PARAS HEALTHCARE LIMITED

DRAFT RED HERRING PROSPECTUS
Dated July 31, 2024
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

(Please scan the QR Code to view the DRHP)

CORPORATE IDENTITY NUMBER: U85110HR1987PLC035823

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
1st Floor, Tower B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India	Rahul Kumar *Company Secretary and Compliance Officer*	**Telephone:** +91 124 430 2163 **Email:** cs@parashospitals.com	www.parashospitals.com

OUR PROMOTER: DR. DHARMINDER KUMAR NAGAR

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs, RIBs & ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ 4,000.00 million	Up to 14,974,010 Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") as our Company does not fulfil the requirements under Regulation 6(1)(a) and (b) of the SEBI ICDR Regulations. For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 389. For details in relation to the share reservation among QIBs, RIBs, NIBs and Eligible Employees, see "*Offer Structure*" on page 414.

DETAILS OF THE OFFER FOR SALE BY SELLING SHAREHOLDERS

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹1 EACH OFFERED / AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Dr. Dharminder Kumar Nagar	Promoter Selling Shareholder	Up to 2,928,320 Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million	0.35
Commelina Ltd	Investor Selling Shareholder	Up to 12,045,690 Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million	114.15

**As certified by Suri & Sudhir, Chartered Accountants, by way of their certificate dated July 31, 2024*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of face value of ₹1 each of our Company, there has been no formal market for the Equity Shares of face value of ₹1 each. The face value of the Equity Shares is ₹ 1 each. The Floor Price, Cap Price and Offer Price (determined by our Company in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares of face value of ₹1 each by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 106), should not be taken to be indicative of the market price of the Equity Shares of face value of ₹1 each after the Equity Shares of face value of ₹1 each are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of face value of ₹1 each of our Company, or regarding the price at which the Equity Shares of face value of ₹1 each will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares of face value of ₹1 each in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 26.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholders accept responsibility for, and confirm, that the statements specifically made or confirmed by the Selling Shareholders in this Draft Red Herring Prospectus, to the extent that the statements and information specifically pertain to such Selling Shareholder and the Equity Shares of face value of ₹1 each offered by such Selling Shareholder under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect. No Selling Shareholder assumes any responsibility for any other statements, disclosures, undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or relating to our Company or its business, or by any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

LISTING

The Equity Shares of face value of ₹1 each offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. For the purposes of the Offer, the Designated Stock Exchange shall be [●].

DETAILS OF THE BRLMs

Name of the BRLM	Contact Person	Email and Telephone

ICICI Securities Limited	Namrata Ravasia / Sumit Singh	**Email:** parashospital.ipo@icicisecurities.com **Telephone:** +91 22 6807 7100
IIFL Securities Limited	Nikita Tayal / Pawan Jain	**Email:** parashealth.ipo@iiflcap.com **Telephone:** +91 22 4646 4728
Motilal Oswal Investment Advisors Limited	Ritu Sharma / Kunal Thakkar	**Email:** parashealthcareipo@motilaloswal.com **Telephone:** +91 22 7193 4380

REGISTRAR TO THE OFFER

Name of the Registrar	Contact Person	Email and Telephone
Link Intime India Private Limited	Shanti Gopalkrishnan	**Email**: parashealthcare.ipo@linkintime.co.in **Telephone**: +91 810 811 4949

BID/OFFER PROGRAMME

ANCHOR INVESTOR BID/OFFER PERIOD	[●]*	**BID/OFFER OPENS ON**	[●]	**BID/OFFER CLOSES ON**	[●]**#

**Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

*** Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

#UPI mandate end time and date shall be at 5:00 p.m. on the Bid/ Offer Closing Date.

DRAFT RED HERRING PROSPECTUS
Dated July 31, 2024
The Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Building Offer

PARAS HEALTHCARE LIMITED

Our Company was incorporated as 'Arbian Frozen Foods Private Limited', a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated December 21, 1987, issued by the RoC. Our Company became a deemed public company as per Section 43A(1)(a) of the Companies Act, 1956 with effect from July 1, 1993, consequent to which its name was changed to "Arbian Frozen Foods Limited", by deletion of the word 'Private'.

Consequent to the amendment in Section 43A(2)(a) of the Companies Act, 1956 by the Companies (Amendment) Act, 2000, our Company was re-converted from a deemed public company to a private limited company and the name of our Company was changed to 'Arbian Frozen Foods Private Limited' and the certificate of incorporation consequent to the change in name of our Company was endorsed by the RoC on June 16, 2003. Subsequently, pursuant to a resolution passed by our Board on June 19, 2003 and by our Shareholders on July 9, 2003, the name of our Company was changed from 'Arbian Frozen Foods Private Limited' to 'Paras Healthcare Private Limited' to reflect the change in its business activity from frozen foods to healthcare services and a fresh certificate of incorporation consequent to the change in name of our Company was issued by the RoC on July 21, 2003. Our Company was subsequently converted from a private company to a public company, pursuant to resolutions passed by our Board on June 3, 2024 and by our Shareholders dated June 4, 2024, consequent to which its name was changed to "Paras Healthcare Limited", and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the RoC on July 18, 2024. For details of change in our Registered Office, see "*History and Certain Corporate Matters – Changes in the Registered Office of our Company*" on page 237.

Corporate Identity Number: U85110HR1987PLC035823; **Website**: www.parashospitals.com
Registered and Corporate Office: 1st Floor, Tower B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India
Contact Person: Rahul Kumar; **Telephone:** +91 124 430 2163, **Email:** cs@parashospitals.com

OUR PROMOTER: DR. DHARMINDER KUMAR NAGAR

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH OF PARAS HEALTHCARE LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH AGGREGATING UP TO ₹ 4,000 MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 14,974,010 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION COMPRISING UP TO 2,928,320 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH BY DR. DHARMINDER KUMAR NAGAR (THE "PROMOTER SELLING SHAREHOLDER") AGGREGATING UP TO ₹ [●] MILLION AND UP TO 12,045,690 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH BY COMMELINA LTD (THE "INVESTOR SELLING SHAREHOLDER", AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [●] MILLION (SUCH OFFER FOR SALE OF EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE").

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 1 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMs, AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER [●] AND ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER [●] (HINDI ALSO BEING THE REGIONAL LANGUAGE OF HARYANA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH, AGGREGATING UP TO ₹[●] MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". OUR COMPANY IN CONSULTATION WITH THE BRLMS, MAY OFFER A DISCOUNT OF ₹[●] TO THE OFFER PRICE (EQUIVALENT OF ₹[●] PER EQUITY SHARE) TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A PRE-IPO PLACEMENT, PRIOR TO FILING OF THE RED HERRING PROSPECTUS. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED ("SCRR"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RHP AND THE PROSPECTUS.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

This is an Offer in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in terms of Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be allocated to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares of face value of ₹ 1 each are allocated to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares of face value of ₹ 1 each shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares of face value of ₹ 1 each available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders ("**NIBs**") of which (a) one-third portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders ("**RIB**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares of face value of ₹ 1 each will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (except Anchor Investors) are mandatorily required to utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter), as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA Process. For details, see "*Offer Procedure*" on page 420.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of face value of ₹ 1 each of our Company, there has been no formal market for the Equity Shares of face value of ₹ 1 each. The face value of the Equity Shares is ₹ 1 each. The Floor Price, Cap Price and Offer Price (determined by our Company, in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares of face value of ₹ 1 each by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 106), should not be taken to be indicative of the market price of the Equity Shares of face value of ₹ 1 each after the Equity Shares of face value of ₹ 1 each are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of face value of ₹ 1 each of our Company, or regarding the price at which the Equity Shares of face value of ₹ 1 each will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares of face value of ₹ 1 each in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 26.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholders accept responsibility for, and confirm, that the statements specifically made or confirmed by the Selling Shareholders in this Draft Red Herring Prospectus, to the extent that the statements and information specifically pertain to the Selling Shareholders and the Equity Shares of face value of ₹ 1 each offered by the Selling Shareholders under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect. No Selling Shareholder assumes any responsibility for any other statements, disclosures, undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or relating to our Company or its business, or by any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

LISTING

The Equity Shares of face value of ₹ 1 each offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges, being BSE and NSE. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares of face value of ₹ 1 each pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 516.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai – 400 025 Maharashtra, India **Telephone**: +91 22 6807 7100 **E-mail**: parashospital.ipo@icicisecurities.com **Investor Grievance ID**: customercare@icicisecurities.com **Website**: www.icicisecurities.com **Contact person**: Namrata Ravasia / Sumit Singh **SEBI Registration No.:** INM000011179	**IIFL Securities Limited** 24th Floor, One Lodha Place Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India **Telephone**: +91 22 4646 4728 **E-mail**: parashealth.ipo@iiflcap.com **Investor Grievance ID**: ig.ib@iiflcap.com **Website**: www.iiflcap.com **Contact person**: Nikita Tayal / Pawan Jain **SEBI Registration No.:** INM000010940	**Motilal Oswal Investment Advisors Limited** Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot Prabhadevi, Mumbai 400 025 Maharashtra, India **Telephone**: +91 22 7193 4380 **E-mail**: parashealthcareipo@motilaloswal.com **Investor Grievance ID**: moiaplredressal@motilaloswal.com **Website**: www.motilaloswalgroup.com **Contact person**: Ritu Sharma/ Kunal Thakkar **SEBI Registration No.:** INM000011005	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India **Telephone:** +91 810 811 4949 **E-mail:** parashealthcare.ipo@linkintime.co.in **Investor Grievance ID:** parashealthcare.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact person**: Shanti Gopalkrishnan

			SEBI Registration No.: INR000004058

BID/OFFER PROGRAMME			
BID/OFFER OPENS ON	[●]*	**BID/OFFER CLOSES ON**	[●]**#

**Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

*** Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

 # UPI mandate end time and date shall be at 5:00 p.m. on the Bid/ Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to any legislation, act, statute, rule, regulation, guideline, circular, notification, clarification, direction and policy will, unless the context otherwise requires, be deemed to include all amendments, supplements, re-enactments, modifications and replacements notified thereto, as of the date of this Draft Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the SEBI Act, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Objects of the Offer", "Basis for Offer Price", "Statement of Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Financial Information", "Financial Indebtedness", "Outstanding Litigation and Other Material Developments", "Other Regulatory and Statutory Disclosures", "Offer Procedure" and "Description of Equity Shares and Terms of Articles of Association", on pages 90, 106, 120, 130, 223, 237, 272, 369, 374, 389, 420 and 444, respectively, will have the meaning ascribed to such terms in those respective sections.

General Terms

Term	Description
"our Company" or "the Company" or "Paras Healthcare Limited"	Paras Healthcare Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 1st Floor, Tower B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries, collectively

Company and Selling Shareholders related terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended
"Audit Committee"	The audit committee of our Board constituted in accordance with the Companies Act, 2013, and the SEBI Listing Regulations and as described in "*Our Management*" on page 244
"Board" or "Board of Directors"	The board of directors of our Company, as described in "*Our Management*" on page 244
"Group Chief Financial Officer" or "Group CFO"	The chief financial officer of our Company, being Dilip Bidani
"Company Secretary and Compliance Officer"	The company secretary and compliance officer of our Company, being Rahul Kumar
"Corporate Social Responsibility Committee" or "CSR Committee"	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013 as described in "*Our Management*" on page 244
"Director(s)"	Director(s) on the board of our Company, as appointed from time to time
"Equity Shares"	Equity shares of our Company of face value of ₹1 each
"ESOP 2024"	Paras Healthcare Employees Stock Option Plan, 2024
"Executive Director"	Executive director(s) of our Company. For further details of the Executive Directors, see "*Our Management*" on page 244
"CRISIL MI&A"	CRISIL Market Intelligence & Analytics (MI&A), a division of CRISIL Limited
"CRISIL Report"	Industry Report titled "*Assessment of Healthcare delivery sector India with a focus on North India*" dated July 2024, issued by CRISIL MI&A which has been exclusively commissioned and paid for by us in connection with the Offer
"HEC"	Heavy Engineering Corporation Limited
"Independent Directors"	A non-executive, independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details of our Independent Directors, see "*Our Management*" on page 244
"Investor Selling Shareholder"	The investor selling shareholder, being Commelina Ltd
"IPO Committee"	The IPO committee of our Board constituted for the purposes of the Offer
"KMP" or "Key Managerial Personnel"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, which includes key managerial personnel in terms of the Companies Act, 2013, as disclosed in "*Our Management*" on page 244
"Managing Director"	The managing director of our Company, being Dr. Dharminder Kumar Nagar
"Materiality Policy"	The materiality policy of our Company adopted pursuant to a resolution of our Board dated July 22, 2024, for the identification of (a) material outstanding civil proceedings; (b) group companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus

Term	Description
"Material Subsidiaries"	Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, which are the material subsidiaries of our Company in accordance with Paragraph 11(I)(A)(ii)(b) of Schedule VI of the SEBI ICDR Regulations
"Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended
"Nomination and Remuneration Committee"	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management*" on page 244
"Non – Executive Director(s)"	A Director, not being an Executive Director
"PHRPL"	Paras Healthcare (Ranchi) Private Limited
"PMHPL"	Plus Medicare Hospitals Private Limited
"Promoter Group"	Such entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoter and Promoter Group*" on page 265
"Promoter Selling Shareholder"	The promoter selling shareholder, being Dr. Dharminder Kumar Nagar
"Promoter"	The promoter of our Company namely, Dr. Dharminder Kumar Nagar. For further details, see "*Our Promoter and Promoter Group*" on page 265
"Registered and Corporate Office" or "Registered Office"	The registered and corporate office of our Company situated at 1st Floor, Tower B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Delhi and Haryana at New Delhi (erstwhile, Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi) located at Registrar of Companies, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019, India
"Restated Consolidated Financial Information"	The Restated Consolidated Financial Information comprises the restated consolidated financial information of our Company and its subsidiaries as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, comprising the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, and notes to the restated consolidated financial information, including, material accounting policies and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. The Restated Consolidated Financial Information has been prepared to comply in all material respects with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of division II of Schedule III to the Companies Act, 2013, as applicable to the consolidated financial statements and other relevant provisions of the Companies Act, 2013.
"Risk Management Committee"	The risk management committee of our Board constituted in accordance with the SEBI Listing Regulations and as described in, "*Our Management*" on page 244
"Senior Management" or "SMP"	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, as disclosed in "*Our Management*" on page 244
"Selling Shareholders"	The selling shareholders, being Dr. Dharminder Kumar Nagar and Commelina Ltd
"Series A CCPS"	0.01% compulsorily convertible preference shares of nominal value of ₹ 10 each issued by our Company to Commelina Ltd, which were converted into Equity Shares on September 19, 2018
"Shareholder(s)"	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares
"SHA"	Investment and share purchase agreement dated July 6, 2017 entered into amongst our Company, Dr. Dharminder Kumar Nagar and Commelina Ltd, as amended by the addendum to the Investment and Share Purchase Agreement dated July 13, 2017, read with the waiver letter dated March 28, 2024 and as amended by the Waiver Cum Amendment Agreement dated July 25, 2024
"SPA"	Share Purchase Agreement dated June 29, 2022 entered into amongst our Company, Satendra Pal Singh Chhabra, Mahendra Pal Singh Chhabra, Amarjeet Kaur Chhabra, Amandeep Singh Chhabra, Jagdeep Singh, Nisha Mundra, Navneet Estate Private Limited and Plus Medicare Hospitals Private Limited
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in, "*Our Management*" on page 244
"Statutory Auditors"	The current statutory auditors of our Company, being Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration Number 001076N/N500013)
"Subsidiaries"	The subsidiaries of our Company being, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited. For further details, see "*Our Subsidiaries*" on page 269
"Waiver Cum Amendment Agreement"	The Waiver Cum Amendment agreement dated July 25, 2024 entered into amongst our Company, Dr. Dharminder Kumar Nagar and Commelina Ltd in relation to the SHA.
"Whole-time Director"	The whole-time director of our Company, being Dr. Kapil Garg

Offer Related Terms

Term	Description
"Abridged Prospectus"	A memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
"Acknowledgement Slip"	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allotment", "Allot" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to the successful Bidders
"Allotment Advice"	A note or advice or intimation of Allotment, sent to all the successful Bidders who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
"Allottee"	A successful Bidder to whom the Equity Shares are Allotted
"Anchor Investor(s)"	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
"Anchor Investor Allocation Price"	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs
"Anchor Investor Application Form"	Form used by an Anchor Investor to Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
"Anchor Investor Bid/ Offer Period"	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
"Anchor Investor Offer Price"	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
"Anchor Investor Pay-in Date"	With respect to Anchor Investor(s), the Anchor Investor Bid/ Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
"Anchor Investor Portion"	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the Book Running Lead Managers, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Applications Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked by the SCSB upon acceptance of the UPI Mandate Request by UPI Bidders
"ASBA Account"	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request by the UPI Bidder
"ASBA Bidder"	All Bidders except Anchor Investors
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
"Banker(s) to the Offer"	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank(s)
"Basis of Allotment"	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 420
"Bid"	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and the Bid cum Application Form The term "Bidding" shall be construed accordingly
"Bid Amount"	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid Eligible Employees applying in the Employee Reservation Portion can apply at the Cut Off Price and the Bid amount shall be the Cap Price net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of undersubscription in the

Term	Description
	Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000.
"Bid cum Application Form"	Anchor Investor Application Form or the ASBA Form, as the context requires
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
"Bid/Offer Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (an English daily national newspaper) and all editions of [●] (a Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located), each with wide circulation In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations
"Bid/Offer Opening Date"	Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall also be notified in all editions of [●] (an English daily national newspaper) and all editions of [●] (a Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located), each with wide circulation
"Bid/Offer Period"	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereto, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company may, in consultation with the Book Running Lead Managers, consider closing the Bid/Offer Period for the QIB Portion one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only
"Bidder" or "Applicant"	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor
"Bidding Centres"	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
"Book Building Process"	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer will be made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, namely ICICI Securities Limited, IIFL Securities Limited and Motilal Oswal Investment Advisors Limited
"Broker Centre"	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"CAN" or "Confirmation of Allocation Note"	The note or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date
"Cap Price"	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be greater than 120% of the Floor Price
"Cash Escrow and Sponsor Bank Agreement"	Agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Member(s), the Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Bank(s) and Refund Bank(s) in accordance with UPI Circulars, for *inter alia* collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
"Circular on Streamlining of Public Issues"/ "UPI Circular"	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no.

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI RTA Master Circular, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circulars issued by the NSE having reference no. 23/2022 dated July 22, 2022 and having reference no. 25/2022 dated August 3, 2022, and the circulars issued by BSE having reference no. 20220702-30 dated July 22, 2022 and having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by the Stock Exchanges in this regard
"Client ID"	Client identification number maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI RTA Master Circular, and the UPI Circulars issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time
"Cut-off Price"	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band Only RIBs Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details and UPI ID, where applicable
"Designated CDP Locations"	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"Designated Date"	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer
"Designated Intermediaries"	In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion, Eligible Employees Bidding in the Employee Reservation Portion (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and Non-Institutional Bidders (not using the UPI mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
"Designated RTA Locations"	Such locations of the RTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of the SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
"Designated Stock Exchange"	[●]
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated July 31, 2024, filed with SEBI and the Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto
"Eligible Employee(s)"	All or any of the following: (a) a permanent employee of our Company or our Subsidiaries, present in India or outside India (excluding such employees who are not eligible to invest in the Offer under applicable laws) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company or our Subsidiaries, as the case may be, until the submission of the Bid cum Application Form; (b) a Director of our Company, whether whole time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company, until the submission of the Bid cum Application Form, but not including (i) our Promoter; (ii) persons belonging to the Promoter Group; and (iii) Directors, who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more

Term	Description
	than 10% of the outstanding Equity Shares of our Company The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of Employee Discount). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount, if any)
"Eligible FPIs"	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
"Eligible NRIs"	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
"Employee Discount"	Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price (equivalent to ₹[●] per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion, which shall be announced at least two Working Days prior to the Bid/Offer Opening Date
"Employee Reservation Portion"	In accordance with and subject to Regulation 33 of the SEBI ICDR Regulations, the portion of the Offer being up to [●] Equity Shares, aggregating up to ₹ [●] million available for allocation to Eligible Employees, on a proportionate basis
"Escrow Account(s)"	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid
"Escrow Collection Bank(s)"	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●]
"First Bidder"	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
"Floor Price"	The lower end of the Price Band, i.e., ₹ [●] subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares
"Fresh Issue"	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares at ₹ 1 per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 4,000 million by our Company. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus
"General Information Document" or "GID"	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and Book Running Lead Managers
"Gross Proceeds"	The Offer Proceeds, less proceeds of the Offer for Sale
"I-Sec"	ICICI Securities Limited
"IIFL"	IIFL Securities Limited
"Monitoring Agency Agreement"	Agreement to be entered into between our Company and the Monitoring Agency
"Monitoring Agency"	Monitoring agency appointed pursuant to the Monitoring Agency Agreement, namely [●], being a credit rating agency registered with SEBI
"Motilal Oswal"	Motilal Oswal Investment Advisors Limited
"Mutual Fund"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
"Mutual Fund Portion"	Up to 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
"Net Offer"	The Offer less the Employee Reservation Portion
"Net Proceeds"	The Gross Proceeds less our Company's share of the Offer-related expenses applicable to the Fresh

Term	Description
	Issue. For details about use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page 90
"Net QIB Portion"	QIB Portion, less the number of Equity Shares allocated to the Anchor Investors
"Non-Institutional Investors" or "NII(s)" or "Non-Institutional Bidders" or "NIB(s)"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, or the Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
"Non-Institutional Portion"	The portion of the Net Offer being not more than 15% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders subject to valid Bids being received at or above the Offer Price, subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,000,000 Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non-Institutional Bidders
"Non-Resident" or "NRI"	A person resident outside India, as defined under FEMA
"Offer"	Initial public offering of up to [●] Equity Shares of face value of ₹ 1 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million. The Offer comprises a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹ 4,000 million and an Offer for Sale of up to 14,974,010 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus
"Offer Agreement"	The agreement dated July 31, 2024 entered amongst our Company, the Selling Shareholders and the Book Running Lead Managers, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
"Offer for Sale"	The offer for sale of up to 14,974,010 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders
"Offer Price"	₹ [•] per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the Book Running Lead Managers, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus A discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion. The Employee Discount if any, will be decided by our Company, in consultation with the Book Running Lead Managers
"Offer Proceeds"	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 90
"Offered Shares"	The Equity Shares being offered by the Selling Shareholders as part of the Offer for Sale comprising an aggregate of up to 14,974,010 Equity Shares aggregating up to ₹ [●] million
"Pre-IPO Placement"	Our Company, in consultation with the BRLMs, may consider a private placement of Equity Shares or specified securities to certain investors as permitted under applicable laws, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if

Term	Description
	undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus
"Price Band"	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the Book Running Lead Managers, and will be advertised in all editions of [●] (an English daily national newspaper) and all editions of [●] (a Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
"Pricing Date"	The date on which our Company, in consultation with the Book Running Lead Managers, will finalise the Offer Price
"Prospectus"	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
"Public Offer Account(s)"	The 'no-lien' and 'non-interest bearing' account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date
"Public Offer Account Bank(s)"	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened, in this case being [●]
"QIB Portion"	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation shall be on a discretionary basis, as determined in compliance with SEBI ICDR Regulations), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price, as applicable
"Qualified Institutional Buyers" or "QIBs"	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
"Refund Account(s)"	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
"Refund Bank(s)"	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
"Registered Broker"	Stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended, with the stock exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars issued by SEBI
"Registrar Agreement"	The agreement dated July 31, 2024, entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars
"Registrar" or "Registrar to the Offer"	Link Intime India Private Limited
"Resident Indian"	A person resident in India, as defined under FEMA
"Retail Individual Bidders" or "RIB(s)" or "Retail Individual Investors" or "RII(s)"	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the Bidding options in the Net Offer
"Retail Portion"	The portion of the Net Offer being not more than 10% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
"Revision Form"	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion, Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
"SCORES"	Securities and Exchange Board of India Complaint Redress System
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and

