



**Milestone Religare invests Rs.600 million
in Krishna Institute of Medical Sciences (KIMS), Hyderabad**

Mumbai, November 30, 2009 - Milestone Religare Investment Advisors Pvt Ltd, a joint venture between Milestone Group & Religare Enterprises is pleased to announce an Investment of Rs. 600 million in Krishna Institute of Medical Sciences Limited (KIMS), a Hyderabad based 300 bed multispecialty hospital. This investment has been made from the India Build-Out Fund - 1, which is a Rs. 600cr sectoral private equity fund, focusing on education, healthcare & infrastructure.

Rajesh Singhal, Managing Partner of the fund, said, “The Indian healthcare sector is on a growth path. The number of people above the age of 60 account for 8% of the total population. This figure is expected to grow to 21% by 2025. There is a rise in the incidence of chronic diseases and with income levels on the upswing comes an increase in lifestyle related diseases too. There is an immense potential for investments in this sector as increasingly more and more people are getting covered under the health insurance. KIMS’ core philosophy of offering quality medical care, efficient business model and growth plans matched our vision. We will work very closely with the KIMS management to help them achieve their growth plans”.

Established in 2002, KIMS has become a leading Healthcare service provider in Hyderabad. It offers multispecialty treatment in cardiology, orthopedics, urology, nephrology, dermatology, gynecology with facilities on par with the best available globally. KIMS aims to scale up the number of hospital beds from the current 300 to 850. This investment will contribute to the addition of newer specialties like cutting edge oncology treatment, liver transplant amongst others over the next 12-18 months.

Dr Amit Varma, Board and Investment Committee member of the fund, who will be joining the board of KIMS said. “Indian healthcare industry is over \$ 50 bn industry now but the current healthcare infrastructure is woefully inadequate -The Hospital bed per 1000 population ratio is currently 1.5 in India against a global average of 3.3. Rising disposable income means people want the best healthcare facilities available to them locally in their towns and cities. Hence, we are very bullish on healthcare services opportunities.”

“I am enthused and delighted at the timely participation by Milestone Religare into KIMS at a time when KIMS is growing fast and expanding. Milestone Religare being a Health Care Focused Fund will surely help KIMS to further expand its activities”, said **Dr Bhaskar Rao, MD of KIMS.** According to **Mr.B.Krishnaiah, Chairman of KIMS,** “Health Care Industry is growing rapidly and KIMS being one of the largest corporate hospitals in the twin cities of Hyderabad and Secunderabad is gearing up fast to catch up with the growth. The Equity investment from Milestone Religare will add great value to the image of KIMS and will help it to rapidly expand further.”



Ernst & Young acted as the sole advisor to KIMS on this transaction.

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Milestone Religare Investment Advisors Pvt Ltd:

Milestone Religare Investment Advisors Pvt Ltd, a joint venture between Milestone, one of India's premier independent fund houses, and Religare, one of the leading integrated financial services groups of India, manages India Build Out Fund - 1 of Rs. 600cr which is a focused private equity fund in the education & healthcare space. For more information on Milestone Religare Investment Advisors Pvt Ltd, please log on to www.milestonereligare.com

About KIMS

Krishna Institute of Medical Sciences Limited (KIMS) is a leading corporate hospital based out of Hyderabad with a focus on providing quality healthcare. It is part of the Bollineni Group and is co-promoted by a group of leading surgeons with international repute. It is a multi-speciality hospital with focus on Cardiology, Orthopedics, Oncology and transplant related surgeries. Company is currently pursuing rapid expansion plans and proposes to commence operations in other parts of the country. For further information please log on to www.kims.co.in

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