

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 ("Statement") of KMC Speciality Hospitals (India) Limited ("the Company") for the quarter ended June 30, 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The accompanying 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 this Statement based on our review. Attention is drawn to the fact that figures for the quarter ended March 31, 2014 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the end of the third quarter of the previous financial year. Also the figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.

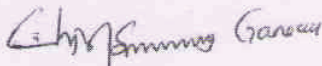
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review 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 un-audited financial results for the quarter ended June 30, 2014, prepared in accordance with the applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement 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

Firm registration No. 101248W/W-100022



Chinnsamy Ganesan

Partner

Membership No.027501

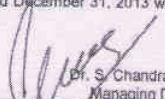
Place: Chennai

Date: August 14, 2014


B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
1st Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

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

Rs. in Lakhs				
Particulars	Quarter ended			Year Ended
	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
	Unaudited	(Audited) (Refer Note 4)	Unaudited	(Audited)
Part I: Statement of unaudited results for the quarter ended June 30, 2014				
1. Income from operations				
a) Net sales / income from operations (net of excise duty)	854.25	855.55	701.97	3,187.84
b) Other operating income	1.17	1.67	0.12	3.07
Total income from operations (net)	855.42	857.22	702.09	3,190.91
2. Expenses				
a) Cost of materials consumed	30.34	25.94	16.61	96.93
b) Purchases of stock-in-trade	128.01	138.11	97.38	489.82
c) Changes in inventories of stock-in-trade	0.91	(5.02)	5.01	0.35
d) Employee benefits expense	223.02	174.50	230.14	846.78
e) Depreciation and amortisation expense	95.17	159.93	156.20	421.93
f) Doctor fees	179.26	194.94	165.71	715.56
g) Other expenses	162.43	352.09	147.49	896.96
Total expenses	819.14	1,041.49	808.54	3,448.33
3. Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	36.28	(184.27)	(106.45)	(257.42)
4. Other income	1.08	313.93	1.65	318.46
5. Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	37.36	129.66	(104.80)	81.04
6. Finance costs	51.43	52.26	54.09	215.85
7. Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	(14.07)	77.40	(158.89)	(154.81)
8. Exceptional items	-	-	-	-
9. Profit/(loss) from ordinary activities before tax (7-8)	(14.07)	77.40	(158.89)	(154.81)
10. Tax (expense)/benefit	-	51.59	85.61	125.21
11. Net profit/(loss) from ordinary activities after tax (9+10)	(14.07)	128.99	(73.28)	(29.60)
12. Extraordinary items	-	-	-	-
13. Net profit/(loss) for the period (11-12)	(14.07)	128.99	(73.28)	(29.60)
14. Paid-up equity share capital (Face value Rs. 1/- each)	1,630.85	1,630.85	1,630.85	1,630.85
15. Reserves (excluding revaluation reserves)	NA	NA	NA	(624.01)
16 (i). Earnings per share (before and after extraordinary items) of Rs. 1/- each (Not annualised):				
(a) Basic	(0.01)	0.08	(0.04)	(0.02)
(b) Diluted	(0.01)	0.08	(0.04)	(0.02)
Part II: Selected information for the quarter ended June 30, 2014				
A. PARTICULARS OF SHAREHOLDING				
1. Public shareholding				
- Number of shares	40,771,250	40,771,250	40,771,250	40,771,250
- Percentage of shareholding	25.00%	25.90%	25.00%	25.00%
2. Promoters and Promoter Group Shareholding				
a) Pledged / Encumbered				
- Number of shares	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%
- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%
b) Non - encumbered				
- Number of shares	122,313,750	122,313,750	122,313,750	122,313,750
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	75.00%	75.00%	75.00%	75.00%
B. INVESTOR COMPLAINTS				
Particulars				
Pending at the beginning of the quarter	Nil			
Received during the quarter	Nil			
Disposed off during the quarter	Nil			
Remaining unresolved at the end of the quarter	Nil			
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 August 14, 2014.				
2) The above statement of financial results have been subjected to limited review by the statutory auditors. The statutory auditors have expressed an unqualified opinion.				
3) The Company has identified "Hospital Service" as its single reportable business segment. Hospital service segment comprises hospital revenues, pharmacy revenues and other allied revenues.				
4) Figures for the three months ended March 31, 2014 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter ended December 31, 2013. Also, the figures upto the end of the third quarter ended December 31, 2013 were only reviewed and not subjected to audit.				
Place: Chennai Date: August 14, 2014				
 Dr. S. Chandrakumar Managing Director				

Signed for identification purposes only


 BSR & Co. LLP