Term	Description
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time
"Share Escrow Agent"	Escrow agent appointed pursuant to the Share Escrow Agreement, namely [●]
"Share Escrow Agreement"	The agreement to be entered into amongst our Company, the Selling Shareholders, and the Share Escrow Agent for deposit of the respective portion of the Equity Shares offered by the Selling Shareholders in escrow
"Specified Locations"	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
"Sponsor Banks"	The Bankers to the Offer registered with SEBI which are appointed by our Company to act as conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, the Sponsor Banks in this case being [●], [●] and [●]
"Stock Exchange(s)"	Collectively, BSE Limited and National Stock Exchange of India Limited
"Syndicate Agreement"	Agreement to be entered into among our Company, the Selling Shareholders, the Book Running Lead Managers, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
"Syndicate Members"	Intermediaries (other than Book Running Lead Managers) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Offer and carry out activities as an underwriter namely, [●]
"Sub-Syndicate Members"	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
"Syndicate" or "members of the Syndicate"	Together, the Book Running Lead Managers and the Syndicate Members
"Systemically Important Non-Banking Financial Company" or "NBFC-SI"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
"Underwriters"	[●]
"Underwriting Agreement"	The agreement to be entered into amongst the Underwriters, the Selling Shareholders and our Company on or after the Pricing Date, but prior to filing of the Prospectus
"UPI"	Unified Payments Interface, which is an instant payment mechanism developed by NPCI
"UPI Bidders"	Collectively, individual Bidders applying as (i) Retail Individual Bidders in the Retail Portion, (ii) Eligible Employees, under the Employee Reservation Portion, and (iii) individual Bidders applying as Non-Institutional Bidders with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion by using the UPI Mechanism Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
"UPI ID"	ID created on UPI for single-window mobile payment system developed by the NPCI
"UPI Mandate Request"	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment In accordance with the applicable UPI Circulars, UPI Bidders Bidding may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int mId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
"UPI Mechanism"	The mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars
"UPI PIN"	Password to authenticate UPI transaction
"Wilful Defaulter or Fraudulent Borrower"	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations

Term	Description
"Working Day"	All days, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in India, as per the circular issued by SEBI from time to time

Technical/Industry Related Terms or Abbreviations

Term	Description
Average length of stay or "ALOS"	Average Length of Stay is calculated as average number of days spent by admitted in-patients.
Average revenue per occupied bed or "ARPOB"	Average revenue per occupied bed is calculated as revenue from sale of services - healthcare divided by number of occupied bed days in the respective fiscal.
Bed occupancy rate (%)	Bed occupancy rate is calculated by dividing the total number of occupied beds by the total number of operational beds.
Capital Employed	Capital employed is calculated as tangible net worth (wherein tangible net worth is calculated as total equity less intangible assets and goodwill) plus deferred tax liabilities, lease liabilities and total borrowings.
Capital expenditure per total bed	Capital expenditure per total bed is calculated by dividing the gross block of assets (including right to use of assets) of each hospital by the total bed capacity of such hospital as of the end of the respective fiscal.
Darbhanga Hospital	Paras Global Hospital located in Darbhanga, Bihar
Debt to Equity	Debt to equity is calculated as total of non-current and current borrowings divided by tangible net worth. Tangible net worth is calculated as total equity less intangible assets and goodwill.
DMAIC Model	Methodology consisting of five phases, namely, define, measure, analyze, improve, and control to improve our operations within our organization.
EBITDA	EBITDA is calculated as profit or loss before tax for the year plus finance costs, depreciation and amortization expense and exceptional items.
EBITDA Margin	EBITDA Margin is calculated as EBITDA divided by revenue from operations.
EHR	Electronic Health Record
Gurugram Hospital	Paras Hospitals located in Gurugram, Haryana
HIS	Our hospital information system that allows our patients to book appointments or other out-patient services, track user requests and solve their other queries
ICU	Intensive Care Unit
Increase in EBITDA (%)	The Increase in EBITDA is a financial metric that measures the increase (or decrease) in our EBITDA over a specific period.
In-patient revenue	In-patient revenue refers to the income generated from patients who are admitted to the hospital for at least one overnight stay.
In-patient volume – discharged patients	In-patient volume – discharged patients refers to the total number of patients who have been admitted to a healthcare facility for treatment and subsequently discharged.
Kanpur Hospital	Paras Yash Kothari Hospital located in Kanpur, Uttar Pradesh
Net Profit Ratio (%)	Net profit ratio is calculated as profit/(loss) for the year divided by total income
Number of Hospitals	Number of hospitals refer to total number of hospitals operated by the company at the end of fiscal year.
Number of ICU Beds	Number of ICU beds represents the total intensive care unit beds operational as of the end of the respective fiscal.
Number of operational bed	Number of operational beds includes census beds (bed available for mid-night occupancy such as intensive care units ("**ICUs**") and wards and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds).
Number of Surgeries	The number of surgeries refers to the total count of patients discharged from surgical specialties over a specific period.
Out-patient revenue	Out-patient revenue includes revenue earned from services provided to patients who visit the hospital or clinic for treatment but do not require an overnight stay
Out-patient volume– consultations	Out-patient volume – consultations refers to the total number of outpatient visits for consultations within a specific period.
Panchkula Hospital	Paras Hospitals located in Panchkula, Haryana
Our Peers	Our Peers which include Apollo Hospitals Enterprise Limited, Fortis Healthcare Limited, Global Health Limited (Brand Name: Medanta), Jupiter Lifeline Hospitals Limited, Krishna Institute of Medical Sciences, Max Healthcare Institute Limited, Narayana Hrudalaya Limited, Yatharth Hospital and Trauma Care Services Limited, Blue Sapphire Healthcares Private Limited, Ivy Health and Life Sciences Private Limited, Kailash Healthcare Limited and Regency Hospital Limited
Patna Hospital	Paras HMRI Hospital located in Patna, Bihar
Ranchi Hospital	Paras HEC Hospital, located in Ranchi, Jharkhand
Revenue from Operations	Revenue from operations is a critical metric for assessing the financial health and performance of a healthcare facility. It helps in understanding how effectively the facility is generating income from

	its core activities, managing costs, and achieving profitability. Regular analysis of operational revenue allows for better financial planning, resource allocation, and strategic decision-making
Revenue Growth Rate (%)	The revenue growth rate is a financial metric that measures the increase (or decrease) in our revenue over a specific period.
Return on Equity (“**RoE**”)	RoE is calculated as loss after tax attributable to owners of our Company divided by average equity. Average equity is the average of opening and closing total equity for a fiscal year.
Return on Capital Employed ("**RoCE**”)	RoCE is calculated as a percentage of EBIT (i.e. Loss for the year plus Tax expense and finance costs) divided by capital employed
Srinagar Hospital	Paras Hospitals located in Srinagar, Union Territory of Jammu & Kashmir
Tier 2 city mix	Tier 2 city mix represents the percentage of revenue generated from operations from all our hospitals except our Gurugram hospital.
Total bed capacity	Total bed capacity is as at end of relevant fiscal and denotes the number of beds for which the civil structure has been planned for.
Total Income	Total income is the sum total of the revenue from operations and other income at group level
Udaipur Hospital	Paras Hospitals located in Udaipur, Rajasthan

Conventional and General Terms or Abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees, the official currency of the Republic of India
“AGM”	Annual General Meeting
“AIFs”	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
“API”	Application programming interface
“AS”	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time
“BSE”	BSE Limited
“BTI Regulations”	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
“CAGR”	Compounded Annual Growth Rate
“Calendar Year” or “year”	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31
“Category I AIF”	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
“Category I FPIs”	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category II AIF”	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
“Category II FPIs”	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category III AIF”	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
“CCI”	Competition Commission of India
“CDSL”	Central Depository Services (India) Limited
“CIN”	Corporate Identity Number
“Companies Act, 1956”	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
“Companies Act, 2013”	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
“Companies Act”	Erstwhile Companies Act, 1956 and/or the Companies Act, 2013 as applicable
“COVID-19”	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
“Cr.P.C.”	Code of Criminal Procedure, 1973
“CSR”	Corporate social responsibility
“Depositories Act”	Depositories Act, 1996
“Depository” or “Depositories”	NSDL and CDSL
“DIN”	Director Identification Number
“DP ID”	Depository Participant’s Identification Number
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
“DPIIT”	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
“EPS”	Earnings per share
“FDI Policy” or “Consolidated FDI Policy”	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
“FDI”	Foreign direct investment
“FEMA Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“FEMA”	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
“Financial Year”, “Fiscal”, “FY” or “F.Y.”	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise
“FIR”	First information report
“FPI(s)”	Foreign Portfolio Investor, as defined under the FPI Regulations
“Fugitive Economic Offender”	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018
“FVCI”	Foreign venture capital investors, as defined and registered with SEBI under the SEBI FVCI Regulations
“GDP”	Gross domestic product

"GIR Number"	General index registration number
"GoI" or "Government" or "Central Government"	Government of India
"GST"	Goods and services tax
"HUF"	Hindu undivided family
"IAS Rules"	Companies (Indian Accounting Standards) Rules, 2015, as amended
"ICAI"	The Institute of Chartered Accountants of India
"ICSI"	The Institute of Company Secretaries of India
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board
"India"	Republic of India
"Insider Trading Regulations"	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
"IPC"	The Indian Penal Code, 1860
"IPO"	Initial Public Offer
"IPR"	Intellectual property rights
"IRS"	U.S. Internal Revenue Service
"IST"	Indian Standard Time
"IT Act"	The Income-tax Act, 1961
"IT"	Information Technology
"Listing Agreement"	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
"MCA"	Ministry of Corporate Affairs, Government of India
"MCLR"	Marginal Cost of Funds based Lending Rate
"Mn" or "mn"	Million
"N.A."	Not applicable
"N.I. Act"	The Negotiable Instruments Act, 1881
"NACH"	National Automated Clearing House
"NAV"	Net asset value
"NBFC"	Non-Banking Financial Company
"NEFT"	National electronic fund transfer
"NPCI"	National Payments Corporation of India
"NRE Account"	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
"NRE"	Non-resident external
"NRI" or "Non-Resident Indian"	Non-Resident Indian as defined under the FEMA Rules
"NRO Account"	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
"NRO"	Non-resident ordinary
"NSDL"	National Securities Depository Limited
"NSE"	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
"ODI"	Offshore derivative instruments
"P/E Ratio"	Price/earnings ratio
"PAN"	Permanent account number allotted under the Income-tax Act, 1961
"PFIC"	Passive foreign investment company
"RBI"	Reserve Bank of India
"Regulation S"	Regulation S under the U.S. Securities Act
"RONW"	Return on Net Worth
"RTGS"	Real time gross settlement
"SCRA"	Securities Contracts (Regulation) Act, 1956
"SCRR"	Securities Contracts (Regulation) Rules, 1957
"SEBI Act"	Securities and Exchange Board of India Act, 1992
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
"SEBI FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
"SEBI ICDR Master Circular"	SEBI master circular bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023
"SEBI ICDR Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
"SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
"SEBI Merchant Bankers Regulations"	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
"SEBI RTA Master Circular" or "RTA Master Circular"	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.
"SEBI"	Securities and Exchange Board of India constituted under the SEBI Act
"State Government"	Government of a State of India

"STT"	Securities Transaction Tax
"Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
"U.S. GAAP"	Generally Accepted Accounting Principles in the United States of America
"U.S. Securities Act"	United States Securities Act of 1933, as amended
"U.S.A"/ "U.S."/ "United States"	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
"USD" or "US$"	United States Dollars
"VAT"	Value added tax
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

OFFER DOCUMENT SUMMARY

This section is a general summary of the terms of the Offer, certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoter and Promoter Group", "Financial Information", "Management's Discussions and Analysis of Financial Position and Results of Operations", "Outstanding Litigation and Material Developments", "Offer Structure" and "Description of the Equity Shares and Terms of the Articles of Association" on pages 26, 59, 74, 90, 130, 199, 265, 272, 334, 374, 414 and 444, respectively.

Summary of primary business of our Company

We have eight hospitals that we operate under the "Paras Health" brand, which are spread across five states and one union territory in North India – Gurugram and Panchkula in Haryana; Patna and Darbhanga in Bihar; Kanpur, Uttar Pradesh; Udaipur, Rajasthan; Ranchi, Jharkhand; and Srinagar in the union territory of Jammu and Kashmir. We have gradually expanded our presence in underserved markets and increased the number of beds from 200 beds as of as of June 2006 to 2,135 beds as of March 31, 2024.

Summary of the industry in which our Company operates

The domestic healthcare industry comprises the following segments: healthcare delivery (hospitals, clinics), pharmaceuticals, medical devices, diagnostic services, medical equipment, and other support services to the healthcare players. The Indian healthcare delivery market to have reached approximately ₹ 6.3 trillion in value terms by the end of Fiscal 2024, with growth being contributed by the continuation of regular treatments, surgeries and in-patient department ("**IPD**") including average revenue per occupied bed expansion for the sector. Growing and high realization medical tourism will contribute more to the industry. *(Source: CRISIL Report)*

Name of the Promoter

Our Promoter is Dr. Dharminder Kumar Nagar. For further details, see "*Our Promoter and Promoter Group*" on page 265.

Offer Size

Offer of Equity Shares(1)(2)	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which	
Fresh Issue(1)(3)	Up to [●] Equity Shares, aggregating up to ₹ 4,000 million
Offer for Sale(2)	Up to 14,974,010 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders
The Offer comprises:	
Employee Reservation Portion(4)	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million

(1) The Offer has been authorized by our Board pursuant to a resolution adopted at its meeting held on July 22, 2024 and by our Shareholders pursuant to a special resolution adopted at its meeting held on July 25, 2024, in accordance with Section 62(1)(c) of the Companies Act, 2013.

(2) The Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulations 8 and 8A of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus. For further details of authorizations pertaining to the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 389.

(3) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus.

(4) Our Company may, in consultation with the BRLMs, consider offering a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see "Offer Structure" beginning on page 414.

The Offer and the Net Offer shall constitute [●]% and [●]%, of the post Offer paid up Equity Share capital of our Company, respectively. For further details of the Offer, see "*The Offer*" and "*Offer Structure*" on pages 59 and 414, respectively.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(In ₹ million)

Particulars	Amount(1)
Prepayment or scheduled re-payment of a portion of certain	2,179.58

outstanding borrowings availed by our Company	
Investment in our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, in the form of debt or equity for repayment/prepayment of borrowings, in full or part, of such Subsidiaries	820.42
General corporate purposes*#	[●]
Total#	**[●]**

**To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*
 # The amount to be utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue, in accordance with the SEBI ICDR Regulations.
(1) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus.

For further details, see "*Objects of the Offer*" on page 90.

Aggregate pre-Offer and post-Offer shareholding of our Promoter (also the Promoter Selling Shareholder), the Promoter Group and the Investor Selling Shareholder

The aggregate pre-Offer and post-Offer shareholding of our Promoter (also the Promoter Selling Shareholder), the Promoter Group and the Investor Selling Shareholder as a percentage of the pre-Offer and post-Offer paid-up Equity Share capital of our Company is set out below:

S No.	Name of Shareholder	Pre-Offer		Post-Offer**	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital	Number of Equity Shares	Percentage of total post-Offer paid up Equity Share capital
Promoter					
1.	Dr. Dharminder Kumar Nagar*	73,519,238	75.32	[●]	[●]
	Total (A)	**73,519,238**	**75.32**	[●]	[●]
Promoter Group					
2.	Gurdeep Kaur Nagar	1	Negligible	[●]	[●]
3.	Ranya Nagar	1	Negligible	[●]	[●]
	Total (B)	**2**	**Negligible**	[●]	[●]
Investor Selling Shareholder					
1.	Commelina Ltd	24,091,380	24.68	[●]	[●]
	Total (C)		**24.68**	[●]	[●]
	Total (A) + (B) + (C)	**97,610,620**	**100.00^**	[●]	[●]

**Also the Selling Shareholder.*
^ The remaining Shareholders of our Company (as of the date of the filing of this Draft Red Herring Prospectus) have negligible shareholding on a cumulative basis.
***To be updated at the Prospectus stage.*

Select Financial Information

The following details of our Equity Share capital, instruments entirely equity in nature, net worth, net asset value per Equity Share (basic and diluted), total borrowings, total revenue from operations, profit from continuing operations and earnings per Equity Share (basic and diluted) as at and for the Fiscals 2024, 2023 and 2022 are derived from the Restated Consolidated Financial Information:

(in ₹ million)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Equity share capital	97.61	36.76	36.76
Net Worth[1]	3,385.08	301.06	731.09
Total Income	11,510.23	9,360.53	7,931.72
Revenue from Operations	11,290.39	9,179.20	7,799.24
Profit/(loss) before exceptional items and tax	66.30	(270.53)	(2.83)
Earnings per share of face value of ₹ 1 each			
-Basic, computed on the basis of profit attributable to equity holders ₹[2]	(1.57)	(5.82)	(2.01)
-Diluted, computed on the basis of profit attributable to equity holders ₹[3]	(1.57)	(5.82)	(2.01)
Net asset value per Equity Share (Basic) ₹[4]	34.68	4.10	9.94
Net asset value per Equity Share (Diluted) ₹[5]	34.68	4.10	9.94
Total current and non-current borrowings	5,475.33	3,946.82	2,139.51

1. *Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2024; 2023 and 2022, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.*
2. *Basic Earnings per Equity Share (₹) = Net profit after tax attributable to owners of the Company, divided by weighted average number of Equity Shares outstanding during the year.*
3. *Diluted Earnings per Equity Share (₹) = Net profit after tax attributable to owners of the Company divided by weighted average number of potential Equity Shares outstanding during the year.*
4. *Net asset value per Equity Share (Basic) is calculated as total equity divided by number of equity shares outstanding as at the end of year.*
5. *Net asset value per equity value per Equity Share (Diluted) is calculated as total equity divided by equity shares outstanding (including potential equity shares on a fully diluted basis).*

For further details, see "*Other Financial Information*" on page 333.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, its Subsidiaries, Promoter and Directors as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Material Developments*" in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings (direct and indirect tax)	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved (₹ in million)
			Company			
By our Company	7	-	-	-	Nil	2.80
Against our Company	3	17*	2	-	9	251.97
			Subsidiaries			
By our Subsidiaries	Nil	-	-	-	Nil	Nil
Against our Subsidiaries	Nil	5^^	1	-	Nil	21.50
			Directors (other than Promoter)			
By our Directors	Nil	-	Nil	-	1	75.00
Against our Directors	Nil	Nil	2	-	-	Nil
			Promoter			
By our Promoter	Nil	-	-	-	Nil	Nil
Against our Promoter	2**	Nil	Nil	Nil	3**	127.67

**There are 17 pending income tax matters involving the Company, out of which 14 are related to income tax assessment. The amount involved in such matters cannot be ascertained at this stage and therefore, financial impact is not quantifiable.*

*** These matters are also included in the pending material civil litigation and criminal proceedings against the Company, as applicable.*

^^This includes an appeal filed in the High Court of Judicature for Rajasthan, Jodhpur by the Income Tax Department challenging the order passed by the Income Tax Appellate Tribunal, Mumbai in favour of Plus Medicare Hospitals Private Limited. The amount involved in this matter cannot be ascertained at this stage and therefore, financial impact is not quantifiable.

As on the date of this Draft Red Herring Prospectus, our Company does not have any group companies in terms of the SEBI ICDR Regulations.

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 374.

Risk Factors

Specific attention of the investors is invited to "*Risk Factors*" on page 26.

Summary of Contingent Liabilities of our Company

Except as disclosed below, there are no contingent liabilities of our Company as at March 31, 2024 derived from the Restated Consolidated Financial Information.

(₹ in million)

Sr. No.	Particulars	As at March 31, 2024
1.	Our Subsidiary, PHRPL had received notice(s) amounting to ₹ 27.50 million from Heavy Engineering Corporation Limited ("**HEC**") as liquidated damages in earlier years on account of the delay in opening of a 50 bedded hospital, in accordance with the terms and conditions of an agreement dated January 16, 2018. Our Subsidiary has replied to such notices from HEC and anticipate a favorable outcome in future. Basis the management's assessment and supported by the external legal opinion, our Subsidiary has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of our Subsidiary.	27.50
2.	Legal cases in respect of compensation demanded by the patients/their relatives for negligence (net of provisions)	37.71
3.	*Guarantees*:	
(i)	Bank guarantee given to HEC by our Company on behalf of our Subsidiary, Paras Healthcare (Ranchi) Private Limited amounting to INR 75.00 million in accordance with the terms and conditions of the concession agreement entered between our Company, our Subsidiary, Paras Healthcare (Ranchi) Private Limited and HEC	75.00
(ii)	Corporate guarantee provided by our Company to banks on behalf of our Subsidiaries for the purpose of obtaining loans by our Subsidiaries:	
	Plus Medicare Hospitals Private Limited	328.50
	Paras Healthcare (Ranchi) Private Limited	561.38
(iii)	Our Subsidiary, Plus Medicare Hospitals Private Limited, has issued corporate guarantee to the bank on behalf of our Company for the renewal of our Company's credit facilities	1,856.14
Total		**2,886.23**

For further information of our contingent liabilities as on March 31, 2024 as per Ind AS 37, see "*Restated Consolidated Financial Information – Note 32 – Commitments and Contingencies*" on page 314.

(Remainder of this page has been intentionally left blank)

Summary of Related Party Transactions

The following is the summary of transactions with related parties as at and for Fiscals 2024, 2023 and 2022, as per the requirements under Ind AS 24, derived from the Restated Consolidated Financial Information:

Related parties with whom transactions have taken place	Nature of transaction/ Particulars	For the year ended 31 March 2024	% revenue from operations Fiscal year 2024	For the year ended 31 March 2023	% revenue from operations Fiscal year 2023	For the year ended 31 March 2022	% revenue from operations Fiscal year 2022
Dr. Dharminder Kumar Nagar	Short term employee benefits and Other long term benefits	53.77	0.48%	53.77	0.59%	53.77	0.69%
Dr. Kapil Garg	Short term employee benefits and Other long term benefits	10.96	0.10%	10.77	0.12%	9.79	0.13%
Mr. Debajit Sensharma	Short term employee benefits and Other long term benefits	-	-	11.40	0.12%	12.41	0.16%
Mr. Dilip Bidani	Short term employee benefits and Other long term benefits	19.03	0.17%	1.83	0.02%	-	-
Mr. Rahul Kumar	Short term employee benefits and Other long term benefits	3.26	0.03%	2.44	0.03%	-	-
Mr. Mohd. Shahid	Short term employee benefits and Other long term benefits	0.00	0.00%	-	0.00%	1.02	0.01%
Dr. Dharminder Kumar Nagar	Post employment defined benefits	1.33	0.01%	1.33	0.01%	1.33	0.02%
Dr. Kapil Garg	Post employment defined benefits	0.25	0.00%	0.23	0.00%	0.21	0.00%
Mr. Debajit Sensharma	Post employment defined benefits	-	-	0.24	0.00%	0.29	0.00%
Mr. Dilip Bidani	Post employment defined benefits	0.47	0.00%	0.04	0.00%	-	-
Mr. Rahul Kumar	Post employment defined benefits	0.08	0.00%	0.05	0.00%	-	-
Mr. Mohd. Shahid	Post employment defined benefits	-	-	-	-	0.02	0.00%
Dr. Veer Singh Mehta	Retainers and consultants fee	18.26	0.16%	32.21	0.35%	35.34	0.45%
Mr. Saurabh Sood	Directors sitting fees	0.33	0.00%	0.06	0.00%	0.06	0.00%
Mr. Ramesh Abhishek	Directors sitting fees	0.83	0.01%	0.4	0.00%	0.3	0.00%
Ch. Ved Ram Nagar Medical Education & Research Society	Rental income	0.02	0.00%	0.02	0.00%	0.02	0.00%

For further details of the related party transactions, see "*Financial Information - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 34 – Related Parties Disclosures*" at page 316.

Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase of any securities of our Company by any other person other than in the normal course of the business of the financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Average cost of acquisition for our Promoter (who is also a Selling Shareholder) and the Investor Selling Shareholder

The average cost of acquisition per Equity Share for shares held by our Promoter (who is also a Selling Shareholder) and the Investor Selling Shareholder, as at the date of this Draft Red Herring Prospectus, is:

Name	Number of Equity Shares held*	Average cost of acquisition per Equity Share (in ₹)*#
Promoter (who is also a Selling Shareholder)		
Dr. Dharminder Kumar Nagar	73,519,238	0.35
Investor Selling Shareholder		
Commelina Ltd	24,091,380	114.15

** As certified by Suri & Sudhir, Chartered Accountants by way of their certificate dated July 31, 2024.*
 # Average cost of acquisition has been computed after considering the impact of the sub-division of equity shares and bonus issuance of the Equity Shares made by our Company.

Weighted average price at which the Equity Shares were acquired by our Promoter (also the Promoter Selling Shareholder) and the Investor Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Name of the Promoter (also the Promoter Selling Shareholder)	Number of Equity Shares acquired in the last one year	Weighted average price of acquisition per Equity Share (in ₹)*^
Dr. Dharminder Kumar Nagar	36,759,620	Nil
Name of the Investor Selling Shareholder	**Number of Equity Shares acquired in the last one year**	**Weighted average price of acquisition per Equity Share (in ₹)*^**
Commelina Ltd	12,045,690	Nil

** As certified by Suri & Sudhir, Chartered Accountants by way of their certificate dated July 31, 2024.*
^ No consideration has been paid as the Equity Shares were received pursuant to the bonus issuance of Equity Shares.

Weighted average cost of acquisition of Equity Shares transacted in one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition* (1)	Floor Price is 'x' times the weighted average cost of acquisition* (1)	Range of acquisition price per Equity Share: lowest price – highest price* (in ₹)
Last one year preceding the date of this Draft Red Herring Prospectus	Nil^	[●]	[●]	Nil^
Last 18 months preceding the date of this Draft Red Herring Prospectus	Nil^	[●]	[●]	Nil^
Last three years preceding the date of this Draft Red Herring Prospectus	Nil^	[●]	[●]	Nil^

** As certified by Suri & Sudhir, Chartered Accountants by way of their certificate dated July 31, 2024.*
^ No consideration has been paid as the Equity Shares were received pursuant to the bonus issuance of Equity Shares or gift.
(1) To be updated at the time of filing the Prospectus.

Details of price at which specified securities were acquired by the Promoter, members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or any other special rights in the last three years preceding the date of this Draft Red Herring Prospectus

Sr. No.	Name	Date of acquisition / allotment of the Equity Shares	Number of Equity Shares acquired	Face value (in ₹)	Nature of acquisition	Acquisition price per Equity Share* (in ₹)
Promoter (who is also a Selling Shareholder)						
1.	Dr. Dharminder Kumar Nagar	March 27, 2024	36,759,620	1	Bonus issue	Nil^
Promoter Group						
1.	Gurdeep Kaur Nagar	May 31, 2024	1	1	Transfer by way of gift	Nil$
2.	Ranya Nagar	May 31, 2024	1	1	Transfer by way of gift	Nil$
Shareholders with the right to nominate directors or any other special rights						
1.	Commelina Ltd (also the Investor Selling Shareholder)	March 27, 2024	12,045,690	1	Bonus issue	Nil^

** As certified by Suri & Sudhir, Chartered Accountants by way of their certificate dated July 31, 2024.*
^ No consideration has been paid as the Equity Shares were received pursuant to the bonus issuance of Equity Shares.
$ No consideration has been paid as the Equity Shares were received pursuant to gift of Equity Shares.

Details of Pre-IPO Placement

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus.

Issue of Equity Shares for consideration other than cash in the last one year

Except as disclosed in "*Capital Structure – Issue of shares for consideration other than cash or by way of bonus issue or out of revaluation reserves*" on page 77, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split / Consolidation of Equity Shares in the last one year

Except as disclosed in "*Capital Structure – Notes to the Capital Structure – 1. Share capital history of our Company – (a) Equity Share capital*" on page 74, there has been no split or consolidation of the Equity Shares of our Company in the last one year.

Exemption from complying with provisions of securities laws granted by SEBI

Our Company has not sought any exemption by SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India and its territories and possession and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references to the "U.S.", "USA" or "United States" are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires or indicates, the financial information, financial ratios and any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 199 and 334, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from our Restated Consolidated Financial Information.

The Restated Consolidated Financial Information comprises the restated consolidated financial information of our Company and its subsidiaries as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, comprising the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, and notes to the restated consolidated financial information, including, material accounting policies and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. The Restated Consolidated Financial Information has been prepared to comply in all material respects with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of division II of Schedule III to the Companies Act, 2013, as applicable to the consolidated financial statements and other relevant provisions of the Companies Act, 2013.

For further information on our Company's financial information, see "*Financial Information*" on page 272.

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year. Our Company's financial year commences on April 1 and ends on March 31 of the next calendar year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 month period ended on March 31 of that calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind-AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind-AS, U.S. GAAP and IFRS. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with accounting standards in India, the Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify or identify the impact of the differences between the financial data (prepared under Ind AS and IFRS/ U.S. GAAP), nor have we provided a reconciliation thereof. We urge you to consult your own advisors regarding such differences and their impact on our financial data included in this Draft Red Herring Prospectus.

For further details in connection with risks involving differences between Ind AS and other accounting principles, see "*Risk Factor – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider them material to their assessment of our financial condition.*" on page 51.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise requires or indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 199 and 334, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of figures derived from the Restated Consolidated Financial Information.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures derived from our Restated Consolidated Financial Information in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to one decimal place. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Non-GAAP Measures

In evaluating our business, we consider and use non-GAAP financial measures and key performance indicators, including EBITDA, EBITDA Margin, RoE, RoCE, Debt to Equity, Revenue Growth Rate, Increase in EBITDA, Capital employed, Net profit ratio, Net Worth, Return on Net Worth, Net Asset Value, etc., which have been included in this Draft Red Herring Prospectus. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with Ind-AS. We present these non-GAAP financial measures because they are used by our management to evaluate our operating performance and formulate business plans.

These non-GAAP financial measures are not defined under Ind-AS and are not presented in accordance with Ind-AS. The non-GAAP financial measures have limitations as analytical tools. Further, these non-GAAP financial measures may differ from the similar information used by other companies, including peer companies, and therefore their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to profit before tax or any other measure of performance or as an indicator of our operating performance, liquidity or profitability or results of operations.

For further details, see "*Risk Factor - We have included certain Non-GAAP Measures and other industry measures related to our operations and financial performance in this Draft Red Herring Prospectus. These Non-GAAP Measures and industry measures may vary from any standard methodology that is applicable across the Indian healthcare industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 50 and 334.

Currency and Units of Presentation

All references to:

1. "Rupees" or "INR" or "Rs." or "₹" are to the Indian Rupee, the official currency of Republic of India; and

2. "USD" or "US$" or "$" or "U.S. Dollar" are to the United States Dollar, the official currency of the United States of America;

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in "lakh", "million", "crores" "billion" and "trillion" units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)

Currency#	As on March 31, 2024(1)	As on March 31, 2023(1)	As on March 31, 2022(1)
1 USD	83.37	82.22	75.80

#Source: www.fbil.org

(1) All figures are rounded up to two decimals

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in "*Industry Overview*" and "*Our Business*" on pages 130 and 199, respectively, has been obtained or derived from the report titled "*Assessment of Healthcare delivery sector India with a focus on North India*", dated July 2024, prepared by CRISIL MI&A. The CRISIL Report has been commissioned and paid for by our Company exclusively for the purposes of the Offer, pursuant to an engagement letter dated April 8, 2024 and is available on our Company's website at www.parashospitals.com and has also been included in "*Material Contracts and Documents for Inspection – Material Documents*" on page 516. Further, CRISIL MI&A *vide* their letter dated July 31, 2024 ("**Letter**") has accorded their no objection and consent to use the CRISIL Report, in full or in part, in relation to the Offer. Further, CRISIL MI&A, *vide* their Letter has confirmed that they are an independent agency, and confirmed that they are not related to our Company, our Directors, our Promoter, KMPs, SMPs or the Book Running Lead Managers. For further details in relation to risks involving in this regard, see "*Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such a purpose"* on page 50.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "goal", "intend", "may", "likely", "objective", "plan", "propose", "will", "will continue", "seek to", "will achieve", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities, investments, or the industry in which we operate, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry in which we operate and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- We have incurred loss for the year of ₹ 153.31 million, ₹ 427.92 million and ₹ 148.08 million during Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We cannot assure you that we will generate profit and not incur losses in future.

- We are highly dependent on doctors, nurses and other healthcare professionals and if we are unable to attract, retain or train such professionals, our business, results of operations and financial condition may be adversely affected.

- All of our hospitals are located in North India, including, the four hospitals which have been operational for over five years and on which we are dependent for a significant portion of our revenue from operations. Consequently, any adverse developments at such hospitals or in the regions where our hospitals are located could have an adverse effect on our business, results of operations and financial condition.

- We generate a significant portion of our revenues from the provision of cardiac sciences, oncology, neuro sciences and gastro sciences specialties which contributed 59.58%, 58.41% and 54.00% of our revenue from operations for Fiscal 2024, 2023 and 2022, respectively. Any adverse developments in the demand for such services or changes in new technology could render certain offering obsolete that could adversely affect our business, results of operations and financial condition.

- The provision of healthcare services involves high costs such as employee benefit expenses, rent and facility fees, retainers and consultants fee and purchase of equipment and consumables which we may fail to pass on to patients which could adversely affect our business, results of operations and financial condition.

- Regulatory reforms in the healthcare industry and the uncertainty associated with pharmaceutical pricing including any regulation to provide uniform pricing and discounted pricing for all patients could adversely affect our business, results of operations and financial condition.

- We may not be successful in expanding our hospital network, developing our proposed hospitals and may not achieve operating capacities that we anticipate, any of which could adversely affect our business, results of operations, financial condition and prospects.

- We are dependent on revenue generated from in-patient department. If we are unable to maintain and increase our hospital occupancy rates, our operating efficiencies and profitability will be adversely affected.

- Our business depends on the strength of our brand and reputation and any negative publicity or allegations in the media against us, may adversely affect the level of trust in our services and have an adverse effect on our business, financial condition, results of operations and prospects.

- We operate most of our hospitals through revenue share arrangements and long term leases and any adverse developments in our relationships with our counter parties, or our inability to renew such leases could adversely affect our ability to operate such hospitals.

For further discussion of factors that could cause our actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 199 and 334, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of our future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoter, Selling Shareholders, the Book Running Lead Managers, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Offer from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with the SEBI ICDR Regulations, the Selling Shareholders shall ensure (through our Company) that the investors are informed of material developments in relation to statements and undertakings specifically confirmed or undertaken by the Selling Shareholders in relation to it and the Offered Shares from the date the Red Herring Prospectus, until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Further, only statements and undertakings which are confirmed or undertaken by each Selling Shareholder, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder as of the date of this Draft Red Herring Prospectus.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Potential investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows financial condition and prospects. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Consolidated Financial Information" on pages 199, 130, 334 and 272, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 24.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. Unless otherwise indicated or unless context requires otherwise, the financial information included herein is based on our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 272.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of Healthcare delivery sector India with a focus on North India" dated July 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL MI&A, who were appointed by our Company pursuant to an engagement letter dated April 8, 2024, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.parashospitals.com/investors from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "Material Contracts and Documents for Inspection – B. Material Documents" on page 516. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 23.*

Internal Risk Factors

1. ***We have incurred loss for the year of ₹ 153.31 million, ₹ 427.92 million and ₹ 148.08 million during Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We cannot assure you that we will generate profits and not incur losses in the future.***

We have incurred losses during Fiscal 2024, 2023 and 2022. While we witnessed an increase in our revenue from operations during the last three Fiscals, however, this was offset by a corresponding increase in our total expenses, which was primarily on account of an increase in purchases of stock-in-trade from ₹ 2,077.92 million during Fiscal 2022 to ₹ 2,415.36 million and ₹ 3,048.95 million during Fiscal 2023 and Fiscal 2024, respectively. Further, our Srinagar hospital also incurred an operating loss of ₹ 240.00 million pertaining to 10 months of its operations during Fiscal 2024.

The table below provides details of our revenue from operations, total expenses and loss for the year for the periods indicated:

Particulars	Fiscal 2024 (in ₹ million)	Fiscal 2023 (in ₹ million)	Fiscal 2022 (in ₹ million)
Revenue from Operations	11,290.39	9,179.20	7,799.24
Total Expenses	11,443.93	9,631.06	7,934.55
Loss for the year	153.31	427.92	148.08

Our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited also incurred losses during the last three Fiscals. The table below provides details of such losses for the periods indicated:

Name of the Subsidiary	Fiscal 2024 (in ₹ million)	Fiscal 2023 (in ₹ million)	Fiscal 2022 (in ₹ million)
Paras Healthcare (Ranchi) Private Limited	(326.51)	(404.23)	(204.20)
Plus Medicare Hospitals Private Limited	(546.18)	(29.49)	-(1)

(1) *Plus Medicare Hospitals Private Limited became our Subsidiary in Fiscal 2023 and accordingly data for Fiscal 2022 has not been included.*

Going forward, pursuant to our strategy to grow the number of our beds and establish new hospitals, we will incur additional capital expenditure and may incur losses. Any failure to increase our revenue sufficiently to keep pace with our expenses could prevent us from achieving, maintaining, or increasing profitability on a consistent basis. We cannot assure you that our Subsidiaries will become profitable, or be able to raise adequate capital to continue their operations or meet their obligations. If these Subsidiaries do not become profitable, or are not able to raise capital required on acceptable terms, or at all, their operations may be adversely affected, which in turn will have an adverse effect on our financial performance and results of operations.

2. We are highly dependent on doctors, nurses and other healthcare professionals and if we are unable to attract, retain or train such professionals, our business, results of operations and financial condition may be adversely affected.

Our performance and growth strategy depends substantially on our ability to attract and retain experienced doctors, nurses and other healthcare professionals. The demand for skilled doctors is high and the availability of specialist doctors in India is limited due to factors including the significant training period involved, making it difficult to hire and retain senior doctors. We compete with other healthcare providers, including other super-specialty and single-specialty hospital chains, to attract and retain doctors from a limited pool of candidates. While we have not faced instances in the last three Fiscals where we were not able to hire senior doctors, we cannot assure you that such instances will not occur in the future as we grow our hospital network.

As of March 31, 2024, we had a team of 2,999 medical professionals, including 820 doctors (excluding visiting doctors), 1,509 nurses and 670 other healthcare professionals. The table below provides details of our medical professionals and their attrition rate in the relevant period:

Category	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Doctors* (I)	820	679	578
Attrition rate (%)#	48.60	48.79	50.50
Nurses (II)	1,509	1,442	1,145
Attrition rate (%)	91.02	87.84	102.84
Other Healthcare Professionals (III)**	670	549	467
Attrition rate (%)	50.27	40.91	42.82
Medical Professionals (I+II+III) (A)	2,999	2,670	2,190
Attrition rate (%)	71.20	67.66	76.71
Housekeeping and Support Staff (B)	1,114	935	741
Attrition rate (%)	57.98	53.04	61.58
Total (A+B)	4,113	3,605	2,931
Attrition rate (%)	67.67	63.94	73.08

Note:
** Includes resident medical officers and consultants and excludes visiting doctors.*
*** Other Healthcare Professionals primarily includes technicians, radiographers, para medical staff and professionals handling emergency services.*
*# Attrition rate is calculated as (number of exit employees divided by average monthly headcount)*100. An attrition rate exceeding 100% indicates number of employees who left our Company during the relevant period is more than the average monthly headcount for that relevant period.*

We also need to identify, attract and retain other healthcare professionals, such as nurses and paramedical staff, to support the services provided at our hospitals. The limited supply of healthcare professionals may result in an increase in compensation payable to them as well as in costs involved in recruiting and training them. If we are unable to attract or retain doctors, nurses and other healthcare professionals, we may not be able to provide our services or maintain the quality of our services, which may have an adverse effect on our business, reputation, results of operations and financial condition.

3. All of our hospitals are located in North India, including, the four hospitals which have been operational for over five years and on which we are dependent for a significant portion of our revenues. Consequently, any adverse

developments at such hospitals or in the regions where they are located could have an adverse effect on our business, results of operations and financial condition.

We generate a significant portion of our revenues from four of our hospitals, two of which are located in Gurugram and Panchkula in Haryana and the other two in Patna and Darbhanga in Bihar that have been operational for over five years.

The following table sets forth details of our revenues generated from our hospitals on the basis of the number of years that they have been operational:

Hospitals operational for	**Revenue for Fiscal**			**Growth rate between Fiscal 2023 and Fiscal 2024**	**Growth rate between Fiscal 2022 and Fiscal 2023**
	2024 (₹ million)	**2023 (₹ million)**	**2022 (₹ million)**		
Over 5 years	9,276.12	8,115.88	7,215.78	14.30%	12.47%
Between 3 and 5 years	1,664.27	1,063.32	583.46	56.52%	82.24%
Total of 6 hospitals	**10,940.39**	**9,179.20**	**7,799.24**	**19.19%**	**17.69%**
Less than 3 years	350.00	-	-	-	-
Revenue from operations	**11,290.39**	**9,179.20**	**7,799.24**	**23.00%**	**17.69%**

Our operations at these hospitals are subject to various risks and uncertainties including those beyond our control. Consequently, any loss of business or disruption in the operations at such hospitals could have an adverse effect on our business, results of operations and financial condition. Further, our hospitals in Srinagar and Kanpur commenced their operations in June 2023 and April 2024, respectively. While Srinagar hospital contributed ₹ 345.96 million representing 3.06% of our revenue from operations for Fiscal 2024, however, an operating loss of ₹ 240.00 million was incurred pertaining to 10 months of operations of the Srinagar Hospital in Fiscal 2024. Further, pre-operating expenses of both, Srinagar and Kanpur hospitals amounted to ₹ 135.10 million in Fiscal 2024.

If these hospitals do not witness the levels of patient footfall that we anticipate, and contribute to our revenue from operations in a way that we foresee, we may continue to incur fixed costs and our profitability could be adversely affected.

In addition, all of our hospitals are located in North India, which exposes us to adverse economic or political circumstances that affect demand for healthcare services in the region. Any adverse developments including natural disasters, political or civil unrest, disruption, disturbance or sustained economic downturn in North India could adversely affect our business, results of operations and financial condition.

4. ***We generate a significant portion of our revenues from the provision of cardiac sciences, oncology, neuro sciences and gastro sciences specialties which contributed 59.58%, 58.41% and 54.00% of our revenue from operations for Fiscal 2024, 2023 and 2022, respectively. Any adverse developments in the demand for such services or changes in technology could render such offerings obsolete and could adversely affect our business, results of operations and financial condition.***

We generate a significant portion of our revenues from the provision of certain specialties at our hospitals. The following table sets forth details of revenue generated by key specialties which contributed more than 10% of our revenue from operations during Fiscals 2024, 2023 and 2022:

Specialty	**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (in ₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (in ₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (in ₹ million)**	**Percentage of Revenue from Operations (%)**
Cardiac sciences	1,494.68	13.24	1,190.33	12.97	1,029.55	13.20
Oncology	2,133.68	18.90	1,550.35	16.89	1,103.82	14.15
Neuro sciences	1,709.37	15.14	1,333.48	14.53	1,088.95	13.96
Gastro sciences	1,389.12	12.30	1,287.30	14.02	989.99	12.69
Total	**6,726.85**	**59.58**	**5,361.46**	**58.41**	**4,212.31**	**54.00**

Note: We commenced operations at our Srinagar hospital in June 2023.

Significant changes arising from new technological advancements could render certain of our current offerings obsolete or inefficient. Certain of our doctors may not possess the required skill set to work with new technologies, which would require us to make significant investments in training them to improve their skillsets. In addition, services provided by us using new technologies may not be accepted by our patients on account of uncertainty around their effectiveness, which could result in an increase in amount of time we take to recover our investment in new technology and equipment. While we have not experienced instances in the last three Fiscals where we had to make significant investments to train our doctors to use new technology or equipment or where our services were not accepted by our patients, we cannot assure you that such instances will not occur in the future.

Consequently, any reduction in demand or a temporary or permanent discontinuation of such services could have an adverse effect on our business, results of operations and financial condition.

5. ***The provision of healthcare services involves high costs such as employee benefit expenses, rent and facility fees, retainers and consultants fee and purchase of equipment and consumables, which we may fail to pass on to patients, which could adversely affect our business, results of operations and financial condition.***

We operate in an industry which involves high costs including costs for employee benefit expenses, rent and facility fees, and retainers and consultants fee and purchase of equipment and consumables. The purchase of specialized equipment that we require for our business may involve incurring substantial costs. The table below provides details of such expenses as a percentage of total expenses for the periods indicated:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)
Employee benefit expense	1,672.58	14.62	1,336.94	13.88	1,000.74	12.61
Purchases of stock-in-trade	3,048.95	26.64	2,415.36	25.08	2,077.92	26.19
Retainers and consultants fee	2,939.84	25.69	2,348.23	24.38	1,900.81	23.96
Rent and facility fees	331.86	2.90	178.62	1.85	230.82	2.91
Total	**7,993.23**	**69.85**	**6,279.15**	**65.20**	**5,210.29**	**65.67**

If we are unable to pass on increases in our costs to patients, our profitability may be adversely affected. Such costs may not depend on the revenue we generate, and we cannot assure you that our costs will decrease in the future. Further, if our costs increase in the future, or if we are unable to grow our revenue in line with our costs, our business, results of operations and financial condition may be adversely affected.

6. ***Regulatory reforms in the healthcare industry and the uncertainty associated with pharmaceutical pricing including any regulation to provide uniform pricing and discounted pricing for all patients could adversely affect our business, results of operations and financial condition.***

The healthcare industry is heavily regulated by the Government and the state governments. The ability of the Government to incur expenses for healthcare are subject to legislative and policy changes, which may alter or eliminate programs that contribute to our revenues. For further information in relation to laws, regulations and policies applicable to our business, see "*Key Regulations and Policies*" on page 223. We cannot assure you that legislative and regulatory changes in the methods and standards used by the government agencies to reimburse and regulate the operation of hospitals will not result in limitations and reductions in levels of payments to us for certain services. For example, our results of operations have been impacted in the past by policy changes for the price of central government health scheme ("**CGHS**"), adoption of CGHS pricing by many state governments and public sector undertakings, price cap on implants by the National Pharmaceutical Pricing Authority, capping of prices of certain blood bank services and fixed price for treatments by state governments during the COVID pandemic.

Further, the Supreme Court, by way of its order dated February 27, 2024 in a public interest litigation on standardizing fee structures for private hospitals, has directed the Secretary, Health Department, Union of India to convene a meeting with his counterparts of the state governments and union territories in order to determine the rate of fee chargeable from the patients in terms of Rule 9 of the Clinical Establishment (Central Government) Rules, 2012, and that the Supreme Court would consider the proposal to notify the standardized rates notified for CHGS empanelled hospitals as an interim measure, in the event a concrete proposal is not put forward by the Central Government by the next date of hearing. While the final outcome of this matter is awaited, such judicial pronouncements may adversely affect our business, results of operations and financial condition.

Although we cannot predict the nature of the measures that may be adopted by government agencies in the future or their effect on our business and revenues, the announcement or adoption of such proposals may affect our profit margins, results of operations and cash flows.

