



# KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED

Our Company was incorporated as 'Jagjit Singh and Sons Private Limited', a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai on July 26, 1973. Our Company changed the location of its registered office from the State of Maharashtra to the erstwhile State of Andhra Pradesh, pursuant to an order dated January 29, 2003 by the Company Law Board, Western Region Bench, Mumbai ("Order") and the registration of the Order vide certificate of registration dated February 21, 2003 by the Registrar of Companies, Andhra Pradesh and Telangana (then the Registrar of Companies, Andhra Pradesh) ("RoC"). Subsequently, the name of our Company was changed to 'Krishna Institute of Medical Sciences Private Limited', pursuant to a letter of approval from the Central Government dated January 2, 2004 and a fresh certificate of incorporation issued by the RoC on January 2, 2004. Further, pursuant to the conversion of our Company to a public limited company, our name was changed to 'Krishna Institute of Medical Sciences Limited' and the RoC issued a fresh certificate of incorporation on January 29, 2004. For further details, see "History and Certain Corporate Matters" on page 198 of the Red Herring Prospectus dated June 9, 2021 and the addendum and corrigendum dated June 12, 2021 to the Red Herring Prospectus (together, the "RHP").

**Registered and Corporate Office:** D. No. 1-8-31/1, Minister's Road, Secunderabad - 3, Telangana - 500 003, India; **Tel:** +91 40 4418 6000; **Website:** www.kimshospitals.com; **Contact Person:** Umashankar Mantha, Company Secretary and Compliance Officer; **E-mail:** cs@kimshospitals.com; **Corporate Identity Number:** U55101TG1973PLC040558

## OUR PROMOTERS: DR. BHASKARA RAO BOLLINENI, RAJYASRI BOLLINENI, DR. ABHINAV BOLLINENI, ADWIK BOLLINENI AND BOLLINENI RAMANAIHAH MEMORIAL HOSPITALS PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,000.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 23,560,538 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO 16,003,615 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY GENERAL ATLANTIC SINGAPORE KH PTE. LTD (THE "INVESTOR SELLING SHAREHOLDER"), UP TO 387,966 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY DR. BHASKARA RAO BOLLINENI, UP TO 775,933 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY RAJYASRI BOLLINENI, UP TO 387,966 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY BOLLINENI RAMANAIHAH MEMORIAL HOSPITALS PRIVATE LIMITED (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS"), 6,005,058 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY PERSONS REFERRED TO IN ANNEXURE A (REFERRED TO AS THE "OTHER SELLING SHAREHOLDERS"), TOGETHER WITH THE INVESTOR SELLING SHAREHOLDER AND PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES THE "OFFERED SHARES"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ 200.00 MILLION (CONSTITUTING UP TO [●] OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET OFFER". THE OFFER AND NET OFFER SHALL CONSTITUTE [●] AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**QIB Portion: Not Less than 75% of the Offer** | **Retail Portion: Not more than 10% of the Offer** | **Non-Institutional Portion: Not more than 15% of the Offer**  
**Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹ 200 million**

**Price Band: ₹ 815 to ₹ 825 per Equity Share of face value of ₹10 each.**

**A discount of ₹ 40 per Equity Share is being offered to Eligible Employees Bidding in the Employee Reservation Portion**  
**The Floor Price is 81.50 times the face value of the Equity Shares and the Cap Price is 82.50 times the face value of the Equity Shares.**  
**Bids can be made for a minimum of 18 Equity Shares and in multiples of 18 Equity Shares thereafter.**

**ASBA\***

**Simple, Safe, Smart way of Application!!!**

\*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.  
**Mandatory in public issues. No cheque will be accepted.**



**UPI-Now available in ASBA for Retail Individual Bidders ("RIBs") applying through Registered Brokers, DPs and RTAs. RIBs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN.**

• ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by RIBs. • For details on the ASBA and UPI process, please refer to the details given in ASBA Form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 381 of the RHP. • The process is also available on the website of Association of Investment Bankers of India "AIBI", BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" and in the General Information Document. ASBA Forms can be downloaded from the websites of the Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in. List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. • For list of banks supporting UPI, please refer to the link: www.sebi.gov.in. RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43) respectively, as updated from time to time. HDFC Bank Limited has been appointed as Sponsor Bank for the Offer. For issue related queries, investors may contact: the Book Running Lead Managers ("BRLMs") and Registrar to the Offer on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and Mail Id: ipo.upi@npci.org.in.

