

July 10, 2026

KIMS Nagercoil Institute of Medical Sciences Private Limited: Update on Material Event

Summary of rating(s) outstanding

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding	Financial sector regulator [#]
Long-term – Fund-based/ Term Loan	108.00	108.00	[ICRA]AA- Rating Watch with Developing Implications	RBI
Long-term – Fund-based/ Cash Credit	8.00	8.00	[ICRA]AA- Rating Watch with Developing Implications	RBI
Total	116.00	116.00		

*Instrument details are provided in Annexure I

[#]SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

Material Event

ICRA notes that Quality Care India Limited (QCIL), the ultimate parent entity of KIMS Nagercoil Institute of Medical Sciences Private Limited (KNMSPL), has been amalgamated with Aster DM Healthcare Limited (ADMHL), effective July 1, 2026. The completion of the transaction was duly intimated to the stock exchanges by ADMHL. The merged entity, Aster DM Quality Care Limited (ADMQL), will be the major shareholder in KHML (parent entity of KNMSPL) with stake of around 90%. ADMQL is expected to benefit from a significantly larger scale of operations, a wider geographic presence across key healthcare markets, enhanced diversification in revenue streams, and a strengthened competitive position in the domestic healthcare sector.

The ratings of KNMSPL had earlier been placed on Watch with Developing Implications to monitor the impact of the expected change in the parent entity's ownership structure, on KHML's credit profile.

Impact of Material Event

ICRA has taken note of QCIL's merger with ADMHL. KHML is expected to be strategically important to the group given its established market presence in Trivandrum and surrounding region, reflected in its healthy operating and financial profile. Rating Watch on KHML is expected to be resolved as better clarity emerges on parent's support philosophy towards KHML, any material shifts in KHML's business strategies or financial policies and on the entity's recent financial performance.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Hospitals
Parent/Group support	As on September 30, 2025, QCIL held a 23.7% in KHML and a 90.3% in CIHPL, which, in turn, held a 61.5% in KHML. ICRA notes that QCIL is proposed to be merged with Aster DM, subject to regulatory and statutory approvals.

Consolidation/Standalone

For arriving at the ratings, ICRA has taken consolidated view of KIMS Healthcare Management Limited and KIMS Nagercoil Institute of Medical Sciences Private Limited and considered the consolidated financials of KHML. As on March 31, 2025, KHML had six subsidiaries, which are enlisted in Annexure-II

About the company

KHML was set up in 2002 by a group of professionals in Trivandrum. It is a tertiary and quaternary-care hospital, with 40 speciality departments. The hospital has been accredited by the National Accreditation Board for Hospitals (NABH), the Australian Council on Healthcare Standard International (ACHSI), the National Accreditation Board for Laboratories (NABL), and the NABH Accredited Blood Bank. As on December 31, 2025, the company had five operational hospitals, spread across Trivandrum, Kottayam, Kollam, Perinthalmanna in Kerala and Nagercoil in Tamil Nadu with a total capacity of 1,560.

KIMS Nagercoil Institute of Medical Sciences Private Limited (KNIMSPL), incorporated in 2014, operates a multi-specialty hospital in Nagercoil, Tamil Nadu, offering tertiary healthcare services. A wholly owned subsidiary of KHML, the hospital caters to Nagercoil and surrounding districts and is accredited by the National Accreditation Board for Hospitals & Healthcare Providers (NABH). Developed as a greenfield project with a planned capacity of around 210 beds, the hospital commenced operations in October 2024 with 80–85 beds, which expanded to 210 beds by December 2025. The project entailed a cost of around Rs. 150.0 crore, funded through term debt of Rs. 90.0 crore and the balance via equity infusion from KHML.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)			Chronology of rating history for the past 3 years						
			FY2026		FY2025		FY2024		
Instrument	Type	Amount rated (Rs. crore)	Jul 10, 2026	Date	Rating	Date	Rating	Date	Rating
Term loans	Long term	108.00	[ICRA]AA-; Rating Watch with Developing Implications	Jan 19, 2026	[ICRA]AA-; Rating Watch with Developing Implications	-	-	-	-
Cash credit	Long term	8.00	[ICRA]AA-; Rating Watch with Developing Implications	Jan 19, 2026	[ICRA]AA-; Rating Watch with Developing Implications	-	-	-	-