7. ***We may not be successful in expanding our hospital network, developing our proposed hospitals and may not achieve operating capacities that we anticipate, any of which could adversely affect our business, results of operations, financial condition and prospects.***

We intend to continue to expand our network of hospitals in key markets in North India, which we believe have significant growth potential. In Gurugram, we are increasing our footprint and setting up another hospital through a long-term lease arrangement and we intend to launch this hospital in Fiscal 2027 with 300 beds. We are setting up our first hospital in Ludhiana through a long-term lease arrangement and intend to launch it in Fiscal 2028 with up to 500 beds. These expansion plans would increase our bed capacity from 2,135 as of March 31, 2024 to 2,935 by March 31, 2029.

Further, we intend to set up another hospital in Panchkula and have acquired land for this project, which is adjacent to the current hospital that we operate and will provide significant synergies in terms of having a common pool of doctors and other staff and offering similar services. Pursuant to a resolution dated July 22, 2024, our Board has approved setting up of another hospital in Panchkula.

However, we may not be successful in expanding our hospital network in a manner or within the timelines that we anticipate. For example, while the construction of our hospitals in Srinagar and Kanpur was completed within the anticipated cost, the commencement of operations were delayed on account of delays in receiving relevant approvals by us from the authorities for our Srinagar hospital and relevant approvals from the authorities by the lessor for the Kanpur hospital. In addition, there were delays in the operations of the Ranchi hospital on account of delay in execution of the lease agreement as a result of which we were not able to apply for relevant approvals with the government authorities to commence operations. Paras Healthcare (Ranchi) Private Limited ("**PHRPL**") had received notice(s) amounting to ₹ 27.50 million from Heavy Engineering Corporation Limited ("**HEC**") as liquidated damages in earlier years on account of the delay in opening of 50 bedded hospital, in accordance with the terms and conditions of the agreement dated January 16, 2018. PHRPL replied to such notices from HEC and no amount has been paid by PHRPL to HEC as on the date of this Draft Red Herring Prospectus. Further, if the new hospitals that we develop and the hospitals where we increase our existing capacity do not receive the number of patients that we anticipate, our business and results of operations may be adversely affected. We may not be successful in integrating our new hospitals with our existing network and setting up standard operating procedures across all our hospitals. Developing and operating new hospitals could also be subject to certain additional risks, including:

- delays in construction or delays or failure to secure approvals, permits and licenses or failure to comply with the conditions of such approvals;
- inability to obtain the requisite financing on favourable terms, or at all;
- the failure to realize expected synergies and cost savings;
- delay and difficulty in integrating technology platforms and applications with our systems;
- delay in obtaining and timely commissioning of critical equipment on which we may spend significant capital which could result into loss of revenue and negative brand perception;
- difficulties arising from coordinating and consolidating corporate and administrative functions, including the integration of internal controls and procedures such as timely financial reporting;
- difficulties in recruiting and retaining doctors, nurses and other healthcare professionals at new hospitals; and
- unforeseen legal, regulatory, contractual, labor or other issues.

If we are unable to manage the growth of our business or successfully commence operations of, or integrate, newly developed hospitals, our business, results of operations, financial condition and prospects may be adversely affected.

8. We are dependent on revenue generated from our in-patient department. If we are unable to maintain and increase our hospital occupancy rates, our operating efficiencies and profitability may be adversely affected.

We generated a significant portion of our revenues from the services we provide to in-patients. The table below provides details of our operating income – in patient department including as a percentage of revenue from sale of services – healthcare in the relevant periods:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of Revenue from sale of services – Healthcare (%)	Amount (in ₹ million)	Percentage of Revenue from sale of services – Healthcare (%)	Amount (in ₹ million)	Percentage of Revenue from sale of services – Healthcare (%)
Operating Income – in patient department	9,225.33	84.89	7,509.86	84.78	6,323.61	85.16

We have invested and expect to continue to invest a significant amount of capital in increasing bed capacity and setting up new hospitals. We have also introduced new technologies, modernized our infrastructure at our existing hospitals and expanded our range of services. Improving occupancy rates at our hospitals is dependent on several factors including our brand recognition, wider acceptance in the communities in which we operate, our ability to attract and retain quality healthcare professionals, our ability to develop super-specialty practices and our ability to compete effectively with other hospitals and clinics.

The table below provides details of our bed occupancy rate, average revenue per occupied bed and average length of stay during Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bed occupancy rate[(1)] (%)	52.34	56.35	54.41
Average revenue per occupied bed (“**ARPOB**”)[(2)] (₹)	44,345.37	40,464.33	40,100.03
Average length of stay **(“ALOS”)**[(3)] (Days)	3.14	3.22	3.55

Notes:

(1) *Bed occupancy rate is calculated by dividing the total number of occupied beds by the total number of operational beds.*
(2) *ARPOB is calculated as revenue from sale of services - healthcare divided by number of occupied bed days in the respective fiscal.*
(3) *ALOS is calculated as average number of days spent by admitted in-patients.*

If we are unable to maintain and improve our occupancy rates, our operating efficiencies and our profitability may be adversely affected.

9. Our business depends on the strength of our brand and reputation and any negative publicity or allegations in the media against us, may adversely affect the level of trust in our services and have an adverse effect on our business, financial condition, results of operations and prospects.

We believe that our “Paras Health” brand and our reputation are critical for the success of our business and operations. There are several factors that are important to maintain and enhance our brand, including those beyond our control, such as:

- our ability to deploy and maintain advanced medical equipment, facilities and infrastructure, and provide quality healthcare services;
- our ability to maintain a convenient and reliable customer experience as customer preferences evolve and as we expand our service categories and develop new business lines;
- our ability to increase brand awareness among existing and potential clients through marketing initiatives;
- our ability to adopt new technologies or adapt our technology and systems to the emerging industry standards in order to maintain our customer experience;
- our ability to effectively control the quality of service in our hospitals, and to monitor their performance as we continue to expand our network;
- our ability to maintain and renew existing accreditations or to apply for additional accreditations as we expand our network;
- any instance of negligence or malpractice by doctors, nursing staff, paramedic staff or other staff that may cause dissatisfaction to the patients and thus impact our goodwill and ability to attract patients;
- high rate of mortality that may reflect on the quality of our medical staff and advice;
- any other event resulting in an adverse impact on our goodwill which impact our ability to command price in the market; and
- any penal action by regulators, or any statutory authority against any of our hospitals, our management team including our Promoter or doctors.

Further, certain of our Promoter Group entities, such as Paras Natural Spring Water Private Limited, Paras Buildtech India Private Limited and VRS Foods Limited also use the “Paras” name and/or brand and any negative publicity surrounding their operations may impact our brand and reputation. While there have been no such instances in the last three Fiscals, we cannot assure you that such instances will not occur in the future.

Despite our effort to manage and supervise healthcare professionals in our network, they may fail to meet regulatory requirements, our requirements and their contractual obligations with us. We could also be subject to complaints from patients who are dissatisfied with the quality and/or cost of our services. Our brand and reputation may be adversely impacted if our healthcare professionals provide inferior services, engage in medical malpractice, violate laws or regulations, commit fraud or misappropriate funds, harm a patient or mishandle personal healthcare information. We face heightened risks of non-compliance with respect to healthcare professionals who do not operate fully under our management and over whom we have limited control. Therefore, any negative publicity can significantly impact our brand, public image and reputation, regardless of their veracity. While there have been no such instances of such negative publicity in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

The table below provides details of our advertisement, marketing and outreach expenses as a percentage of our total expenses in the periods set forth:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million	Percentage of Total Expenses (%)
Advertisement, marketing and outreach expenses	248.23	2.17	139.39	1.45	70.89	0.89

Our advertisement, marketing and outreach expenses may increase in the future if we decide to take steps to enhance our brand value. If we are unable to maintain and enhance our brand and reputation, our business, results of operations and prospects may be adversely affected.

10. We operate most of our hospitals through revenue share arrangements and long term leases and any adverse developments in our relationships with our counter parties, or our inability to renew such leases could adversely affect our ability to operate such hospitals.

We operate certain of our hospitals, which are not owned by us, on a revenue sharing basis, on a long-term lease and under a public-private partnership arrangement. The following table sets details of the operating models of our hospitals which are not owned by us as of March 31, 2024:

Location:	Patna	Darbhanga	Panchkula	Ranchi	Srinagar	Kanpur
Operating model	Revenue share[1]	Revenue share	Revenue share plus partial fixed rent	Partial fixed rent model	Fixed rent	Fixed rent

[1]Our Patna hospital was converted from a revenue share model to a partial fixed rent model with effect from April 1, 2024.

Our ability to continue to operate such hospitals depends on our relationships with our counter parties. While we have not had any disputes with our counter-parties during the last three Fiscals, we cannot assure you that we will not have any disputes with them in the future that could affect our ability to operate such hospitals. In the event we have disputes with our counter parties, we may have to terminate our arrangements with them, which may have an adverse impact on our brand, business and results of operations. Further, our lease arrangements are also governed by onerous and restrictive covenants and our inability to comply with them could result in penalties or termination of lease. For example, for our Patna hospital under the operation and management agreement dated August 1, 2011, as amended, we are required to pay a penalty of ₹ 500.00 million as compensation for any default under our obligations under the agreement which could result into termination of the agreement.

While there have been no such instances of the termination of our arrangements in the last three Fiscals, we cannot assure you that such instances will not arise in the future. Additionally, for our upcoming hospital at Ludhiana, we have entered into a letter of intent for leasing the property to operate our hospital, under which, we were required to enter into definitive agreements by January 15, 2024 or such other date as may be agreed between the parties. While the parties have agreed to extend the date to enter into definitive agreements until December 31, 2024, we cannot assure you that such date will not be extended in future or we will enter into definitive agreements at all. In the event any definitive agreement is not executed in the future, owing to commercial or operational factors, this may impact our expansion plans. Identifying new locations to set up our hospitals may be time consuming and costly and we cannot assure you that we will be able to identify a new property within the same city on commercially reasonable terms, or at all. The occurrence of any such event may have an adverse effect on our business, results of operations and financial condition.

11. We may be unsuccessful in introducing new clinical programs at our hospitals, which may adversely affect our business and prospects.

As a hospital operator, introducing new clinical programs and specialties across our hospitals is important for us to retain existing patients and attract new patients. For example, we have introduced super-specialties such as bone marrow transplant at our Gurugram, Patna and Panchkula hospitals and kidney transplant at our Gurugram and Patna hospitals and will focus on providing such services at our other hospitals as well in the near future. We also intend to introduce additional specialties such as liver transplant at our Gurugram hospital. However, we may not be successful in introducing new programs at all our hospitals or the programs we introduce may not witness the demand that we anticipate, which may result in us incurring additional expenses and adversely affect our business and prospects.

12. Our inability to continually enhance our offerings with new technology and medical equipment may lead to a decline in demand for our services and adversely affect our business and prospects.

We use sophisticated and expensive medical equipment in our hospitals to provide our services. Advancements in modern medicine are driven in large part by technological advancements and developments. The technology, devices and equipment used in hospitals and care units are fast changing and evolve constantly. As industry standards evolve, we may be required to enhance and develop our internal processes, procedures and training, as well as medical equipment, from time to time, in order to comply with the standards required for operating in this industry, and in order to maintain the accreditations that our healthcare facilities have received. To provide our patients with the best care and compete effectively, we must continually assess our technology and equipment needs. In particular, our specialty facilities require continuous upgrades and new technological advancements may render our existing equipment obsolete. If our facilities do not stay contemporary with the technological advances in the healthcare industry, patients may seek treatment from other providers and/or physicians may refer their patients to other healthcare service providers, and our reputation as a quality healthcare provider could suffer, all of which could adversely affect our results of operations and harm our business. While there have been no such instances in the last three Fiscals where our reputation had suffered on account of not providing services incorporating new technology, we cannot assure you that such instances will not arise in the future.

Our success in the future will depend significantly on our ability to take advantage of and adapt to technological developments to compete with other healthcare services providers. We may have to incur considerable expenditure for the acquisition of new equipment and identify sources of funding on favorable terms to maintain our level of competitiveness. However, if we are unable to pass on such increases in our expenses to patients, our business and results of operations may be adversely affected.

Further, our failure to understand, anticipate or respond adequately to evolving medical technologies, market demands, or healthcare requirements may adversely affect our business and result in a decline in our competitiveness and market share.

We cannot assure you that we will have sufficient funds to continually invest in new equipment or access new technology on a timely basis, or at all. In the event we are unable to keep up with new technologies and emerging trends in the healthcare industry, our hospitals may lose their competitiveness and market share, which may adversely affect our business and prospects.

13. ***Our arrangements with our visiting doctors are not exclusive. If such doctors discontinue their association with us or are unable to provide their services at our hospitals, our business and prospects may be adversely affected.***

As at March 31, 2024, we engaged 271 visiting doctors who are not our full-time employees and work under service agreements. These doctors work part-time and are also engaged in private practice at other places and generally provide their services on a non-exclusive basis. We cannot assure you that these visiting doctors will not prematurely terminate their arrangements with us. There have been certain instances where specialist doctors have prematurely terminated their agreements by mutual understanding and we cannot assure you that such instances will not occur in the future.

Further, we cannot assure you that such visiting doctors will continue to provide services to us or devote the whole of their time to our hospitals. We may, as a result, be unable to effectively utilize their time and expertise in providing services to our patients. These arrangements may also give rise to conflicts of interest, including how these visiting doctors allocate their time and other resources between our hospitals and other places at which they work. Such conflicts may prevent us from providing a high quality of service at our hospitals, thereby affecting the level of our patient intake which may have an adverse impact on our business, results of operations and cash flows. While we have not experienced any significant conflicts or disputes with our visiting doctors in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

14. ***We source our supplies and equipment from third party suppliers. Failure of such third parties to meet their obligations could adversely affect our business, results of operations and cash flows.***

We source our supplies and equipment from third party suppliers under various arrangements. Any failure to procure equipment, reagents or drugs on a timely basis, or at all, from such third parties and on commercially suitable terms could affect our ability to provide our services. While we own most of our equipment, certain medical equipment is obtained on a rental basis. In addition, equipment manufacturers may discontinue or recall equipment, reagents or drugs used by us, which could adversely affect our ability to provide our services. The top 10 suppliers/vendors of our Company do not contribute to more than 50% of the total expenses of our Company for Fiscal 2024, 2023 and 2022 on a consolidated basis.

Any failure or negligence by these third parties in performing maintenance on our equipment could result in harm to our healthcare professionals or patients and could adversely affect our business and reputation. We depend on the original equipment manufacturer or an even more limited pool of "authorized" service providers for equipment repair and maintenance, which exposes us to further risk of delay or higher repair and maintenance costs. Any delay or inability to repair and maintain our equipment could cause disruptions in our operations. For example, an MRI machine at our Patna hospital broke down during Fiscal 2024, on account of which we had to turn away patients. We cannot assure you that we will not face any similar situations going forward. If our relationships with our suppliers were to deteriorate or if any of our suppliers were to terminate their relationship with us, or renegotiate our contracts on less favorable terms, our business, results of operations and prospects may be adversely affected. While none of our arrangements which significantly impact our operations have been terminated prematurely in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

15. ***We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.***

We are unable to trace certain of our historical corporate records and statutory filings made with the RoC or acknowledgements for some of the filings made with the RoC. These, *inter-alia*, include:

S. No.	Date of relevant corporate action	Brief particulars of the untraceable document
1.	Board Resolution	Board resolution approving the change of address of the registered office of our Company from B-4/29, Safdarjung Enclave, New Delhi- 110029 to C-195, 1st Floor, Greater Kailash, New Delhi- 110048 dated July 11, 1997.
2.	Board Resolution	Board resolution taking note of the initial subscription of equity shares of face value of ₹10 each of our Company.
3.	Board Resolution	Board resolution in relation to the allotment of 15,000 equity shares of face value of ₹10 each of our Company dated January 19, 1988.
4.	Board Resolution	Board resolution relation to the allotment of 240,000 equity shares of face value of ₹10 each of our Company dated March 30, 1993.
5.	Shareholder's Resolution	Shareholder resolution for issue of 20,000 equity shares of face value of ₹10 each of our Company to Arabian Export Limited on May 12, 2003.
6.	RoC Challan	RoC challan in relation to the Form-2 filed by our Company for the allotment of 166,670 equity shares of face value of ₹10 each to Rajinder Nagar and 1,742,500 equity shares of face value of ₹10 each to Dr. Dharminder Kumar Nagar, dated December 4, 2006.
7.	RoC Challan	RoC challan relation to the Form-2 filed by our Company for the allotment of 126,660 equity shares of face value of ₹10 each, dated March 23, 2007.
8.	Board Resolution	Board noting in relation to the transfer of equity shares dated July 11, 1997, from the erstwhile promoters to Dr. Dharminder Kumar Nagar's immediate relative (father).
9.	Company law board order	Company law board order in relation to change in registered office from D-55, East of Kailah, New Delhi to C-Block, Sushant Lok-1, Sector 43, Gurgaon – 122 002, Haryana, India

In relation to these missing records, we have also relied on the search report dated July 22, 2024 ("**ROC Search Report**") issued by M/s Faraaz Shamsi & Associates, independent practising company secretary (having peer review certificate from the Institute of Company Secretaries of India bearing number 2407/2022), engaged by our Company, who carried out their inspection and independent verification of the documents available or maintained by our Company, the Ministry of Corporate Affairs, Government of India at the MCA Portal and physical inspections conducted at the offices of the RoC and issued the RoC Search Report.

Further, there are certain discrepancies and inconsistencies in certain of our corporate records and regulatory filings. For instance, the date of allotment of Series A CCPS to Commelina Ltd is July 14, 2017; however, the date of allotment of Series A CCPS has been inadvertently recorded as July 12, 2017 in the Form FC-GPR filed by our Company, which is the date of approval of the issuance of Series A CCPS to Commelina Ltd by our Board, and in relation to the transfer of 62,245 equity shares of face value of ₹10 each of our Company from Dr. Dharminder Kumar Nagar to Commelina Ltd, our Board approved the said transfer on July 14, 2017, and the actual date of debit of the said equity shares is July 24, 2017; however the Form FC-TRS records the date of transfer as July 12, 2017.

While there have been no regulatory proceedings or actions initiated against us in relation to the aforementioned anomalies, non-compliance, inaccuracies or non-availability of the corporate records, we cannot assure you that the relevant corporate records will become available in the future, that regulatory proceedings or actions will not be initiated against us in the future, or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

16. Our inability to protect or use our intellectual property rights or comply with intellectual property rights of others may have an adverse effect on our business and reputation.

As on the date of this Draft Red Herring Prospectus, our Company has registered 18 trademarks, has made applications for 24 trademarks and has opposed registration of 12 trademarks. Certain of our logos, including , and are currently not registered in our own name. Further, our applications for trademark registrations are at different stages of registration and some of them have been objected to or opposed (including our application for registration of our corporate logo), for which our Company has suitably responded. In addition, certain other trademarks applied by us have been accepted and published. For further information, see "*Our Business – Intellectual Property*" and "*Government and Other Approvals – Intellectual Property Rights*" on pages 220 and 387, respectively. However, we cannot assure you that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. Accordingly, we may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property.

17. Delays in receiving payment of outstanding dues from third parties may adversely affect our business and results of operations.

The primary collection risk of our trade receivables relates to the failure by individual patients, corporate customers, government agencies and healthcare insurers/ third party administrators to pay in a timely manner and in full for the services that we have provided. Our patients pay for their medical expenses typically either by themselves or through third-party payor, which includes private and public insurers, government schemes and public sector undertakings We cannot assure you that we will be able to collect the full principal sums from our individual patients, government schemes and public sector undertakings or insurers. Even for those who partially pay their bills, we may not be able to collect their remaining payments in a timely manner, or at all.

The table below provides details of revenues generated from various payer mix for Fiscal 2024, 2023 and 2022:

Revenue from	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of Revenue from Operations (%)	Amount (in ₹ million)	Percentage of Revenue from Operations (%)	Amount (in ₹ million)	Percentage of Revenue from Operations (%)
Self Pay	4,587.29	40.63	3,753.03	40.89	3,586.07	45.98
Insurance	3,342.66	29.61	2,691.53	29.32	2,392.56	30.68
Government Schemes and PSUs	3,360.44	29.76	2,734.64	29.79	1,820.61	23.34
Total	**11,290.39**	**100.00**	**9,179.20**	**100.00**	**7,799.24**	**100.00**

Note: The top 10 customers of our Company do not contribute to more than 50% of the total revenue from operations of our Company for the Fiscal 2024, 2023 and 2022 on a consolidated basis.

The revenue received through insurance constitutes a key component of our revenue from operations. With the increase in penetration of health insurance in India, we may experience a reduction in self-pay which may reduce our realization and profitability on account of higher negotiating power with the insurance providers. In the ordinary course of our business, we also experience certain delays in receiving payment from third-party payors, public sector undertakings, corporates. As a result, our business, financial condition, cash flows and results of operations could be adversely affected.

In Fiscal 2024, 2023 and 2022, our trade receivables turnover ratio (calculated as revenue from operations divided by average value of trade receivables) was 7.87, 8.54 and 12.35, respectively. Any delays in receiving payment of significant outstanding dues from third parties may have a material adverse impact on our business, financial condition, cash flows, results of operations and prospects.

18. We operate in a highly regulated industry and any non-compliance with applicable safety, health, environmental and other governmental regulations may adversely affect our business, results of operations and financial condition.

The healthcare industry is subject to laws, rules and regulations in the regions where we conduct our business or in which we intend to expand our operations. For a detailed description of the aforesaid regulations, see "*Key Regulations and Policies*" on page 223.

The laws, regulations, policies, guidelines and licensing and accreditation requirements that we are subject to cover many aspects of our business. We may incur substantial costs in order to comply with current or future laws, rules and regulations, and we may not be able to maintain, at all times, full compliance with such laws, regulations, policies and guidelines. These current or future laws, rules and regulations may also impede our operations. Any non-compliance with the applicable laws, rules and regulations may subject us to regulatory action, including penalties and other civil or criminal proceedings, which may materially and adversely affect our business, prospects and reputation. The qualification and practicing activities of our healthcare professionals are strictly regulated by applicable laws, regulations, policies and guidelines, as well as by applicable codes of professional conduct or ethics. If our healthcare professionals fail to comply with applicable laws, regulations, policies or guidelines, including professional licensing requirements, we may be subject to penalties including fines, loss of licenses or restrictions on our healthcare facilities and operations, which could materially and adversely affect our business and reputation.

We are also subject to laws and regulations governing relationships with our employees, in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities.

We are also subject to laws and regulations governing relationships with our employees, in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees. If labour laws become more stringent, it may become difficult for us to maintain and continue to optimize our flexible human resource policies, which could have an adverse effect on our business, financial condition and results of operations. Our financial condition may also be adversely affected by other changes in labour laws. For instance, while the Code on Social Security, 2020, has not come into effect yet, however in the future, this may have an inflationary impact on our employee cost.

19. ***We face competition from other hospitals, pharmacies, diagnostic chains and healthcare services providers and our inability to compete effectively may adversely affect our business, results of operations and financial condition.***

The healthcare services business faces a challenge in providing quality healthcare in a competitive environment and managing costs at the same time. The Indian healthcare delivery system has seen consolidation in recent years. A highly competitive industry, coupled with tightening of healthcare regulations, has made it difficult for smaller players in the industry to stay profitable. Larger hospital brands may have stronger financial discipline and negotiating power with suppliers, better ability to attract medical talent, and greater capital and administrative resources to meet these needs over standalone hospitals.

If we are unable to identify and adapt to changes in customer demands and the specific needs of the communities in which we serve, we may lose our competitive edge over our competitors, which can adversely affect our business, results of operation and market share.

