

B S R & Co. LLP

Chartered Accountants

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Limited Review report to the Board of Directors of KMC Speciality Hospitals (India) Limited

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **KMC Speciality Hospitals (India) Limited** ("the Company") for the quarter and nine months period ended December 31, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results for the quarter and nine months period ended December 31, 2016, prepared in accordance with the applicable accounting standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No. 101248W/W-100022

Ashish Gupta

Partner

Membership No.215165

Place: Chennai

Date: February 11, 2017

Part I: Statement of unaudited results for the quarter and nine months period ended December 31, 2016						Rs. In Lakhs
Particulars	Quarter ended			Nine months period ended		Year ended
	December 31, 2016	September 30, 2016	December 30, 2015	December 31, 2016	December 30, 2015	March 31, 2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from operations						
a) Net sales / income from operations (net of excise duty)	1,402.40	1,340.12	1,173.73	3,964.63	3,204.61	4,255.88
b) Other operating income	0.46	0.59	0.24	1.14	0.27	0.69
Total Income from operations (net)	1,402.86	1,340.71	1,173.97	3,965.77	3,204.88	4,256.57
2. Expenses						
a) Cost of materials consumed	30.74	36.22	20.94	98.62	58.74	102.20
b) Purchases of stock-in-trade	201.28	184.56	167.49	550.66	446.10	599.33
c) Changes in inventories of stock-in-trade	(3.58)	(3.88)	(0.04)	(7.35)	4.47	0.05
d) Employee benefits expense	312.58	256.44	253.52	841.43	722.17	980.46
e) Depreciation and amortisation expense	76.63	78.29	82.69	229.33	247.61	328.21
f) Doctor fees	319.13	309.94	259.73	918.91	727.88	989.85
g) Other expenses	269.07	247.30	201.46	718.12	575.75	793.99
Total expenses	1,205.85	1,108.87	985.79	3,349.72	2,782.72	3,794.09
3. Profit from operations before other income, finance costs and exceptional items (1-2)	197.01	231.84	188.18	616.05	422.16	462.48
4. Other income	1.40	2.46	0.82	6.01	86.71	93.89
5. Profit from ordinary activities before finance costs and exceptional items (3+4)	198.41	234.30	189.00	622.06	508.87	556.37
6. Finance costs	22.78	48.20	36.09	101.21	117.76	150.77
7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	175.63	186.10	152.91	520.85	391.11	405.60
8. Exceptional items	-	-	-	-	-	-
9. Profit from ordinary activities before tax (7-8)	175.63	186.10	152.91	520.85	391.11	405.60
10. Tax expense / (benefit)	43.19	38.25	32.09	116.15	80.19	84.24
11. Net profit from ordinary activities after tax (9-10)	132.44	147.85	120.82	404.70	310.92	321.36
12. Extraordinary items	-	-	-	-	-	-
13. Net profit for the period (11-12)	132.44	147.85	120.82	404.70	310.92	321.36
14. Paid-up equity share capital (Face value Rs. 1/- each)	1,630.85	1,630.85	1,630.85	1,630.85	1,630.85	1,630.85
15. Reserves (excluding revaluation reserves)	NA	NA	NA	NA	NA	(290.26)
16 (I). Earnings per share (before and after extraordinary items) of Rs. 1/- each :						
(a) Basic	0.08	0.09	0.07	0.25	0.19	0.20
(b) Diluted	0.08	0.09	0.07	0.25	0.19	0.20
	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

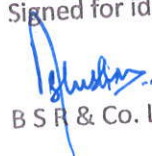
Notes:

- 1) The above results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 11, 2017. The above statement of financial results have been subjected to limited review by the statutory auditors. The statutory auditors have expressed an unqualified opinion. The Financial results are available at the Company's website www.kauveryhospital.com and on the website of the stock exchange www.bseindia.com.
- 2) The Company has identified "Medical and Healthcare services" as its single reportable business segment. Medical and Healthcare services segment comprises hospital revenues, pharmacy revenues and other allied revenues.
- 3) Previous period's figures have been regrouped / reclassified, wherever necessary.

Place: Chennai
 Date: February 11, 2017


 Dr. S. Chandrakumar
 Managing Director
 DIN: 01867847

Signed for identification purposes only


 BSR & Co. LLP