, 2019 and the consequent impact in the deferred tax as on that date.
- 7 Pursuant to insertion of new clause under Regulation 33, sub-regulation (3), the Company has prepared statement of cash flows for the half year ended September 30, 2019. The statement of cash flows for the corresponding period ended September 30, 2018, as reported in the Statement have been approved by the Company's Board of Directors, but have not been subjected to review by the statutory auditors. The Statement of Cash flows for the period ended September 30, 2019 and September 30 2018 is provided as an Annexure to this Statement.
- 8 Purchase of Traded goods previously classified under cost of materials consumed for the quarter ended June 30, 2019 amounting to Rs. 17.20 Lakhs have been reclassified.

Place: Chennai  
Date: November 11, 2019



  
Dr. S. Manivannan  
Managing Director  
DIN: 00910804

**KMC Speciality Hospitals (India) Limited**  
**Regd. Office: 6, Royal Road, Cantonment, Trichy - 620 001**  
**Corporate Identity Number: L85110TN1982PLC009781**  
**Unaudited financial results for the Quarter and Half year Ended September 30, 2019**

**Statement of Cash flows ( Refer Note 7)**

(Rs. in Lakhs)

	For the period ended	
	September 30, 2019	September 30, 2018
<b>A Cash flows from operating activities</b>		
Profit before tax	830.99	420.05
Adjustments:		
Depreciation and amortisation	225.54	212.62
Liabilities / provisions no longer required written back	-	(4.50)
Bad debts written off	28.71	22.40
Provision for doubtful debts	36.23	36.50
Remeasurement of defined benefit liability (assets)	(5.85)	20.24
Interest expenses	45.80	60.39
Interest income from banks	(20.88)	(13.81)
Interest income from others	(22.50)	(3.61)
<b>Operating cash flow before working capital changes</b>	<b>1,118.04</b>	<b>750.28</b>
(Increase)/decrease in inventories	(67.31)	(10.73)
(Increase)/decrease in trade receivables	(124.15)	(15.74)
(Increase)/decrease in loans and advances and other current assets	(289.67)	(80.89)
Increase/(decrease) in current liabilities and provisions	16.86	123.66
<b>Cash generated from operating activities</b>	<b>653.77</b>	<b>766.58</b>
Income taxes paid (net)	(119.03)	(129.27)
<b>Net cash generated from operating activities (A)</b>	<b>534.74</b>	<b>637.31</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets	(95.35)	(134.05)
Purchase of investments	(0.06)	-
Bank deposits (having original maturity of more than three months)	(439.16)	(197.58)
Interest received	43.38	17.43
<b>Net cash used in investing activities (B)</b>	<b>(491.19)</b>	<b>(314.20)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from loans and borrowings	17.82	-
Repayments of lease liabilities	(6.11)	-
Repayment of loans and borrowings	(138.37)	(217.47)
Interest paid	(45.80)	(60.39)
<b>Net cash used in financing activities (C)</b>	<b>(172.46)</b>	<b>(277.87)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(128.91)</b>	<b>45.24</b>
Cash and cash equivalents at the beginning of the year	178.43	34.70
<b>Cash and cash equivalents at the end of the year</b>	<b>49.52</b>	<b>79.94</b>
	As at	As at
	September 30, 2019	September 30, 2018
<b>Components of Cash and cash equivalents</b>		
Cash on hand	18.53	15.82
Balances with banks		
- on current accounts	30.99	64.12
	<b>49.52</b>	<b>79.94</b>



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