20. ***Our hospitals are susceptible to risks arising on account of fire, natural disasters such as floods or other incidents. Any such event may have a material adverse impact on our business, financial condition, results of operations and prospects.***

Any serious disruption at any of the hospitals and facilities that we own and operate due to fire, natural disasters such as floods or other accidents, including due to factors outside of our control, could impair our ability to use such facilities, among other negative effects and, accordingly, have a material adverse impact on our revenues and increase our costs and expenses. Certain of our hospitals are located in low lying areas adjacent to rivers and may be vulnerable and overflows from such rivers as well as on account of flooding from excessive rain which could result in water logging. For example, in Fiscal 2021, operations at our hospital in Gurugram, Haryana were impacted on account of water logging which resulted in loss of profit. We filed an insurance claim of ₹ 33.34 million which was fully received and which is recognized as an exceptional item in our Restated Consolidated Financial Information for Fiscal 2022.

We also store, handle and use certain chemicals, such as alcohol, sanitizers, gases, fuel and other inflammable materials in our hospitals. In addition, any short circuit of power supply for our equipment and machines including air conditioning plants, power supplies, could result in accidents and fires that could result in injury or death to our employees, our patients, and other persons present at our facilities. Further, one of our hospital is located in Srinagar, and any law and order situations may disrupt operations at our hospital in Srinagar. While we have not had any instances in the last three Fiscals, we cannot assure you that such incidents will not occur in the future.

As of the date of this Draft Red Herring Prospectus, our operations have not suffered any major incident of fire, significant acts of vandalism or other accidents. We also do not have any business continuity plan in the event there are any impact in the operations of our hospitals. Our safeguards for prevention, detection and control of fire, as well as our insurance against damage may not adequately cover all losses or liabilities that may arise from our operations, including, but not limited to, when the loss suffered is not easily quantifiable. In addition, incidents such as these typically receive wide media coverage and, as a result, may negatively impact our reputation significantly. While we insure against certain business interruption such as standard fire and special perils insurance, as well as other risks, such insurance may not adequately compensate us for all direct and indirect losses incurred as a result of natural or other disasters. For further details in relation to our insurance coverage, see "*Our Business - Insurance*" and "*- Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.*" on pages 220 and 46, respectively. Any such event may have a material adverse impact on our business, financial condition, results of operations and prospects.

21. ***Failure or malfunction of our medical or other equipment, could adversely affect our ability to conduct our operations.***

Our operations are subject to risks inherent in the use of advanced medical equipment, some of which deal with radioactive substances. The failure, accident, defects, faulty maintenance or repair, or improper use or lack of timely servicing of our equipment could cause an injury to our employees or patients or other individuals. Any significant malfunction or breakdown of our equipment also may entail significant repair and maintenance costs and cause disruptions in our operations.

The table below provides details of our repairs and maintenance expense as a percentage of our total expenses in the periods set forth:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)
Repairs and Maintenance	270.09	2.36	221.43	2.30	205.48	2.59

Any injury caused by our medical equipment in our facilities including release of radiation or leakage of substances due to equipment defects, accident, improper maintenance or inadequate operation could subject us to significant liability claims. For example, an MRI machine at our Patna hospital broke down during Fiscal 2024, on account of which we had to turn away patients. We cannot assure you that we will not face any similar situations going forward. Furthermore, our hospitals could be affected by severe hot weather, and we rely on cooling systems to keep both our staff and patients comfortable and safe. If these cooling systems fail for extended periods, the health of our patients and employees could be negatively affected and result in damage to our laboratory equipment, medical devices and equipment, pharmaceuticals which are required to be kept in a cooled environment.

Any inability to respond to failures or malfunctions of our medical or other equipment in a timely manner or at an acceptable cost could result in harm to our employees and patients, the inability to provide services, or damage to our reputation, any of which could have a material adverse impact on our business, financial condition, results of operations, prospects and cash flows.

22. ***We rely on our information technology platform for the operation of our business and to protect our patients' personal information, and any disruption to our systems, or failure to protect such confidential information, could adversely affect our business and reputation and result in litigation.***

Our information technology systems including network infrastructure, hardware and software elements, applications/ERP, communication and data transmission infrastructure, data storage and warehousing which are essential to our day-to-day clinical, administrative and procurement needs and other areas including accounting and financial reporting; billing and collecting accounts; compliance; clinical systems; medical records and document storage; inventory management; monitoring quality of care and collecting data on quality measures. These systems are maintained and operated by our IT team with support from third-party technology service providers. We do not own any of the software that we current use. We have invested significantly in these resources, and our ability to continue to use these platforms will depend on ongoing license fees payable and capital expenditure which we may be required to incur from time to time. Our business will be significantly impacted if there are failures in our IT systems, the maintenance and operation by third-party technology service providers, or if we are unable to negotiate favorable terms with our external technology service providers going forward. Further, we may face the risk of losing or corrupting customer data due to the factors beyond our control in relation to our third-party technology service providers including hospital information system, such as faulty transfer of data when we change service providers or the lack of data backup.

Any technical failure that causes an interruption in service or availability of our systems could adversely affect operations or delay the collection of revenue or cause interruptions in our ability to provide services to our patients. Corruption of certain information/ data could also lead to delayed or inaccurate diagnoses in the treatment of patients or actual treatment provided to patients using technology oriented equipment could result in damage to the health of our patients. We and our third-party technology service providers may be subject to cyberattacks and other cybersecurity risks and threats, including computer break-ins, phishing, and social engineering. We may be subject to liability as a result of any theft or misuse of personal information stored on our systems including medical data. Although we have implemented network security measures, our servers are vulnerable to computer viruses, hacking, break-ins and similar disruptions from unauthorized tampering, which could result in unauthorized dissemination of sensitive information such as medical data, which could materially and adversely affect our reputation. Any breach of our confidentiality obligations to our patients, including due to data leakages or improper use of such medical information notwithstanding the safeguards that we have implemented, could expose us to fines, potential liabilities and legal proceedings, such as litigation or regulatory proceedings, which would adversely impact our reputation. While we have not had any instance of cyber security breaches, mis-use of personal information of our patients which resulted into any litigation during the last three Fiscals, however, we cannot assure you this will continue to be the case in the future. Any of the aforementioned events may have a material adverse impact on our business, financial condition, results of operations, prospects and cash flows.

23. ***Any failure to obtain or renew approvals, licenses, registrations and permits required to operate our business in a timely manner, or at all, may adversely affect our business, results of operations and financial condition.***

We operate in a heavily regulated industry and are required to obtain a number of approvals and licenses from governmental and regulatory authorities, for example in relation to the operation of our hospitals, other medical and non-medical facilities, procurement and operation of medical equipment including radiology equipment, storage and sale of drugs.

While we have obtained the required approvals for our operations, certain approvals for which we have submitted applications are currently pending, including renewals thereof. For instance, our applications for renewal of registration under the Clinical Establishments (Registration and Regulation) Act, 2010 are pending with respective Civil Surgeons cum Chief Medical Officers for our hospitals in Udaipur, Darbhanga and Srinagar, and our applications for renewal of license to operate blood bank for storage for our hospitals in Kanpur and Patna are pending with respective State Drugs Controllers cum Chief Licensing Authorities. Furthermore, certain approvals required by us have not yet been applied for. For example, we have not yet applied for a building completion certificate for our Patna hospital. For further information, see "*Government and Other Approvals*" on page 383. We cannot assure you that the approvals and licenses that we require will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would render our operations non-compliant with applicable laws, and may subject us to penalties by relevant authorities. We may also be prevented from operating the relevant hospitals or performing certain procedures or treatments with equipment that requires special approvals or licenses, which could adversely impact our business, financial condition, results of operations and cash flows.

We also maintain certain accreditations, including accreditations from the National Accreditation Board for Hospitals and Healthcare Providers ("**NABH**") and National Accreditation Board for Testing and Calibration Laboratories ("**NABL**") for certain of our hospitals. If we lose current accreditations or fail to renew such accreditations of our hospitals by NABH, NABL and other agencies, or if we fail to obtain additional accreditations for our hospitals, our reputation and business operations could be adversely affected. Furthermore, in the event certain accreditations are made compulsory, either by law or as a condition for empanelment, our business, financial condition, results of operations and cash flows may be adversely affected if we are not able to obtain such accreditation in a timely manner, or at all.

Our licenses, approvals and accreditations are subject to periodic renewals, various maintenance and compliance requirements, governmental and other agencies' investigations and reviews, which could be time-consuming and may incur substantial expenditure. If our compliance systems and process are deemed inadequate or fail and such investigations or reviews find any non-compliance or violations, we may suffer brand and reputational harm and become subject to regulatory actions or litigation, which could adversely affect our business, cash flows, operating results or financial position.

As we expand our business under the evolving regulatory landscape and into new cities, there may be additional approvals or licenses that are or become necessary for our operations. If we fail to obtain or renew any applicable approvals, accreditations, licenses, registrations or consents in a timely manner, or at all, we may not be able to perform certain treatments or services or treat patients from certain corporate contracts/empanelment, which may affect our ability to maintain such empanelment and consequently may affect our business, financial condition, cash flows or results of operations. While neither our Company nor any of our Subsidiaries have been denied any approvals or have been subject to penalty on account of non-renewal of any material approval necessary for our operations in the last three Fiscals, we cannot assure you that such instances will not occur going forward.

24. We have certain contingent liabilities that have been disclosed in our financial statements, which if they materialize, may adversely affect our results of operations, cash flows and financial condition.

As of March 31, 2024, contingent liabilities that have not been accounted for in our Restated Consolidated Financial Information were as follows:

(₹ in million)

S. No.	Particulars	As at March 31, 2024
1.	Our Subsidiary, Paras Healthcare (Ranchi) Private Limited, had received notice(s) amounting to ₹ 27.50 million from Heavy Engineering Corporation Limited ("**HEC**") as liquidated damages in earlier years on account of the delay in opening of a 50 bedded hospital, in accordance with the terms and conditions of an agreement dated January 16, 2018. Our Subsidiary has replied to such notices from HEC and anticipate a favorable outcome in future. Basis the management's assessment and supported by the external legal opinion, our Subsidiary has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of our Subsidiary.	27.50
2.	Legal cases in respect of compensation demanded by the patients/their relatives for negligence (net of provisions)	37.71
3.	*Guarantees*:	
(i)	Bank guarantee given to HEC by our Company on behalf of our Subsidiary, Paras Healthcare (Ranchi) Private Limited amounting to ₹ 75.00 million in accordance with the terms and conditions of the concession agreement entered between our Company, our Subsidiary, Paras Healthcare (Ranchi) Private Limited and HEC	75.00
(ii)	Corporate guarantee provided by our Company to banks on behalf of our Subsidiaries for the purpose of obtaining loans by our Subsidiaries:	
	Plus Medicare Hospitals Private Limited	328.50
	Paras Healthcare (Ranchi) Private Limited	561.38
(iii)	Our Subsidiary, Plus Medicare Hospitals Private Limited, has issued corporate guarantee to the bank on behalf of our Company for the renewal of our Company's credit facilities	1,856.14
Total		**2,886.23**

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, cash flows, financial condition and results of operations. Furthermore, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future. For further information of contingent liability as at March 31, 2024, see "*Restated Consolidated Financial Information – Note 32 – Commitments and Contingencies*" on page 314.

25. Employee misconduct or failure to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal (financial control) measures commensurate with the size and complexity of operations. It includes policies and procedures and internal systems for ensuring orderly and efficient conduct of business, evaluation of the adequacy and effectiveness of internal systems on an ongoing basis to ensure orderly and efficient conduct of business, policies and procedures and adherence to company policies and compliance requirements, safeguarding of our assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information so that our operations adhere to our policies, compliance requirements and internal guidelines.

We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, or human error/fraud and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent and detect financial fraud that could have a material impact on our financial statements. We are also subjected to periodic inspections by regulatory bodies such as Atomic Energy Regulatory Board, Department of Fire & Safety and National Accreditation Board for Hospitals & Healthcare Providers (NABH). For instance, our hospital in Srinagar received a notice dated February 5, 2024 from the Office of the Deputy Commissioner of Stamps, Kashmir with respect to the default in deposit of requisite stamp duty in accordance with Article 46 of Schedule I of the J&K Stamps Act, 1977. Our Company had pursuant to a challan forwarding money dated July 1, 2024 paid the requisite amount as required under the notice dated February 5, 2024, without prejudice and under protest. The matter is now closed. Further, our hospital in Panchkula received a show cause notice dated February 9, 2024 from the Haryana State Pollution Control Board ("**Relevant Authority**") for exceeding the prescribed limit of pollutants under the Water Act, 1974 and the Air Act, 1981. Our Company responded to the show cause notice via a letter dated March 18, 2024 which was considered by the Relevant Authority which directed our hospital in Panchkula to maintain the standard of pollutants as per the latest standards prescribed by the Relevant Authority. The matter is now closed. While there have been no adverse findings or observations in the last three Fiscals, we cannot assure you that such instances will not occur in the future. For more details, see "*Outstanding Litigation and Material Development*" on page 374.

As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption and anti-money laundering laws and regulations. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

The Superintendent of Oncology of our hospital in Gurugram had received a notice dated June 24, 2024 in connection with investigation under the Prevention of Money Laundering Act, 2002 from the Assistant Director, Directorate of Enforcement, Delhi Zonal Office – II ("**Relevant Authority**") with respect to production of certain records, including details of working profile of and financial dealings with one Neeraj Chauhan, erstwhile manager marketing, international sales & marketing, Paras Cancer Center, details of standard operating procedure for procurement, consumption, inventorization and disposal of life saving drugs including anti-cancer medicines and the details of procurement of Keytruda Injections including vendors from whom the Keytruda Injections were procured. Our Company has provided the requisite information to the Relevant Authority. The matter is currently pending. For more details, see "*Outstanding Litigation and Material Development*" on page 374.

As we continue to grow, we cannot assure you that there will be no instances of employee misconduct or non-compliances with various statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

26. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition. If we are unable to raise additional capital on favorable terms, or at all, our business, results of operations and financial condition could adversely affected.

As of March 31, 2024, our non-current borrowings were ₹ 3,583.99 million while our current borrowings were ₹ 1,891.34 million. Our existing operations and execution of our business strategy may require substantial capital resources and we may incur additional debt to finance these requirements in the future. However, we may be unable to obtain sufficient financing on terms favourable to us, or at all. If interest rates increase it will be more difficult to obtain credit. As a result, our development activities may have to be curtailed or eliminated and our financial performance and our ability to continue operations may be adversely affected.

The table below provides details of unsecured loans provided to our wholly-owned Subsidiaries by our Company in the last three Fiscals.

Name of the Entity	Amount availed during the last	Amount outstanding as on	Name of the member of the Promoter Group	Term of the Loan	Rate of Interest (%)

	three Fiscals (₹ million)	March 31, 2024 (₹ million)			
Paras Healthcare (Ranchi) Private Limited	561.15	1,115.10	Paras Healthcare Limited	Repayable in five equal annual instalments after initial moratorium period of six years starting from 2019-20.	9.65
Plus Medicare Hospitals Private Limited	623.74	672.83	Paras Healthcare Limited	Repayable in five equal annual instalments after initial moratorium period of six years starting from 2022-23.	9.65

We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. We cannot assure you that we will have sufficient capital for our current operations, any future expansion plans that we may have and our ability to complete such expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any unfavourable change to terms of borrowings may adversely affect our cash flows, results of operations and financial conditions. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, financial condition and cash flows could be adversely affected.

The table below provides details of our working capital requirements during Fiscal 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Working Capital Requirements(1) (in ₹ million)	466.31	246.54	(224.87)(2)

(1) *Working capital is calculated as trade receivables plus inventories less trade payables.*
(2) *Our trade payables were considerable higher than our trade receivables and inventories in Fiscal 2022. Accordingly, our working capital requirement was negative in Fiscal 2022.*

Our level of indebtedness and debt service obligations could have important consequences, or require approval, including the following:

- effect any changes in its capital structure including but not limited to merger, amalgamation, reconstruction or consolidation;
- formulate any scheme of amalgamation with any other borrower or reconstruction or acquire any other borrower;
- implement any new project or any scheme of expansion/diversification/ modernization or acquisition which may result in diversion of funds under the facility for financing long term assets;
- effect any change in shareholding pattern of our Company;
- approach capital market for mobilizing additional resources;
- amend the constitutional documents of the Company including amending memorandum of association and articles of association of our Company;
- effect any change to remuneration of directors; and
- effect any material change in the management/ ownership of the borrower.

Under these financing agreements, consents from the respective lenders are required for and in connection with the Offer. Our Company has received all required consents from the relevant lenders in relation to the Offer.

While there have been no breaches of any restrictive covenants or events of defaults under any of our loan covenants during the last three Fiscals, we cannot assure you that we will be able to comply with our current financing agreements or continue to access funds, including by way of short-term borrowings, on acceptable terms or at all. Any failure to obtain the requisite funds to meet our requirements or expansion or modernization of existing capabilities could result in our inability to effectively compete with other players in the healthcare industry, which could have a material adverse effect on our profitability, cash flows and results of operations.

27. Any downgrade in our credit ratings could increase borrowing costs, which could in turn adversely affect our borrowing cost, our business, results of operations, financial condition and cash flows

The cost and availability of our capital depends on our credit ratings. The table below provides details of our Company's credit ratings during the last three Fiscals:

Financial Year	Agency	Date of Credit rating	Instruments	Credit Rating
Fiscal 2024	CARE Ratings	December 22, 2023	Long term bank facilities	CARE BBB+ (RWD – rating watch with developing implications)
			Long term / short term bank facilities	CARE BBB+ / CARE A2 (RWD – rating watch with developing implications)
Fiscal 2023	CARE Ratings	December 2, 2022	Long term bank facilities	CARE BBB+; Stable
			Long term / Short term bank facilities	CARE BBB+; Stable / CARE A2
Fiscal 2022	CARE Ratings	December 3, 2021	Long term bank facilities	CARE BBB+; Stable
			Long term / short term bank facilities	CARE BBB+; Stable / CARE A2

Our rating in Fiscal 2024 was placed under rating watch with developing implications on account of buy back option given to the Commelina Ltd in terms of the shareholders agreement. However, during Fiscal 2024, Commelina Ltd has waived its right to require our Company to provide buy back option. Subsequently, pursuant to a credit rating letter dated July 4, 2024, our long term bank facilities has been rated CARE BBB+; Stable while our long term / short term bank facilities have been rated CARE BBB+; Stable/CARE A2 by CARE Ratings. While there has been no downgrading in our credit ratings in the last three Fiscals, however, any revision or change in our credit ratings could increase borrowing costs, result in an event of default under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

28. Our developing or to be developed specialties, and facilities may experience delays in obtaining the required approvals, in reaching full operational capacity and may not achieve the synergies and other benefits we expect from such facilities.

We may experience delays in getting required approvals, such as for the generation, collection, reception, transport, storage, treatment and disposal of biomedical waste, approval for high tension industrial low tension service connection and the license to sell, stock or exhibit or offer for sale, or distribute certain drugs. While we have not had any instances of such delays in the last three Fiscals, we cannot assure you that we will not encounter any delays in the commencement of operations in the future. We cannot assure you that we will not be subject to penal or other actions if such delay in the development of our hospitals and services continues and we are not granted the required extensions from the relevant authorities.

We may not achieve the operating levels we expect from the newly developed hospitals, and we may not achieve our targeted returns on investments on, or benefits from, these projects. The planned facilities may not successfully integrate with our existing hospitals and healthcare business or achieve the synergies and other benefits that we expect from such expansion. We cannot assure you that we will not be subject to penal or other actions if such delay in the development of planned activities and if we are not granted the required extensions from the relevant authorities. Our new facilities may not successfully integrate with our existing hospitals and healthcare business or achieve the synergies and other benefits that we expect from such expansion.

The table below provides details of our capital expenditure per bed during the last three Fiscals:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capital expenditure per total bed (₹ million)	5.84	6.49	5.07

Note: Capital expenditure per total bed is calculated by dividing the gross block of assets (including right to use of assets) of each hospital by the total bed capacity of such hospital as of the end of the respective fiscal.

Developing and operating new facilities could also be subject to certain additional risks, including:

- delays or failure to secure approvals, permits and licenses or failure to comply with the conditions of such approvals;
- inability to obtain the requisite financing at favorable costs if at all;
- the failure to realize expected synergies and cost savings;
- difficulties arising from coordinating and consolidating corporate and administrative functions, including the integration of internal controls and procedures such as timely financial reporting;
- difficulties in recruiting and retaining doctors, nurses and other healthcare professionals at existing and new hospitals; and
- unforeseen legal, regulatory, contractual, labour or other issues.

If we are unable to manage the growth of our business or successfully commence operations of, or integrate, newly developed facilities, our reputation and ability to compete effectively could be impaired, which would have a material adverse impact on our business, financial condition, results of operations, prospects and cash flows.

29. We have outstanding litigation against us an adverse outcome of which may adversely affect our business, reputation, financial condition, and results of operations.

There are certain outstanding legal proceedings involving us which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert our management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could materially adversely affect our reputation, business, financial condition and results of operations.

A summary of outstanding matters as set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material civil proceedings involving us, our Promoter, our Directors, and Subsidiaries, as of the date of this Draft Red Herring Prospectus.

Name of Entity	Criminal Proceedings	Tax Proceedings (direct and indirect tax)	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved (₹ in million)
Company						
By our Company	7	-	-	-	Nil	2.80
Against our Company	3	17*	2	-	9	251.97
Subsidiaries						
By our Subsidiaries	Nil	-	-	-	Nil	Nil
Against our Subsidiaries	Nil	5^^	1	-	Nil	21.50
Directors (other than Promoter)						
By our Directors	Nil	-	Nil	-	1	75.00
Against our Directors	Nil	Nil	2	-	-	Nil
Promoter						
By our Promoter	Nil	-	-	-	Nil	Nil
Against our Promoter	2**	Nil	Nil	Nil	3**	127.67

**There are 17 pending income tax matters involving the Company, out of which 14 are related to income tax assessment. The amount involved in such matters cannot be ascertained at this stage and therefore, financial impact is not quantifiable.*

*** These matters are also included in the pending material civil litigation and criminal proceedings against the Company, as applicable.*

^^This includes an appeal filed in the High Court of Judicature for Rajasthan, Jodhpur by the Income Tax Department challenging the order passed by the Income Tax Appellate Tribunal, Mumbai in favour of Plus Medicare Hospitals Private Limited. The amount involved in this matter cannot be ascertained at this stage and therefore, financial impact is not quantifiable.

For further information, see " *Offer Document Summary*" on page 14.

Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any Group Companies.

For further information of contingent liabilities of the Company for Fiscal 2024, 2023 and 2022, see "*Restated Consolidated Financial Information – Note 32. Commitments and contingencies*" on page 314.

We cannot assure you that any of the pending matters or matters that may arise in the future will be settled in favour of us, our Promoter, our Directors, our Subsidiaries, or that no additional liability will arise out of these proceedings or disputes. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Such proceedings or disputes could divert management time and attention and consume financial resources in their defence or prosecution.

30. We are dependent on a number of key personnel, including our Promoter and senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

Our performance is highly dependent on our Promoter, Key Managerial Personnel and Senior Management and other key personnel to maintain our strategic direction, manage our operations and meet future business challenges that may also arise in relation to our business. The loss of, or inability to attract or retain, such persons could materially and adversely affect our business and financial results. In particular, the active involvement of our Promoter in our operations and the services of our Key Managerial Personnel and Senior Management have been integral to our development and business. For further information in relation to the experience of our Promoter, Key Management Personnel and Senior Management, see "*Our Promoter and Promoter Group*" and "*Our Management*" on pages 264 and 244, respectively.

Except as mentioned below, there have been no changes in the Key Managerial Personnel or Senior Management in the last three years:

Name	Date of change	Reason
Dilip Bidani	March 1, 2023	Appointment as the Group Chief Financial Officer
Shankar Narang	February 14, 2023	Resigned as the Group Chief Operating Officer
Debajit Sen Sharma	February 4, 2023	Resigned as Group Chief Financial Officer
Dr. Amrita Singh	January 16, 2023	Appointment as the Senior Vice President New Business
Dr. Santy N Sajan	November 3, 2022	Appointment as the Group Chief Operating Officer
Rahul Kumar	July 5, 2022	Appointment as the Company Secretary
Mohd Shahid	May 30, 2022	Resigned as the Company Secretary
Vineet Aggarwal	September 27, 2021	Appointment as Chief Information Officer of Information Technology

Note: This does not include changes pursuant to re-designation of Key Managerial Personnel and Senior Management. For further details in relation to change in Key Managerial Personnel or Senior Management see "Our Management" on page 244.