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-term – Fund-based/ Term loan	Simple
Long-term – Fund-based/ Cash credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	Term loan	FY2025	-	FY2032	108.00	[ICRA]AA-; Rating Watch with Developing Implications	RBI
NA	Cash credit	-	-	-	8.00	[ICRA]AA-; Rating Watch with Developing Implications	RBI

Source: Company

*SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company name	KHML Ownership	Consolidation approach
KIMS Healthcare Management Limited	100.0% (rated entity)	Full Consolidation
KIMS Al Shifa Healthcare Private Limited	51.0%	Full Consolidation
KIMS Kottayam Institute of Medical Sciences Private Limited	100.0%	Full Consolidation
KIMS Kollam Multi Specialty Hospital India Private Limited	100.0%	Full Consolidation
KIMS Nagercoil Institute of Medical Sciences Private Limited	100.0%	Full Consolidation
Spiceretreat Hospitality Services Private Limited	100.0%	Full Consolidation
KIMS HEALTH Executive Leisure Private Limited	100.0%	Full Consolidation

Source: KHML; Stake as on September 30, 2025

Note: ICRA has considered consolidated financials of the KHML and its subsidiaries while assigning the ratings.

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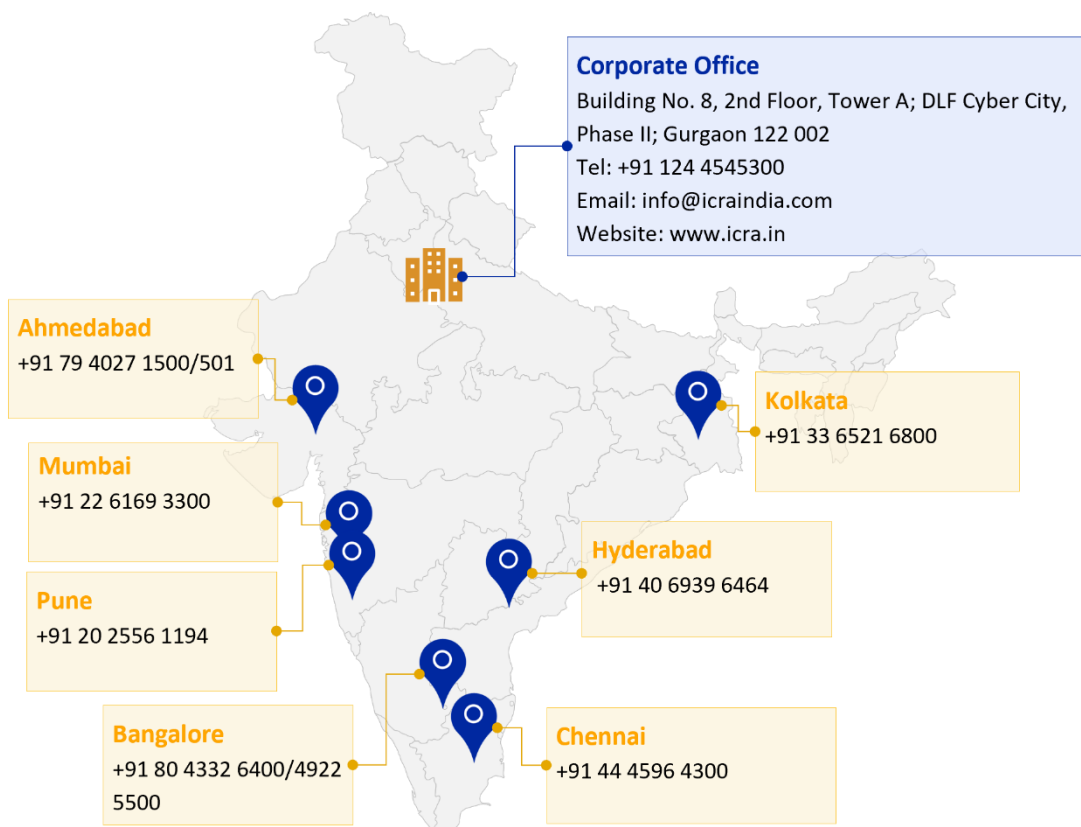
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