### Risks to Investors

1. Average cost of acquisition of Equity Shares held by the Selling Shareholders ranges from ₹ 5.15 per Equity Share to ₹ 360.00 per Equity Share and Offer Price at upper end of the Price Band is ₹ 825.
2. The Price/Earnings ratio based on diluted EPS on a restated consolidated basis for Fiscal 2021 for the Issuer at the upper end of the Price Band is 31.23x. For our peer group, three companies have negative earnings per share for Fiscal 2021 and accordingly the Price/Earnings ratio for them is not applicable. Only one company in the peer group has positive earnings per share and accordingly the Price/Earnings ratio for the respective company is 101.39x for Fiscal 2020.
3. The four book running lead managers ("BRLMs") associated with the Offer have handled 29 public issues in the past three years, out of which 10 issues closed below the issue price on listing date.
4. Weighted Average Return on Net Worth for Fiscals 2021, 2020, 2019 is 16.82%.

**BID/OFFER PROGRAMME**

**OPENS ON: WEDNESDAY, JUNE 16, 2021**  
**CLOSES ON: FRIDAY, JUNE 18, 2021**

**Contents of the Memorandum of Association of the Company as regards its objects:** For information on the main objects and other objects of the Company, see "History and Certain Corporate Matters" on page 198 of the RHP and Clause III of the Memorandum of Association of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" on page 404 of the RHP.

**Liability of the members of the Company:** Limited by shares

**Amount of share capital of the Company and capital structure:** The authorised, issued, subscribed and paid up share capital of the Company as on the date of the RHP is as follows: The authorised share capital of the Company is ₹ 950,000,000 divided into 95,000,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up share capital of the Company is ₹ 775,932,830 divided into 77,593,283 Equity Shares of ₹ 10 each. For details, please see the section entitled "Capital Structure" beginning on page 85 of the RHP.

**Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them:** Given below are the names of the signatories of the Memorandum of Association of the Company, at the time of signing of the Memorandum of Association: Jagjit Singh and Vimla Swami. For further details please see "Capital Structure" on page 85 of the RHP.

**Disclaimer Clause of the SEBI:** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 361 of the RHP for the full text of the Disclaimer Clause of SEBI.

**Disclaimer Clause of BSE (Designated Stock Exchange):** It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify, warrant or endorse the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 362 of the RHP for the full text of the Disclaimer Clause of BSE.

**Disclaimer Clause of NSE:** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it warrant, certify or endorse the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 362 of the RHP for the full text of the Disclaimer Clause of NSE.

### Addendum to the RHP dated June 9, 2021 (the "RHP"): Notice to Investors (the "Addendum")

Our Company has received a complaint dated June 12, 2021 ("Complaint") alleging that one of our promoters, Bollineni Ramanaiha Memorial Hospitals Private Limited ("BRMH") has been in default of payment of interest in relation to alleged deposits accepted by BRMH and repayment of such deposits taken in Fiscal 2016 and Fiscal 2017. BRMH and our Company, through their letters, both dated June 14, 2021, have responded to the Complaint stating that all the allegations, insinuation and statements made in the Complaint are false, and that BRMH has not accepted any deposits from public for the financial years ended March 31, 2016, March 31, 2017, March 31, 2018, March 31, 2019, March 31, 2020 and March 31, 2021. Subsequently, the Complaint has been withdrawn by way of letter dated June 15, 2021.

In this regard, an FIR dated June 15, 2021 bearing no. 120/2021 has been filed by us with Ramgopalpet Police Station, Secunderabad against certain unknown person on fraudulent and unauthorised use of name, logo and address of BRMH and fabricated payment receipts to indicate alleged acceptance of public deposits by BRMH, and requesting for initiation of appropriate action in the matter.

The above is to be read in conjunction with the RHP. The information in this Addendum supplements the RHP and updates the information in the RHP as applicable. Please note that the changes pursuant to the Addendum will be appropriately included in the Prospectus, in the "Risk Factors" and the "Outstanding Litigation and Material Developments" sections of the Prospectus as and when filed with the RoC.

All capitalised terms used in this notice shall, unless the context otherwise requires, have the meaning ascribed to them in the RHP.

For KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED

On behalf of the Board of Directors

Sd/-

Company Secretary and Compliance Officer

Place: Secunderabad  
 Date: June 15, 2021

KRISHNA INSTITUTE OF MEDICAL SCIENCES LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the RHP with the Registrar of Companies, Telangana at Hyderabad. The RHP shall be available on the website of SEBI at www.sebi.gov.in, websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, and is available on the websites of the BRLMs i.e. Kotak Mahindra Capital Company Limited, Axis Capital Limited, Credit Suisse Securities (India) Private Limited and IIFL Securities Limited at www.investmentbank.kotak.com, www.axiscapital.co.in, https://www.credit-suisse.com/in/en/investment-banking/regional-presence/asia-pacific/india/ipo.html and www.iiflcap.com, respectively. Bidders should note that investment in equity shares involves a high degree of risk and for details relating to the same, please see the section entitled "Risk Factors" on page 28 of the RHP. Potential Bidders should not rely on the DRHP filed with SEBI for making any investment decision.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be 'qualified institutional buyers' (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.