If one or more of these individuals or any other member of our senior management team are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly, which could have a material adverse effect on our business, financial results, results of operations and cash flows. We may take a significant period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we are unable to hire and train replacement personnel in a timely manner or increase our levels of employee compensation to remain competitive, our business, financial results, results of operations and cash flows may be materially and adversely affected.

31. We enter into arrangements with third-party service providers which includes third party administrators, insurers and services providers who provide us with services such as radiology and dialysis amongst others that could be terminated which could have a material adverse impact on our business, cashflows and results of operations.

We currently rely on certain third-party service providers to provide services, such as third-party administrators, insurers and service providers who provide us with services such as radiology and dialysis among others. We are empanelled with several of the third-party health insurance administrators and the non-life insurance companies, many government organisations including, Employees' State Insurance Corporation, central government health scheme, Ex-Servicemen Contributory Health Scheme, as well as public sector undertakings and private enterprises. Any adverse change in our relationship with central, state and local government bodies under government schemes could materially impact our business, cash flows, financial condition and revenue from operations. Any commercial disputes with such parties or any inability to renew these contracts on favorable terms or at all, could have a material adverse impact on our business, financial condition, results of operations and prospects. For instance, in April 2024, the CGHS empanelment of our hospital in Patna was suspended for a period of six months pursuant to complaints received against us. As on the date of this Draft Red Herring Prospectus, the empanelment is currently suspended.

Further, we are also required to provide performance guarantees to various government authorities including ESIC, CGHS and ECHS in accordance with their standard contractual terms for empanelment of their customers which provides them unconditional right to invoke such guarantees. As at March 31, 2024, March 31, 2023 and March 31, 2022, such guarantees amounted to ₹ 7.50 million, ₹ 7.70 million and ₹ 5.65 million, respectively. While there have been no instances in the last three Fiscals where guarantees were invoked, we cannot assure you that such instances will not occur in the future. In the event the authorities invoke these guarantees, we may have to incur significant resources to contest these claims which we may not be successful in defending. Further, our Company has also provided a guarantee of ₹ 75.00 million to Heavy Engineering Corporation Limited for Paras HEC Hospital in Ranchi to guarantee the performance of PHRPL's obligations under the concession agreement dated January 16, 2018 with Heavy Engineering Corporation which can be invoked in the event we breach the terms and conditions under the agreement

Further, poor quality service or lapses in service from our third-party service providers may expose us to liabilities that we may not be able to recover from the service providers and may adversely affect our brand and reputation. We do not enter into any employment agreements with such personnel engaged by our third-party service providers. However, in the event that any of our third-party service providers default on their employer obligations, we may be held responsible for providing statutory benefits, including the salaries/wages of these employees, which may increase our operating expense and adversely impact our results of operations and financial condition could be adversely affected. While there have been no such terminations in the past, we cannot assure you that such instances will not occur in the future.

The table below provides details of third party expenses as a percentage of our total expenses in the periods set forth:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)
Housekeeping expense	328.12	2.87	236.85	2.46	198.07	2.50
Laundry expense	66.60	0.58	56.77	0.59	46.07	0.58
Patient food and beverage	91.70	0.80	76.25	0.79	64.71	0.82
Outsourced medical services	475.86	4.16	452.89	4.70	483.62	6.10
Security expense	85.09	0.74	56.63	0.59	47.82	0.62
Total	**1,047.37**	**9.15**	**879.39**	**9.13**	**840.29**	**10.59**

In addition, we may be subject to additional requirements or restrictions under the evolving labour law regime in India. For example, in our third party annual maintenance contracts and comprehensive maintenance contracts, the service provider is entitled to increase the fees payable in case of an increase in the cost relating to statutory compliances. Further, these agreements also enable the service provider to sub-delegate its responsibilities and terminate the agreement for whatsoever reason with prior notice. If we fail to comply with the new regime, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

Any adverse change in relationship with third-party service providers, increases in the cost of their goods and services that we are unable to pass to our patients, third party administrators or their insurers, or a sub-contractor's inability to provide us with the requisite quantity and quality services in a timely manner, our business, financial condition and results of operations could be materially and adversely affected.

32. ***While we currently do not have any significant obligations to provide free beds or to subsidize our services for economic weaker society, however, any imposition by State Governments to provide healthcare at subsidized prices may adversely affect our business and results of operations.***

Other than requirements under our operations and management agreement dated August 1, 2011 with respect to our Patna hospital and the concession agreement dated January 16, 2018 executed with HEC with respect to our Ranchi hospital, to provide treatment on subsidized rates to certain persons, we are currently not required to provide free beds or to subsidize prices for our services to customers by State Governments, however, in the event we are required to provide subsidized prices or provide free beds by State Governments, we will have to comply with such restrictions which may result into significant impact on our business and financial condition. Further, the Ministry of Health and Family Welfare has categorized orthopedic implants as drugs and thus they fall under the purview of the Drug Price Control Order, 2013 and the National Pharmaceutical Pricing Authority has imposed price restrictions on the cost of orthopedic knee implants.

The restrictions may affect our ability to set prices in accordance with market conditions and respond to changing supply and demand dynamics. Further, such restrictions may also lead to an increase in our operational costs while reducing our profit margins which impacted our overall profitability and financial stability. For example, due to the government restrictions imposed on the price to provide COVID-19 treatment, we experienced reduction in revenue from operations and lower average revenue per occupied bed.

33. ***Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale.***

We propose to utilize the Net Proceeds towards (i) prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company, (ii) investment in our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, in the form of debt or equity for repayment/prepayment of borrowings, in full or part, of such Subsidiaries, and (iii) general corporate purposes. For details, see "*Objects of the Offer*" on page 90. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. The deployment of the Net Proceeds is based on management estimates, current circumstances of our business, prevailing market conditions and has not been appraised by any bank, financial institution or other independent party. These estimates may be inaccurate, and we may require additional funds to implement the purposes of the Offer. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. Any delay in our schedule of implementation may cause us to incur additional costs. Such time and cost overruns may adversely impact our business, financial condition, results of operations and cash flows. Further, pending utilisation of Net Proceeds towards the Objects of the Offer, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business and results of operations.

In addition to the Fresh Issue from which our Company will receive proceeds, the Offer includes an Offer for Sale by the Selling Shareholders. Our Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer Expenses) and our Company will not receive any part of such proceeds. For further details, see "*Objects of the Offer*" on page 90.

34. The average cost of acquisition of Equity Shares held by our Promoter and the Selling Shareholders may be less than the Offer Price.

The average cost of acquisition of Equity Shares for our Promoter and Selling Shareholder may be lower than the Offer Price. The details of the average cost of acquisition of Equity Shares held by our Promoter and Selling Shareholder as at the date of this Draft Red Herring Prospectus is set out below.

Name of the Selling Shareholder	Number of Equity Shares held*	Average cost of acquisition per Equity Share (in ₹)*#
Dr. Dharminder Kumar Nagar (Promoter Selling Shareholder)	73,519,238	0.35
Commelina Ltd (Investor Selling Shareholder)	24,091,380	114.15

** As certified by Suri & Sudhir, Chartered Accountants by way of their certificate dated July 31, 2024.*
 # Average cost of acquisition has been computed after considering the impact of the sub-division of equity shares and bonus issuance of the Equity Shares made by the Company.

For more details regarding weighted average cost of acquisition of Equity Shares by our Promoter and Selling Shareholders see "*Offer Document Summary – Average cost of acquisition for our Promoter (who is also a Selling Shareholder) and the Investor Selling Shareholder*" on page 18.

35. Our Promoter will continue to retain control over our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.

As on the date of this Draft Red Herring Prospectus, our Promoter, Dr. Dharminder Kumar Nagar holds 75.32% of the paid-up equity share capital of our Company. For further information on his shareholding pre and post-Offer, see "*Capital Structure*" on page 74. After the completion of the Offer, our Promoter will continue to hold majority of the shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditure or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoter as our controlling shareholder could conflict with our interests or the interests of our other shareholders. We cannot assure you that the Promoter will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoter in our Company, see "*Our Management*" and "*Our Promoter and Promoter Group*" on pages 244 and 265, respectively.

36. We conduct certain business operations on leased premises and our inability to renew such leases may adversely affect our business, results of operations and financial condition.

Our registered office is located at 1st Floor, Tower B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram 122 002, Haryana, India, and is owned by us. We also own the land on which our Gurugram hospital is located. All our other hospitals are located on land that we have leased from third parties or our wholly-owned Subsidiary, Plus Medicare Hospitals Private Limited (which owns the land for our Udaipur hospital).

The following table sets forth the details of our hospitals, as of March 31, 2024 that have been leased by us:

Nature of Property	Address	Lease Term	Whether leased from Promoter/Promoter Group/Subsidiaries/ Group Company/Third Party
Panchkula Hospital	Plot No. H2, Technology Park, Sector 22, Panchkula, Haryana	30 years	Third party
Patna Hospital	Raja Baja, Bailey Road, Patna, Bihar	32 years	Third party
Darbhanga Hospital	Allalpatti, Datbhanga, Bihar	30 years	Third party
Kanpur Hospital	Baikunthpur, NH 91, Bypass Road, Kanpur Nagar, Kanpur, Uttar Pradesh	30 years with an option to renew for another 10 years	Third party
Udaipur Hospital	Plot No. 1, Shobhagpura, Udaipur, Rajasthan	20 years	Leased from our Subsidiary Plus Medicare Hospitals Private Limited on an arm's length basis
Srinagar Hospital	Estate Bonamsar, Sonawar and Kothibad, Dul Gate, Srinagar, Kashmir	15 years	Leased by our Subsidiary Plus Medicare Hospitals Private Limited from a third party
Ranchi Hospital	HEC Plant Hospital, Dhurwa, Ranchi, Jharkhand	35 years with an option to renew for 10 years and another 10 years	Third party

In addition, we also have nursing hostel, guest houses and staff accommodation in various cities on lands that have been leased by us.

The table below reflects the rent and facility fees as a percentage of our total expenses, for the periods indicated:

Particulars	Fiscal					
	2024		2023		2022	
	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)	Amount (in ₹ million)	Percentage of Total Expenses (%)
Rent and facility fees	331.86	2.90	178.62	1.85	230.82	2.91

These lease agreements may be terminated in accordance with their respective terms, and any termination or non-renewal of such leases could adversely affect our operations. We cannot assure you that we will be able to retain or renew such leases on the same or similar terms, or that we will find alternate locations for the existing offices on terms favorable to us, or at all. Failure to identify suitable premises for relocation of existing facilities, if required, or in relation to new or proposed properties we may purchase, in time or at all, may have an adverse effect on our business and results of operations. While there have been no such instances in the last three Fiscals where lessors have terminated any of our lease agreements, we cannot assure you that no such instances will happen going forward. Any regulatory non-compliance by the lessor or us or adverse development relating to the lessors' title or ownership or leasehold rights to such properties, may entail significant disruptions to our operations, especially if we are forced to vacate the leased space following such developments. Further, land on which our Srinagar hospital is located has been sub-leased to us by a third party which has been originally leased by it from the owner of the land. In the event the lease between our lessor and the owner is terminated or not renewed, our operations at the Srinagar hospital may be adversely impacted.

37. ***Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Our operations are subject to various risks and our insurance may not be adequate to completely cover any or all of our risks and liabilities. Further, there is no certainty that such insurance will be adequate to cover all claims arising from medical negligence or malpractice. Any successful claims against us in excess of the insurance coverage may adversely affect our business, reputation, financial condition, results of operations, cash flows and prospects.

Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain types of risks. There are many events, other than the ones covered in the insurance policies specified above, that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part, on time, or at all. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations and financial condition may be adversely affected. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, will have to be borne by us. While there has been no instance in the last three Fiscals where we experienced losses exceeding our insurance coverage, we cannot assure you that such instances will not arise in the future. In Fiscal 2024, 2023, and 2022, we received insurance claims amounting to nil, nil and ₹ 33.34 million, respectively.

The table below provides details of our insurance coverage in the periods set forth:

Particulars	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Total tangible assets* (in ₹ million)	9,110.87	6,652.06	4,417.05
Total insurance coverage (in ₹ million)	10,132.13	9,173.84	6,042.26
Insurance coverage as a percentage of total assets (%)	111.48	137.91	136.78

**Total tangible assets include property, plant and equipment, capital work-in progress and inventory.*

In Fiscal 2022, we have received money for insurance claims made by us for loss in profits for our Gurugram hospital. However, there could be instances of loss of profit in the future due to events which may not be covered under the insurance policies availed by us. For example, at our Patna hospital, one of the MRI machines broke down twice in Fiscal 2024 which took nearly one month's time to repair. During that period, our Patna hospital entered into arrangements with certain local players to provide MRI services to our patients, which resulted in loss of revenue and profit that was not covered under our insurance policies. While we replaced the old machine with a new MRI machine, we cannot assure you that such instances will not arise in the future.

38. We may be subject to labour unrest, slowdowns and work stoppages, which could affect our business and reputation.

Healthcare is a manpower-intensive sector and we employ a large number of doctors, staff and other people for providing care to our patients. Furthermore, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. Presently, none of our employees of our hospitals are unionized. In the event that employees seek to unionize, it may become difficult for us to maintain flexible labour policies, and may increase our costs and adversely affect our business. While we have not experienced any major instance of labour unrest, slowdowns or work stoppages in the last three Fiscals, any disruption in services due to any potential strikes may affect our reputation, business, financial condition and results of operations.

39. We face foreign exchange risks that could adversely affect our results of operations.

Our business operations could be affected by foreign exchange fluctuations, in terms of certain operational costs and expenses. We may be adversely affected by the fluctuations in the foreign exchange which could impact about financial condition, results of operations and cash flows. For Fiscal 2024, 2023 and 2022, our foreign exchange fluctuation loss (net) was ₹ 1.87 million, nil and nil, respectively. While we do not have a formal hedging policy but has a partial hedge through earnings from international patients who pay in foreign currencies.

The table below provides details of foreign exchange currency risk exposure payable for purchase of property, plant and equipment in Fiscal 2024, 2023 and 2022:

Particulars	Fiscal 2024 (in ₹ million)	Fiscal 2023 (in ₹ million)	Fiscal 2022 (in ₹ million)
Payable for purchase of property, plant and equipment	253.67	-	-

The impact of foreign exchange fluctuations on our purchase of property, plant and equipment could also adversely affect our financial condition, results of operations and cash flows.

Further, we import certain capital goods under the Export Promotion Capital Goods ("**EPCG**") scheme which allows an exporter to import capital goods at zero customs duty subject to meeting export obligations under the license. As on March 31, 2024, we had export obligation of ₹ 1,348.41 million which is pending to be exported by our Company. In the event, our Company is unable to earn foreign exchange by providing medical services more than our export obligation within the prescribed timeframe, we may have to pay duty on imports including interest and penalty thereon. As of March 31, 2024, no provisions have been made for not meeting the timeframe requirements. While there has been no default in the last three Fiscals, we cannot assure you that such default may not happen in future, which could result in penalties being levied on us that could adversely affect our results of operations.

40. There have been delays in payment of statutory dues by our Company and our Subsidiaries in Fiscal 2024, 2023 and 2022. Inability to make timely payment of our statutory dues could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business, our results of operations and financial condition.

Our Company, in the regular course of its operations, is required to pay certain statutory dues including the employee state insurance contributions, employee provident fund contributions, income tax payments, tax deductions at source, goods and services tax, equilization levies and professional taxes. In compliance with applicable laws, during the Fiscals 2024, 2023 and 2022, we have paid an aggregate amount of ₹ 1,172.02 million, ₹ 944.05 million and ₹ 710.85 million, respectively as statutory dues to government agencies.

Set forth below are the details of statutory dues paid by our Company and its Subsidiaries during the last three Fiscals:

(in ₹ million)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Employee state insurance contributions	9.29	8.11	8.56
Employee provident fund contributions	140.48	112.14	86.47
Income tax	441.06	353.97	238.88
Tax deductions at source	499.38	400.13	336.51
Goods and services tax	80.21	69.00	40.07
Professional Tax	0.77	0.70	0.36
Labour welfare fund	0.83	-	-
Total	**1,172.02**	**944.05**	**710.85**

Except as mentioned below, there have been no delays in depositing undisputed dues, including contribution towards provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess, goods and services tax and other material statutory dues applicable to the Company, on a consolidated basis, in the last three Fiscals:

(In ₹ million)

Statutory due(s)	Details of Delay*
Fiscal 2024	
NIL	
Fiscal 2023	
Employee state insurance contributions	0.02
Employee provident fund contributions	0.43
Fiscal 2022	
Employee state insurance contributions	0.01
Employee provident fund contributions	0.14

**The amount delayed has been paid as on the date of this Draft Red Herring Prospectus.*

Further, the number of employees for which the employee state insurance, provident fund, income tax (tax deductions at source) is applicable along with the details of the paid and unpaid dues is given below:

Particulars	Number of Employees covered	Total Dues Paid (in ₹ million)	Unpaid Dues, if any (in ₹ million)
Fiscal 2024			
Employee state insurance contributions	2,038	9.29	-
Employee provident fund contributions	5,025	140.48	-
Tax deductions at source	326	81.18	-
Labour welfare fund	2,701	0.83	-
Fiscal 2023			
Employee state insurance contributions	1,954	8.11	-
Employee provident fund contributions	4,265	112.14	-
Tax deductions at source	357	72.75	-
Labour welfare fund	2,393	-	-
Fiscal 2022			
Employee state insurance contributions	2,050	8.56	-
Employee provident fund contributions	3,755	86.47	-
Tax deductions at source	268	55.43	-
Labour welfare fund	2,193	-	-

We cannot assure you that going forward we will be able to make payment of our statutory dues in a timely manner or at all, which could result in penal or other regulatory action including payment of interest on the delay in payment of statutory dues, which could adversely affect our business and our results of operations and financial condition.

41. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the ordinary course of business. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions, all related party transactions that we may enter into post-listing will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you they will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

The table below provides details of our relevant related party transactions which have been compared to relevant line items of the profit and loss statements and the balance sheet:

(₹ in millions unless otherwise specified)

Type of Related Party Transaction	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Loan to wholly owned subsidiary	513.55	431.85	239.49
As a percentage of borrowings (Current + Non-current borrowings) (%)	9.38	10.94	11.19
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Interest on loan to wholly owned subsidiary	124.63	73.70	42.33
As a percentage of total other income (%)	56.69	40.63	31.95
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Revenue from sale of healthcare services	6.48	-	-
As a percentage of revenue from sale of healthcare services (%)	0.06	-	-
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Rent and facility fees	75.22	35.67	-
As a percentage of other expenses (%)	2.98	1.87	-
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Managerial remuneration	89.15	82.10	78.84
As a percentage of employee benefits expense (%)	5.33	6.14	7.88
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Retainers and consultants fee	18.26	32.21	35.34
As a percentage of retainers and consultants fee (%)	0.62	1.37	1.86
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Directors sitting fees	1.16	0.46	0.36
As a percentage of legal and professional fees (%)	1.76	0.70	0.77
Type of Related Party Transaction	**For the Financial year ended March 31, 2024**	**For the Financial year ended March 31, 2023**	**For the Financial year ended March 31, 2022**
Rental income	0.02	0.02	0.02
As a percentage of rental income (%)	1.53	1.37	0.44

Further, certain related party transactions undertaken by our Company such as loan to subsidiaries constituted more than 10% of total transactions of similar nature in the last three Fiscals.

For further information on our related party transactions, see "*Offer Document Summary – Summary of Related Party Transactions*" and "*Restated Consolidated Financial Information – Note 34- Related parties disclosures"* on pages 18 and 316, respectively.

42. Our Promoter, certain of our Directors and Key Managerial Personnel hold Equity Shares in our Company and are therefore interested in our performance in addition to their remuneration and reimbursement of expenses.

Our Promoter and Managing Director, Dr. Dharminder Kumar Nagar is interested in our Company: (i) to the extent that he is the promoter of our Company; and (ii) to the extent of his shareholding in our Company, the shareholding of his relatives in our Company and the dividend payable upon such shareholding and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives or such entities, if any. For further details, see "*Capital Structure*" on page 74. Our Whole time Director, Dr. Kapil Garg is interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of his shareholding in our Company. The table below sets forth the details of remuneration and shareholding of our Promoter and Managing Director, Dr. Dharminder Kumar Nagar and our Whole-time Director, Dr. Kapil Garg:

Name	**Number of Equity Shares**	**Percentage of pre-Offer Capital (%)**	**Remuneration in Fiscal 2024 by our Company (in ₹ million)**	**Remuneration in Fiscal 2024 by our Subsidiaries (in ₹ million)**
Dr. Dharminder Kumar Nagar (Managing Director)	73,519,238	75.32	53.77	-
Dr. Kapil Garg (Whole-time Director)	20	Negligible	10.96	-

Other than as disclosed above, none of our Directors, Key Managerial Personnel and Senior Management hold Equity Shares in our Company. We cannot assure you that our Directors, will exercise their rights as Shareholders to the benefit and best interest of our Company. For further details, see "*Capital Structure*" and "*Our Management – Interest of Directors*" on pages 74 and 249, respectively.

43. We have included certain Non-GAAP Measures and other industry measures related to our operations and financial performance in this Draft Red Herring Prospectus. These Non-GAAP Measures and industry measures may vary from any standard methodology that is applicable across the Indian healthcare industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Operating EBIT, Operating EBITDA, Operating EBIT Margin, Operating EBITDA Margin, return on equity, capital employed and return on capital employed (together, "**Non-GAAP Measures**") and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We have disclosed such Non-GAAP Measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies engaged in the Indian healthcare industry, many of which provide such Non-GAAP Measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus.

These Non-GAAP Measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable to the industry and are not measures of operating performance or liquidity defined by generally accepted accounting principles, and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other healthcare providers in India. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*" on page 348.

44. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid for by us for such a purpose.

We have availed the services of an independent third-party research agency, CRISIL MI&A, appointed by us pursuant to engagement letter dated April 8, 2024 to prepare an industry report titled "*Assessment of Healthcare delivery sector India with a focus on North India*" dated July 2024 (the "**CRISIL Report**"), that has been exclusively commissioned and paid for by us, for purposes of inclusion of such information in this Draft Red Herring Prospectus. A copy of the CRISIL Report is available on the website of our Company at https://www.parashospitals.com/investors. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. The report is a paid report, and is subject to various limitations and based upon certain assumptions that are subjective in nature. Also see, "*Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data*" on page 23.

45. The emergence and effects related to a pandemic, epidemic or outbreak of an infectious disease could adversely affect our operations.

If a pandemic, epidemic, outbreak of an infectious disease or other public health crisis were to occur in an area in which we operate, our operations could be adversely affected. Such a crisis could diminish the public trust in healthcare facilities, especially hospitals that fail to accurately or timely diagnose, or are treating (or have treated) patients affected by infectious diseases. If any of our facilities were involved, or perceived as being involved, in treating patients from such an infectious disease, patients might cancel elective procedures or fail to seek needed care at our facilities. Further, a pandemic, epidemic or outbreak might adversely affect our operations by causing a temporary shutdown or diversion of patients, by disrupting or delaying production and delivery of materials and products in the supply chain or by causing staffing shortages in our facilities. We have disaster plans in place and operate pursuant to infectious disease protocols, but the potential emergence of a pandemic, epidemic or outbreak is difficult to predict and could have a material adverse impact on our business, financial condition, results of operations and prospects.

46. Our quarterly results may fluctuate for a variety of reasons and may not fully reflect the underlying performance of our business.

Upon listing of the Equity Shares, our Company will be required to publish its financial results for each quarter of the Fiscal, in accordance with the Listing Regulations. Our quarterly financial results may fluctuate due to a variety of factors, many of which are outside of our control and, as a result, may not fully reflect the underlying performance of our business. Other factors that may affect our quarterly financial results also include: the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure; general economic, political, weather, industry and market conditions; changes in our pricing policies or those of our competitors and suppliers; the timing and success of new service introductions by us and our competitors or any other change in the competitive dynamics of the Indian healthcare industry, including consolidation among competitors or strategic partners.

Our quarterly operating results may therefore vary significantly in the future, and period-to-period comparisons of our operating results may not be meaningful. Accordingly, the results of any one quarter may not be reliable as an indicator of future performance. Further, any delay in filing these quarterly results will also result in additional costs for us.

47. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

While we have not declared dividend in the last three Fiscals, however, any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company's ability to pay dividends in the future will depend upon our future results of operations, our dividend policy, financial condition, cash flows, sufficient profitability, working capital requirements, and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders in the future consistent with our past practices, or at all. For details pertaining to dividends declared by our Company in the past, see "*Dividend Policy*" on page 271.

48. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider them material to their assessment of our financial condition.

Our Restated Consolidated Financial Information for Fiscal 2024, 2023 and 2022, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP, and other accounting principles with which prospective investors may be familiar with in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

External Risk Factors

49. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally including adverse geopolitical conditions. The following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- political instability, resulting from a change in government or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- instability in other countries and adverse changes in geopolitical situations;
- change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- strikes, lock-outs, work stoppages or increased wage demands by employees, or vendors;

- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;
- instability in the financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- epidemics or any other public health emergency in India or in countries in the region or globally, including in India's various neighbouring countries;
- a decline in India's foreign exchange reserves which may affect liquidity in the Indian economy which consequently impact funding for our operations;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- any other significant regulatory or economic developments in or affecting India or our regional markets.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, financial condition and cash flows and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate. Moreover, we are dependent on the various policies, initiatives and schemes proposed or implemented in India, however, we cannot assure you that such policies, initiatives and schemes will yield the desired results or benefits which we anticipate and rely upon for our growth.

50. Various challenges currently faced by the healthcare industry in India may adversely affect our business, results of operations and financial condition.

Our business is affected by various challenges currently faced by the Indian healthcare industry, including the provision of quality healthcare in a competitive environment and managing costs at the same time. We face competition from government-owned hospitals, other private hospitals, clinics, hospitals operated by non-profit organizations. Furthermore, healthcare costs in India have increased significantly over the past decade, and there have been and may continue to be proposals by legislators and regulators to limit the rate of increase, cap the margins, fix the price of procedures and diagnostics, or lower, healthcare costs in India. Certain proposals by the GoI, if passed, could impose, among other things, limitations on the prices we will be able to charge for our services.

In addition, our business, results of operations and cash flows may be adversely affected by other factors that affect the broader Indian healthcare industry, such as:

- general economic conditions which adversely impact the quantum of disposable income that can be allocated for healthcare services;
- temporary requisitioning of the healthcare facilities due to any pandemic such as COVID-19;
- demographic changes, such as the increase in the percentage of elderly patients, which could result in increased government expenditures for healthcare services, in turn resulting in proposals to limit the rate of increase of healthcare costs or introduction of price caps on various elements of healthcare services in India;
- seasonal cycles of illness as a function of varying climate, weather conditions and disease outbreaks; and
- recruitment and retention of qualified healthcare professionals including pay scale of such healthcare professionals.

While we seek to mitigate such risks by taking appropriate actions in response to such changes, we cannot assure you that we will be successful in doing so. Any failure by us to effectively address these and other factors could have a material adverse impact on our business, financial condition, results of operations and prospects.

51. A downgrade in sovereign credit rating of India and other jurisdictions we operate in may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to sovereign credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

52. We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002 ("**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") is void and attracts substantial penalties. Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset-and turnover-based thresholds to be mandatorily notified to, and pre-approved by, the CCI. In addition, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows, and prospects.

53. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, financial condition and results of operations and adversely impact or cause significant volatility in the price of the Equity Shares.

54. Changing laws, rules or regulations and legal uncertainties in India, including adverse application of taxation laws and regulations, may adversely affect our business, results of operations, financial condition and cash flows.

The regulatory and policy environment in which we operate is evolving and is subject to change.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

Any future amendments may affect our tax benefits such as deductions for income earned by way of dividend from investments in other domestic companies.

Further, the GST framework is subject to varying interpretations by different authorities. Currently, there is ambiguity regarding whether GST should be levied on medicines and consumables provided to in-patients as part of their treatment. This uncertainty arises because these transactions can be interpreted either as part of a composite supply of healthcare services, which are typically exempt from GST, or as separate taxable supplies. On account of the ambiguity surrounding the implementation of GST, there is a risk that tax authorities may retrospectively impose GST on these supplies, leading to significant financial liabilities and increased compliance costs. Any such adverse interpretations or changes in the GST regulations could materially impact our cost structure and profitability. Disputes or litigations arising from such interpretations could also result in substantial legal expenses and management time, adversely affecting our business operations and financial condition.

Changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance. For further discussion on capital gains tax, see " - *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares*" on page 56.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules and regulations applicable to us and our business. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

Further, the Government of India has recently introduced various amendments to the Income Tax Act, *vide* the Finance Act, 2024. We have not fully determined the impact of these recent and proposed laws and regulations on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

55. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. We cannot assure you that levels of inflation in India will not rise in the future.

Risks Relating to the Equity Shares and this Offer

56. The trading volume and market price of the Equity Shares may be volatile following the Offer.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Managers through the book retain building process. This may not be indicative of the market price for the Equity Shares after the Offer. For further details, please see "*Basis for Offer Price*" on page 106.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;

- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic, market and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

57. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, our Key Managerial Personnel, and Senior Managerial, respectively, except by way of a lawsuit in India.

Our Company is a company incorporated under the laws of India and all of our Directors, Key Managerial Personnel and Senior Managerial are located in India. Further, all of our Company's assets are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Code of Civil Procedure, 1908 ("**CPC**"). The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, we cannot assure you that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

58. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the "**Listed Securities**") in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures ("**ASM**") and graded surveillance measures ("**GSM**").

ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as share price, price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net-worth, other measures such as price-to-earnings multiple and market capitalization and overall financial position of the concerned listed company, the Listed Securities of which are subject to GSM.

For further details in relation to the ASM and GSM Surveillance Measures, including criteria for shortlisting and review of Listed Securities, exemptions from shortlisting and frequently asked questions (FAQs), among other details, refer to the websites of the NSE and the BSE.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instances may result in a loss of our reputation and diversion of our management's attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

59. Investors may be subject to Indian taxes arising out of capital gains on the sale of and dividend on the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, the Investors may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax, on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. Securities Transaction Tax will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. We cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect our business, financial condition and results of operations.

Further, the Government of India has announced the union budget for Fiscal 2025, pursuant to which the Finance Act, 2024, came into force on April 1, 2024 which has introduced various amendments to the IT Act. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

60. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through the exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders, after the completion of this Offer, including by our major shareholders after the completion of this Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through an offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

61. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion)and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 442.

62. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" on page 106 and the Offer Price determined by the Book Building Process may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers*" on page 397. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

63. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Bid/ Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise at any stage after the submission of their Bids. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

64. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

65. A third-party could be prevented from acquiring control of us post Offer, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that the interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

SECTION III – INTRODUCTION
THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares[(1)(2)(7)]	Up to [●] Equity Shares, aggregating up to ₹ [●] million
of which:	
Fresh Issue [(1) (7)]	Up to [●] Equity Shares, aggregating up to ₹ 4,000 million
Offer for Sale [(2)]	Up to 14,974,010 Equity Shares aggregating up to ₹ [●] million
of which:	
Employee Reservation Portion[(8)]	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million
The Net Offer consists of:	
A) QIB Portion [(3) (4) (6)]	Not less than [●] Equity Shares aggregating up to ₹ [●] million
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion[(4) (5) (6)]	Not more than [●] Equity Shares aggregating up to ₹[●] million
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 200,000 to ₹ 1,000,000	[●] Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1,000,000	[●] Equity Shares
C) Retail Portion [(4) (6)]	Not more than [●] Equity Shares aggregating up to ₹[●] million
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	97,610,660 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 90 for details regarding the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Offer has been authorized by our Board pursuant to a resolution adopted at its meeting held on July 22, 2024 and by our Shareholders pursuant to a special resolution adopted at their meeting held on July 25, 2024, in accordance with Section 62(1)(c) of the Companies Act, 2013.

(2) Our Board has taken on record the consent of each of the Selling Shareholders to severally and not jointly participate in the Offer for Sale pursuant to its resolution dated July 30, 2024. Each of the Selling Shareholders has, severally and not jointly, specifically authorized its respective participation in the Offer for Sale to the extent of its respective portion of the Offered Shares pursuant to their respective consent letters. The details of such authorisations are provided below:

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution/ authorization	Date of consent letter
Dr. Dharminder Kumar Nagar	Up to [●]	Up to 2,928,320 Equity Shares	-	July 30, 2024
Commelina Ltd	Up to [●]	Up to 12,045,690 Equity Shares	July 12, 2024	July 30, 2024

The Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulations 8 and 8A of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

(3) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 420.

(4) If at least 75% of the Offer cannot be Allotted to QIBs, the entire application money will be refunded forthwith. In the event aggregate demand in the QIB Portion has been met, subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, in accordance with applicable laws. Under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

(5) Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000

and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 1,000,000. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIIs. The allocation to each NIB shall not be less than the applicable minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(6) Allocation to Bidders in all categories, except Anchor Investors, if any, Non Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Non Institutional Bidder and Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. *For details, see "Offer Procedure" on page 420.*

(7) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus.

(8) The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of Employee Discount). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount). An Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Non-Institutional Portion or the Retail Portion and such Bids will not be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. Further, our Company, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, which shall be announced at least two Working Days prior to the Bid /Offer Opening Date. *For details, see "Offer Structure" beginning on page 414.*

For details, including in relation to grounds for rejection of Bids, see "*Offer Procedure*" on page 420. For details of the terms of the Offer, see "*Terms of the Offer*" on page 406.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Information for the Fiscals 2024, 2023 and 2022. The summary financial information presented below should be read in conjunction with "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 272 and 334, respectively.

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Summary of restated consolidated statement of assets and liabilities

(*in ₹ million*)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5,886.73	3,698.82	2,395.51
Right-of-use assets	3,915.65	4,043.31	2,450.76
Capital work-in-progress	287.76	777.38	412.49
Goodwill	46.44	46.44	-
Other intangible assets	28.36	10.95	8.82
Financial assets			
Other financial assets	371.31	314.67	419.06
Non-current tax assets (net)	346.20	169.88	195.62
Other non-current assets	157.85	265.67	446.88
Total non-current assets	**11,040.30**	**9,327.12**	**6,329.14**
Current assets			
Inventories	278.00	177.16	123.19
Financial assets			
Trade receivables	1,563.11	1,306.68	844.22
Cash and cash equivalents	154.58	230.58	76.70
Bank balances other than cash and cash equivalents	1,448.28	1,386.52	1,904.29
Other financial assets	249.84	187.18	184.74
Current tax assets (net)	-	273.02	128.63
Other current assets	42.47	42.75	44.37
Total current assets	**3,736.28**	**3,603.89**	**3,306.14**
Total assets	**14,776.58**	**12,931.01**	**9,635.28**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	97.61	36.76	36.76
Other equity	3,287.47	264.30	694.33
Total equity	**3,385.08**	**301.06**	**731.09**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	3,583.99	2,554.16	1,393.87
Lease liabilities	3,503.27	3,402.76	2,340.25
Other financial liabilities	3.25	3.24	2,845.19
Provisions	72.35	58.04	49.98
Deferred tax liabilities (net)	18.76	2.13	11.80
Total non- current liabilities	**7,181.62**	**6,020.33**	**6,641.09**
Current liabilities			
Financial liabilities			
Borrowings	1,891.34	1,392.66	745.63
Lease liabilities	260.60	206.81	124.33
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises; and	296.08	199.01	221.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,078.73	1,038.30	970.46
Other financial liabilities	472.92	3,585.34	84.22
Other current liabilities	174.05	154.82	92.62
Provisions	36.16	32.68	24.03
Total current liabilities	**4,209.88**	**6,609.62**	**2,263.10**
Total equity and liabilities	**14,776.58**	**12,931.01**	**9,635.28**

Summary of the restated consolidated statements of profit and loss (including other comprehensive income)

(*in ₹ million*)

Particulars	**For the Fiscal ended March 31, 2024**	**For the Fiscal ended March 31, 2023**	**For the Fiscal ended March 31, 2022**
Income			
Revenue from operations	11,290.39	9,179.20	7,799.24
Other income	219.84	181.33	132.48
Total income	**11,510.23**	**9,360.53**	**7,931.72**
Expenses			
Purchases of stock-in-trade	3,048.95	2,415.36	2,077.92
Changes in inventories of stock-in-trade	(81.83)	(51.24)	(23.70)
Employee benefits expense	1,672.58	1,336.94	1,000.74
Finance costs	670.64	491.89	315.22
Depreciation and amortization expense	807.17	654.78	514.13
Retainers and consultants fee	2,939.84	2,348.23	1,900.81
Fair value changes on financial instruments	(133.84)	531.48	458.64
Other expenses	2,520.42	1,903.62	1,690.79
Total expenses	**11,443.93**	**9,631.06**	**7,934.55**
Profit / (loss) before exceptional item and tax	**66.30**	**(270.53)**	**(2.83)**
Exceptional item	-	-	(33.34)
Profit / (loss) before tax	**66.30**	**(270.53)**	**30.51**
Tax expense			
Current year	201.83	204.78	184.04
Tax pertaining to earlier years	-	-	4.06
Deferred tax charge/ (credit) (net)	17.78	(47.39)	(9.51)
Loss for the year (A)	**(153.31)**	**(427.92)**	**(148.08)**
Other comprehensive income			
Items that will not be reclassified to profit or loss and their related income tax effects			
Remeasurements of defined benefit plans	(4.91)	(2.80)	(2.67)
Less: Income tax relating to items that will not be reclassified to profit or loss		0.69	0.62
Other comprehensive income for the year, net of tax (B)	**(3.76)**	**(2.11)**	**(2.05)**
Total comprehensive income for the year (A+B)	**(157.07)**	**(430.03)**	**(150.13)**

Summary of the the restated consolidated statement of cash flow

(*in ₹ million*)

Particulars		For the Fiscal ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022
A.	**Cash flow from operating activities**			
	Net profit / (loss) before tax	66.30	(270.53)	30.51
	Adjustments for:			
	Depreciation and amortization expense	807.17	654.78	514.13
	Foreign exchange fluctuation loss (net)	1.87	-	-
	Gain on sale of property, plant and equipment (net)	(2.71)	(0.82)	(1.36)
	Finance costs	670.64	491.89	315.22
	Gain on modification of lease	(4.72)		
	Liabilities no longer required written back	(6.60)	(2.79)	(0.97)
	Interest income	(141.60)	(77.85)	(89.04)
	Fair value changes on financial instruments	(133.84)	531.48	458.64
	Loss allowance	104.62	35.00	20.24
		1,361.13	**1,361.16**	**1,247.37**
	Adjustments for changes in working capital:			
	-in trade receivables	(361.05)	(497.47)	(445.31)
	-in loans and other assets	(54.97)	109.43	60.34
	-in inventories	(100.85)	(53.97)	(13.15)
	-in trade payables	135.63	43.86	183.67
	-in other liabilities and provisions	50.01	(202.74)	5.87
	Cash generated from operations	**1,029.90**	**760.27**	**1,038.79**
	Income taxes paid (net)	(105.13)	(323.43)	(215.01)
	Net cash generated from operating activities (A)	**924.77**	**436.84**	**823.78**
B.	**Cash flows from investing activities**			
	Payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and payable for purchase of property, plant and equipment)	(1,975.54)	(1,128.40)	(1,391.06)
	Proceeds from sale of property, plant and equipment	28.49	5.00	7.51
	Proceeds from/ (investments in) bank deposits	(76.43)	517.77	(11.36)
	Purchase of investment	-	(734.20)	-
	Interest received	82.93	77.74	104.21
	Net cash used in investing activities (B)	**(1,940.55)**	**(1,262.09)**	**(1,290.70)**
C.	**Cash flows from financing activities**			
	Proceeds of non-current borrowings	1,429.84	1,103.30	404.04
	Repayment of non-current borrowings	(320.25)	(249.30)	(171.26)
	Movement in current borrowings (net)	415.99	547.13	(66.91)
	Principal elements of lease payments	(3.44)	(7.04)	(12.32)
	Payment of interest on lease liabilities	(211.74)	(199.40)	(121.19)
	Finance costs paid	(370.62)	(220.00)	(138.40)
	Net cash generated from / (used in) financing activities (C)	**939.78**	**974.69**	**(106.04)**
	Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(76.00)**	**149.44**	**(572.96)**
D.	**Cash and cash equivalents at the beginning of the year**			
	Balance with banks:			
	- On current accounts	222.10	29.78	20.30
	- with original maturity of three months or less	1.30	42.10	621.23
	Cash on hand	7.18	4.82	8.13
		230.58	**76.70**	**649.66**
E.	**Cash and cash equivalents on date of acquisition of subsidiary (refer note 40)**	-	**4.44**	-
F.	**Cash and cash equivalents at the end of the year**			
	Balance with banks:			
	- On current accounts	141.26	222.10	29.78
	- with original maturity of three months or less	1.35	1.30	42.10
	Cash on hand	11.97	7.18	4.82
		154.58	**230.58**	**76.70**

Particulars		For the Fiscal ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022
	Net (decrease)/increase in cash and cash equivalents (F-E-D)	**(76.00)**	**149.44**	**(572.96)**

GENERAL INFORMATION

Our Company was incorporated as 'Arbian Frozen Foods Private Limited'*, a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated December 21, 1987, issued by the RoC. Our Company became a deemed public company as per Section 43A(1)(a) of the Companies Act, 1956 with effect from July 1, 1993, consequent to which its name was changed to "Arbian Frozen Foods Limited", by deletion of the word 'Private'.

Consequent to the amendment in Section 43A(2)(a) of the Companies Act, 1956 by the Companies (Amendment) Act, 2000, our Company was re-converted from a deemed public company to a private limited company and the name of our Company was changed to 'Arbian Frozen Foods Private Limited' and the certificate of incorporation consequent to the change in name of our Company was endorsed by the RoC on June 16, 2003. Subsequently, pursuant to a resolution passed by our Board on June 19, 2003 and by our Shareholders on July 9, 2003, the name of our Company was changed from 'Arbian Frozen Foods Private Limited' to 'Paras Healthcare Private Limited' to reflect the change in its business activity from frozen foods to healthcare services and a fresh certificate of incorporation consequent to the change in name of our Company was issued by the RoC on July 21, 2003. Our Company was subsequently converted from a private company to a public company, pursuant to resolutions passed by our Board on June 3, 2024 and by our Shareholders dated June 4, 2024, consequent to which its name was changed to "Paras Healthcare Limited", and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the RoC on July 18, 2024.

**Certain of our corporate records and corporate filings, namely, Form No.1 in relation to declaration of compliance with the requirements of the Companies Act, 1956 on application for registration of a company, Form 18 for notice of situation of registered office, the memorandum of association and the articles of association at the time of incorporation of our Company, have inadvertently recorded the erstwhile name of our Company as 'Arabian Frozen Foods Private Limited' instead of 'Arbian Frozen Food Private Limited'.*

Registered and Corporate Office

Paras Healthcare Limited
1st Floor, Tower B
Paras Twin Towers
Golf Course Road, Sector 54
Gurugram – 122 002
Haryana, India

For details of change in the registered office of our Company, see "*History and Certain Corporate Matters - Changes in our Registered Office"* on page 237.

Corporate identity number and registration number

Corporate Identity Number: U85110HR1987PLC035823

Registration Number: 035823

Address of the RoC

Registrar of Companies, Delhi and Haryana at New Delhi
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110 019, India

Our Board

Our Board comprises the following Directors as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Saurabh Sood	Chairman and Non-Executive Director	03205955	House No. G-214, Ansals Palam Vihar, Cartarpuri Alias Daulatpur, Nasirabad (63, Gurgaon), Carterpuri, Haryana 122 017, India
Dr. Dharminder Kumar Nagar	Managing Director	00332135	Dharmvati Niwas, 6A Link Road, DLF Chattar Pur Farms, Chattar Pur, South Delhi, Delhi – 110 074, India
Dr. Kapil Garg	Whole-time Director	01475972	House No 1933, Sector No 28, Faridabad, Sector 29, Haryana 121 008, India
Kabir Thakur	Non-Executive Director (nominee of Commelina Ltd)	08422362	2nd Floor, Anmol, 13th Road, Khar (West), Mumbai, Maharashtra – 400 052, India

Name	Designation	DIN	Address
Nakul Anand	Independent Director	00022279	231 First Floor, Vasant Kunj, House of Paree Mall Road, Vasant Kunj, South West Delhi, Delhi 110 070, India
Upendra Prasad Singh	Independent Director	00354985	Flat no – 6142, Maple Tower, Parx Laureate, Sector-108, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201 304, India
Usha Rajeev	Independent Director	05018645	LGG-126A The Laburnum, Sushant Lok – 1, Sector 28, Galleria DLF-IV, Farrukhnagar, Gurgaon – 122 009, Haryana, India

For further details of our Board, see "*Our Management*" on page 244.

Company Secretary and Compliance Officer

Rahul Kumar
1st Floor, Tower B
Paras Twin Towers
Golf Course Road, Sector 54
Gurugram – 122 002
Haryana, India
Telephone: 012 4430 2163
E-mail: cs@parashospitals.com

Book Running Lead Managers

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai – 400 025
Maharashtra, India
Telephone: +91 22 6807 7100
E-mail: parashospital.ipo@icicisecurities.com
Investor Grievance ID: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact person: Namrata Ravasia / Sumit Singh
SEBI Registration No.: INM000011179

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4646 4728
E-mail: parashealth.ipo@iiflcap.com
Investor Grievance ID: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact person: Nikita Tayal / Pawan Jain
SEBI Registration No.: INM000010940

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah
Sayani Road, Opposite Parel ST Depot
Prabhadevi, Mumbai 400 025
Maharashtra, India
Telephone: +91 22 7193 4380
E-mail: parashealthcareipo@motilaloswal.com
Investor Grievance ID: moiaplredressal@motilaloswal.com
Website: www.motilaloswalgroup.com
Contact person: Ritu Sharma / Kunal Thakkar
SEBI Registration No.: INM000011005

Legal Counsel to the Company as to Indian law

AZB & Partners
AZB House
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Maharashtra, India
Telephone: +91 (22) 6639 6880

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida 201 301
India
Telephone: +91 120 417 9999

Statutory Auditors to our Company

Walker Chandiok & Co LLP, Chartered Accountants
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II

Gurugram 122 002, Haryana
Tel: +91 124 462 8000
E-mail: tarun.gupta@walkerchandiok.in
Firm Registration Number: 001076N/N500013
Peer Review Certificate Number: 014158

There has been no change in our statutory auditors in the last three years preceding the date of this Draft Red Herring Prospectus.

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Telephone: +91 810 811 4949
E-mail: parashealthcare.ipo@linkintime.co.in
Investor Grievance ID: parashealthcare.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Syndicate Members

[●]

Bankers to our Company

HDFC Bank Limited
HDFC Bank Ltd, HDFC Bank House,
Vatika Atrium "A" Block
Golf Course Road, Sector-53
Gurgaon-122002
Haryana, India
Telephone: +91 1800 1600 / 1800 2600
E-mail: ankit.parmar2@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Ankit Parmar

IDFC First Bank Limited
2nd Floor, Express Building
9-10 Bahadur Shah Zafar Marg
New Delhi – 110002
Delhi, India
Telephone: +91 011 45011751
E-mail: anandkumar.singla@idfcfirstbank.com
Website: www.idfcfirstbank.com
Contact person: Anand Kumar Singla

IndusInd Bank Limited
New Tower, Hyatt Regency Complex
Block A, 7th Floor, District Centre
Bhikaji Cama Place, RK Puram
New Delhi – 110 066
Delhi, India
Telephone: +91 11 020 2634201
E-mail: dushyant.bhargava@indusind.com
Website: www.indusind.com
Contact person: Dushyant Bhargava

Bankers to the Offer

[●]

Escrow Collection Bank

[●]

Public Offer Account Bank

[●]

Refund Bank

[●]

Sponsor Bank(s)

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidders), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Eligible SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the UPI Bidders may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided in the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications, as updated from time to time or at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35), updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm, as updated from time to time.

Designated Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

i. Our Company has received written consent dated July 31, 2024 from Walker Chandiok & Co LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated July 22, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated July 31, 2024 on the statement of tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

ii. Our Company has received written consent dated July 28, 2024 from Suri & Sudhir, Chartered Accountants, to include its name as an independent chartered accountant as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

iii. Our Company has received written consent dated July 22, 2024 from Faraaz Shamsi & Associates, to include their name as the independent practicing company secretary as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

Our Company will appoint a monitoring agency to monitor utilization of the Gross Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus. For details in relation to the proposed utilisation of the Net Proceeds, see "*Objects of the Offer*" on page 90.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. For details, see "*Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale.*" on page 44.

Statement of Responsibility of the BRLMs

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No.	Activity	Responsibility	Co-ordination Approved by Company
1.	Capital Structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, abridged prospectus and application form. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	I-Sec, IIFL, Motilal Oswal	I-Sec
2.	Drafting and approval of all statutory advertisements	I-Sec, IIFL, Motilal Oswal	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, media monitoring, etc. and filing of media compliance report	I-Sec, IIFL, Motilal Oswal	Motilal Oswal
4.	Appointment of intermediaries (including co-ordinating all agreements to be entered with such parties): advertising agency, registrar, printers, banker(s) to the Offer, Sponsor Bank, Share Escrow Agent, Syndicate Members etc.	I-Sec, IIFL, Motilal Oswal	IIFL

5.	Preparation of road show presentation and frequently asked questions	I-Sec, IIFL, Motilal Oswal	Motilal Oswal
6.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	I-Sec, IIFL, Motilal Oswal	Motilal Oswal
7.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	I-Sec, IIFL, Motilal Oswal	I-Sec
8.	Non – institutional and Retail marketing of the offer, which will cover, inter alia: • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Follow - up on distribution of publicity and offer material including forms, the Prospectus and deciding on the quantum of Offer material; and • Finalising centres for holding conferences for brokers etc. and • Finalising collection centres	I-Sec, IIFL, Motilal Oswal	IIFL
9.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, intimation to Stock Exchange for anchor portion	I-Sec, IIFL, Motilal Oswal	Motilal Oswal
10.	Managing the book and finalization of pricing in consultation with our Company	I-Sec, IIFL, Motilal Oswal	I-Sec
11.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and banks, intimation of allocation and dispatch of refund to bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to anchor investors, follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, coordination for unblock of funds by SCSBs, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Offer, bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transaction tax ("STT") on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Submission of all post-offer reports including final post-offer report to SEBI.	I-Sec, IIFL, Motilal Oswal	IIFL

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of the Offer Documents

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at https://siportal.sebi.gov.in, as specified in Regulation 25(8) of the SEBI ICDR Regulations and pursuant to the SEBI ICDR Master Circular. It will also be filed with the SEBI at:

Securities and Exchange Board of India
Corporation Finance Department, Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex Bandra (E)
Mumbai 400 051,
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC situated at its office at 4th Floor, IFCI Tower 61, Nehru Place, New Delhi – 110 019, India, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band. The Price Band and minimum Bid lot will be decided by our Company, in consultation with BRLMs, and will be advertised in all editions of the English national daily newspaper [●] and all editions of the Hindi national daily newspaper [●] (which are widely circulated English daily newspaper and Hindi daily newspaper, respectively, Hindi also being the regional language of Haryana, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see "*Offer Procedure*" on page 420.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Non-Institutional Investors with an application size of up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIBs and NIBs are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Except for Allocation to RIBs and NIBs, and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer, by submitting their Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within the same day or on the next Working Day after the Allotment Date for listing approval or such other time period as prescribed under applicable law.

For further details on the method and procedure for Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 414 and 420, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Terms of the Offer*" and "*Offer Procedure"* on pages 406 and 420, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
Name: [●] Address: [●] Telephone: [●] E-mail: [●]	[●]	[●]
Name: [●] Address: [●] Telephone: [●] E-mail: [●]	[●]	[●]
Name: [●] Address: [●] Telephone: [●] E-mail: [●]	[●]	[●]
Name: [●] Address: [●] Telephone: [●] E-mail: [●]	[●]	[●]
Name: [●] Address: [●] Telephone: [●] E-mail: [●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of Offer Price and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board, based solely on representations made by the Underwriters, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**(1)		
	125,000,000 Equity Shares of face value of ₹1 each	125,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	97,610,660 Equity Shares of face value of ₹1 each	97,610,660	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million (2)(3)(4)	[●]	[●]
	which includes:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ 4,000 million (3)	[●]	[●]
	Offer for Sale of up to 14,974,010 Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million (4)	[●]	[●]
	Offer includes		
	Employee Reservation Portion of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million (5)	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹ [●] million	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER*#**		
	[●] Equity Shares of face value of ₹ 1 each*	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	2,602,491,083	
	After the Offer	[●]	

* *To be updated upon finalization of the Offer Price.*

\# *Assuming full subscription in the Offer.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association in the last 10 years" on page 238.*

(2) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus.*

(3) *The Offer has been authorized by our Board pursuant to a resolution adopted at its meeting held on July 22, 2024 and by our Shareholders pursuant to a special resolution adopted at their meeting held on July 25, 2024, in accordance with Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated July 30, 2024.*

(4) *The Offered Shares are eligible to be offered for sale in the Offer in accordance with the Regulations 8 and 8A of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus. Each of the Selling Shareholders has, severally and not jointly, authorised its respective participation in the Offer for Sale pursuant to its respective consent letters. For details on the authorizations and consents of each of the Selling Shareholders in relation to its respective portion of Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures – Authority for the Offer" on pages 59 and 389, respectively.*

(5) *Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹ 500,000 (net of the Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of the Employee Discount, if any). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 (net of the Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (net of the Employee Discount, if any). Our Company, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.*

Notes to the Capital Structure

1. **Share capital history of our Company**

(a) ***Equity Share capital:***

The history of the equity share capital of our Company is set forth in the table below:

Date of allotment of equity shares	Number of equity shares allotted	Detail of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital
November 12, 1987[(1)]	50	Allotment of 10 equity shares each to Sunil Kapur, Ashok Narang, Veena Chandok, G. K. Sahni and Shailendra Chandok	10	10	Cash	Allotment pursuant to initial subscription to the Memorandum of Association	50	500
January 19, 1988[(2)]	15,000	Allotment of 15,000 equity shares to Veena Chandok	10	10	Cash	Further issue of equity shares	15,050	150,500
March 30, 1993[(3)]	240,000	Allotment of 240,000 equity shares to Arabian Export Limited	10	10	Cash	Further issue of equity shares	255,050	2,550,500
May 12, 2003[(4)]	20,000	Allotment of 20,000 equity shares to Arabian Exports Limited	10	10	Cash	Further issue of equity shares	275,050	2,750,500
February 15, 2006	224,950	Allotment of 224,950 equity shares to Dr. Dharminder Kumar Nagar	10	60	Cash	Further issue of equity shares	500,000	5,000,000
June 12, 2006	285,714	Allotment of 285,714 equity shares to Rajendra Singh	10	35	Cash	Further issue of equity shares	785,714	7,857,140
December 4, 2006[$]	1,909,170	Allotment of 166,670 equity shares to Rajinder Nagar and 1,742,500 equity shares to Dr. Dharminder Kumar Nagar	10	60	Cash	Further issue of equity shares	2,694,884	26,948,840
March 23, 2007[$]	126,660	Allotment of 126,660 equity shares to Gurdeep Kaur Nagar	10	60	Cash	Further issue of equity shares	2,821,544	28,215,440
February 5, 2008	916,665	Allotment of 916,665 equity shares to Dr. Dharminder Kumar Nagar	10	60	Cash	Further issue of equity shares	3,738,209	37,382,090
September 19, 2018	1,142,324	Allotment of 1,142,324 equity shares to Commelina Ltd pursuant to conversion of 1,022,182 Series A CCPS*	10	-	-*	Allotment pursuant to conversion of Series A CCPS (at the conversion ratio of 1.12 equity shares for each Series A CCPS, approximately)	4,880,533	48,805,330
March 20, 2024	Pursuant to a Board resolution dated March 18, 2024 and a Shareholders' resolution dated March 20, 2024, the equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 1 each ("**Equity Shares**"). Consequently, the issued, subscribed and paid-up equity share capital of our Company, comprising 4,880,533 equity shares of face value of ₹ 10 each was sub-divided into 48,805,330 Equity Shares.						48,805,330	48,805,330

Date of allotment of equity shares	Number of equity shares allotted	Detail of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital
March 27, 2024	48,805,330	Allotment of 36,759,620 Equity Shares to Dr. Dharminder Kumar Nagar, 12,045,690 Equity Shares to Commelina Ltd, and 10 Equity Shares each to Dr. Kapil Garg and Vikas Kumar Kansal.	1	N.A.	-	Bonus issue of one Equity Share for existing one Equity Share held by our Shareholders as on March 25, 2024 (being the record date)[&]	97,610,660	97,610,660
Total							**97,610,660**	**97,610,660**

**A consideration of ₹2,543.58 per Series A CCPS was paid at the time of issuance of 1,022,182 Series A CCPS and no consideration was paid at the time of conversion. For further details in relation to the allotment of Series A CCPS, see "-Notes to Capital Structure – 1. Share capital history of our Company - (b) Preference share capital" on page 77.*

[$] The RoC challans for the Form-2 filed by our Company in relation to these allotments are not traceable by our Company. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.

[&] The bonus issue was undertaken by our Company on March 27, 2024 through capitalization of such sum standing to the credit of securities premium of our Company.

(1) Our Company was incorporated on December 21, 1987. The date of subscription to the Memorandum of Association was November 12, 1987. However, the board resolution taking note of the initial subscription of equity shares of face value of ₹10 each of our Company is not traceable by our Company. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.

(2) The board resolution in relation to the allotment of 15,000 equity shares of face value of ₹10 each to Veena Chandok dated January 19, 1988 is not traceable by our Company. Further, the Form 2 in relation to this allotment is signed as on January 15, 1988 i.e., before the date of the said allotment. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.

(3) The board resolution in relation to the allotment of 240,000 equity shares of face value of ₹10 each to Arabian Export Limited dated March 30, 1993 is not traceable by our Company. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.

(4) The shareholders' resolution in relation to the issuance of 20,000 equity shares of face value of ₹10 each to Arabian Exports Limited is not traceable by our Company. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.

(***The remainder of the page has been intentionally left blank***)

(b) ***Preference share capital:***

While our Company has issued preference shares in the past (i.e., Series A CCPS), it does not have any outstanding preference shares as on the date of this Draft Red Herring Prospectus, and all preference shares (i.e., Series A CCPS) issued in the past were converted into equity shares of face value of ₹10 each prior to the date of this Draft Red Herring Prospectus. The details of the preference shares issued by our Company in the past are set forth in the table below.

Sr. No.	Name of the shareholder of preference shares	Date of acquisition of preference shares	Number of preference shares acquired	Face value per preference share (₹)	Nature of consideration	Nature of transaction	Conversion ratio	Number of equity shares allotted post conversion	Acquisition price per preference share (₹)	Estimated price per equity share (based on conversion) (₹)
Series A CCPS*										
1.	Commelina Ltd	July 14, 2017#	1,022,182	10	Cash	Private placement	1.12 equity shares for each Series A CCPS (approximately)	1,142,324	2,543.58	2,276.06^

* *For details in relation to the conversion of Series A CCPS into equity shares of face value ₹10 each, see "- Notes to Capital Structure – 1. Share capital history of our Company - (a) Equity share capital" on page 74.*
#*The date of allotment of Series A CCPS to Commelina Ltd is July 14, 2017. However, the date of allotment of Series A CCPS has been inadvertently recorded as July 12, 2017 in Form FC-GPR filed by our Company, which is the date of approval of the issuance of Series A CCPS to Commelina Ltd by the Board. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.*
^ *Considering that the allotment of equity shares pursuant to the conversion of Series A CCPS was made on September 19, 2018, this estimated price per equity share (based on conversion) does not take account of the effect of subsequent sub-division of equity shares on March 20, 2024.*

(c) ***Issue of shares for consideration other than cash or by way of bonus issue or out of revaluation reserves***

As on the date of this Draft Red Herring Prospectus, our Company has not issued any equity shares or preference shares out of revaluation reserves since its incorporation.

Except as disclosed below, our Company has not issued any equity shares or preference shares for consideration other than cash or undertaken a bonus issue since its incorporation:

Date of allotment	Number of equity shares allotted	Details of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason for allotment	Benefits accrued to our Company, if any
March 27, 2024	48,805,330	Allotment of 36,759,620 Equity Shares to Dr. Dharminder Kumar Nagar, 12,045,690 Equity Shares to Commelina Ltd, and 10 Equity Shares each to Dr. Kapil Garg and Vikas Kumar Kansal	1	N.A.	-	Bonus issue of one Equity Share for existing one Equity Share (held by our Shareholders as on March 25, 2024 (being the record date)*	Nil

**The bonus issue was undertaken by our Company on March 27, 2024 through capitalization of such sum standing to the credit of securities premium of our Company.*

(d) ***Issue of shares pursuant to any schemes of arrangement***

Our Company has not issued any shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013, as applicable.

(e) ***Issue of specified securities at a price lower than the Offer Price in the last year***

Except for the allotment of Equity Shares pursuant to the bonus issue undertaken by our Company on March 27, 2024, our Company has not issued any equity shares at a price that may be lower than the Offer Price during the last one year preceding the date of this Draft Red Herring Prospectus. For further details, see "*Capital Structure – Notes to the Capital Structure"* on page 74**.** Further, our Company has not issued any equity shares to the members of the Promoter Group (other than our Promoter, Dr. Dharminder Kumar Nagar) at a price that may be lower than the Offer Price during the last one year preceding the date of this Draft Red Herring Prospectus.

2. **Details of shareholding of our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management in our Company**

(a) Equity Shareholding of our Promoter

As on the date of this Draft Red Herring Prospectus, our Promoter holds 73,519,238 Equity Shares, equivalent to 75.32% of the issued, subscribed and paid-up Equity Share capital of our Company.

(i) All Equity Shares held by our Promoter are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(ii) ***Build-up of our Promoter's shareholding in our Company***

The details regarding the build-up of the Equity shareholding of our Promoter in our Company since its incorporation is set forth in the table below:

(***The remainder of the page has been intentionally left blank***)

Date of allotment/ transfer	Number of equity shares	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital[#]
Dr. Dharminder Kumar Nagar							
June 27, 2003	20,000	Transfer by way of purchase of 20,000 equity shares from Arabian Exports Limited	Cash	10	10	0.02	[●]
April 10, 2005	255,040	Transfer by way of purchase of 255,040 equity shares from Ved Ram (jointly held with Neelam Nagar and Gajinder Kumar)	Cash	10	10	0.26	[●]
February 15, 2006	224,950	Further issue of equity shares	Cash	10	60	0.23	[●]
December 4, 2006[$]	1,742,500	Further issue of equity shares	Cash	10	60	1.79	[●]
February 5, 2008	916,665	Further issue of equity shares	Cash	10	60	0.94	[●]
May 26, 2014	(1)	Transfer by way of sale of one equity share to Dr. Kapil Garg	Cash	10	100	Negligible	[●]
	(1)	Transfer by way of sale of one equity share to Parimal Sehrawat	Cash	10	100	Negligible	[●]
May 30, 2016[(1)]	126,660	Transfer by way of gift of 126,660 equity shares from Gurdeep Kaur Nagar	N.A.	10	N.A.	0.13	[●]
June 9, 2016[(2)]	452,394	Transfer by way of gift of 452,394 equity shares from Rajendra Singh	N.A.	10	N.A.	0.46	[●]
July 24, 2017[(3)]	(62,245)	Transfer by way of sale of 62,245 equity shares to Commelina Ltd	Cash	10	2,409.82	(0.06)	[●]
March 20, 2024	Pursuant to a Board resolution dated March 18, 2024 and a Shareholders' resolution dated March 20, 2024, the equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 1 each. Therefore, 3,675,962 equity shares of face value of ₹ 10 each held by Dr. Dharminder Kumar Nagar were sub-divided into 36,759,620 Equity Shares					33.89	[●]
March 27, 2024	36,759,620	Bonus issue of 1 Equity Share for each existing 1 Equity Share (held by our Shareholders as on March 25, 2024 (being the record date)*	-	1	N.A.	37.66	[●]
May 31, 2024[(4)]	(2)	Transfer by way of gift of one Equity Share each to Gurdeep Kaur Nagar and Ranya Nagar	N.A.	1	N.A.	Negligible	[●]
Total	**73,519,238**					**75.32**	[●]

[#]To be updated at the Prospectus stage.

[$] The RoC challan for the Form-2 filed by our Company in relation to this allotment are not traceable by our Company. For further details, see "Risk Factor – We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 33.

** The bonus issue was undertaken by our Company on March 27, 2024 through capitalization of such sum standing to the credit of securities premium of our Company.*

(1) The actual date of credit of 126,660 equity shares from Gurdeep Kaur Nagar to Dr. Dharminder Kumar Nagar is May 30, 2016. However, the gift deed in relation to the said transfer of equity shares was executed on May 24, 2016 and our Board approved the said transfer on May 24, 2016.

(2) The actual date of credit of 452,394 equity shares from Rajendra Singh to Dr. Dharminder Kumar Nagar is June 9, 2016. However, the gift deed in relation to the said transfer of equity shares was executed on June 8, 2016 and our Board approved the said transfer on June 8, 2016.

(3) The actual date of debit of 62,245 equity shares from Dr. Dharminder Kumar Nagar to Commelina Ltd is July 24, 2017. However, the date of such transfer has been inadvertently recorded as July 12, 2017

in the Form FC-TRS. Further, our Board approved the said transfer on July 14, 2017.

(4) The actual date of debit of one Equity Share from Dr. Dharminder Kumar Nagar, each to Gurdeep Kaur Nagar and Ranya Nagar is May 31, 2024, and the gift deeds in relation to the respective transfer were executed on May 31, 2024. However, our Board approved the said transfers on June 3, 2024.

(iii) All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(iv) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged.

(b) Equity Shareholding of our Directors, Key Managerial Personnel, Senior Management and the members of the Promoter Group

(i) Except as disclosed below, none of our Directors (other than our Promoter, whose shareholding has been disclosed in *"– Build-up of our Promoter's shareholding in our Company*" on page 78) or the members of the Promoter Group hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus. Further, none of our Key Managerial Personnel (other than our Promoter and Managing Director, Dr. Dharminder Kumar Nagar, and our Whole-time Director, Dr. Kapil Garg) or Senior Management hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of pre-Offer Equity Share capital
Director (other than Promoter)			
1.	Dr. Kapil Garg	20	Negligible
Promoter Group			
2.	Gurdeep Kaur Nagar	1	Negligible
3.	Ranya Nagar	1	Negligible
Total		22	Negligible

(ii) Except as disclosed in *"– Build-up of our Promoter's shareholding in our Company*" on page 78, neither our Promoter, nor the members of the Promoter Group have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus. Further, none of our Directors of our Company nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

(iii) There have been no financing arrangements whereby our Promoter, the members of the Promoter Group, our Directors, or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

3. **Details regarding build-up of the Equity and preference shareholding of our Promoter (who is also a Selling Shareholder), the members of the Promoter Group and the Investor Selling Shareholder:**

The details regarding the build-up of the Equity shareholding of our Promoter (who is also a Selling Shareholder) have been disclosed at *"- Build-up of our Promoter's shareholding in our Company*" on page 78. Further, the details regarding the build-up of the Equity and preference shareholding (as applicable) of the members of the Promoter Group and the Investor Selling Shareholder are disclosed below:

(i) ***Build-up of Promoter Group shareholding in our Company:***

Date of allotment/ transfer	Number of equity shares	Nature of transaction	Nature of consideration	Face Value per equity share (₹)	Issue Price/ Transfer price per equity share (₹)	Percentage of the pre-Offer equity share capital (%)	Percentage of the post-Offer capital (%)
Gurdeep Kaur Nagar							
May 31, 2024*	1	Transfer by way of gift of one Equity Share from Dr. Dharminder Kumar Nagar	N.A.	1	N.A.	Negligible	[●]
Total	**1**					Negligible	[●]

**The actual date of debit of one Equity Share from Dr. Dharminder Kumar Nagar to Gurdeep Kaur Nagar is May 31, 2024, and the gift deed in relation* *to this transfer was executed on May 31, 2024. However, our Board approved the said transfer on June 3, 2024.*

Date of allotment/ transfer	Number of equity shares	Nature of transaction	Nature of consideration	Face Value per equity share (₹)	Issue Price/ Transfer price per equity share (₹)	Percentage of the pre-Offer equity share capital (%)	Percentage of the post-Offer capital (%)
Ranya Nagar							
May 31, 2024*	1	Transfer by way of gift of one Equity Share from Dr. Dharminder Kumar Nagar	N.A.	1	N.A.	Negligible	[●]
Total	**1**					Negligible	[●]

**The actual date of debit of one Equity Share from Dr. Dharminder Kumar Nagar to Ranya Nagar is May 31, 2024, and the gift deed in relation to this transfer was executed on May 31, 2024. However, our Board approved the said transfer on June 3, 2024.*

(ii) *Build-up of the Investor Selling Shareholder's shareholding in our Company:*

Equity Shares:

Date of allotment/ transfer	Number of equity shares	Nature of transaction	Nature of consideration	Face Value per equity share (₹)	Issue Price/ Transfer price per equity share (₹)	Percentage of the pre-Offer equity share capital (%)	Percentage of the post-Offer capital (%)
July 24, 2017(1)	62,245	Transfer by way of purchase of 62,245 equity shares from Dr. Dharminder Kumar Nagar	Cash	10	2,409.82	0.06	[●]
September 19, 2018	1,142,324	Allotment of 1,142,324 equity shares pursuant to conversion of 1,022,182 Series A CCPS*	-	10	-*	1.17	[●]
March 20, 2024	Pursuant to a Board resolution dated March 18, 2024 and a Shareholders' resolution dated March 20, 2024, the equity shares of face value of ₹ 10 each of the Company were sub-divided into equity shares of face value of ₹ 1 each. Therefore, 1,204,569 equity shares of face value of ₹ 10 each held by Commelina Ltd were sub-divided into 12,045,690 Equity Shares					11.11	[●]
March 27, 2024	12,045,690	Bonus issue of 1 Equity Share for each existing 1 Equity Share (held by our Shareholders as on March 25, 2024 (being the record date)#	-	1	N.A.	12.34	[●]
Total	**24,091,380**					24.68	[●]

**A consideration of ₹2,543.58 per Series A CCPS was paid at the time of issuance of 1,022,182 Series A CCPS and no consideration was paid at the time of conversion.*

#The bonus issue was undertaken by our Company on March 27, 2024 through capitalization of such sum standing to the credit of securities premium of our Company.

(1) The actual date of debit of 62,245 equity shares from Dr. Dharminder Kumar Nagar to Commelina Ltd is July 24, 2017. However, the date of such transfer has been inadvertently recorded as July 12, 2017 in the Form FC-TRS. Further, our Board approved the said transfer on July 14, 2017.

Preference Shares:

Sr. No.	Name of the shareholder of preference shares	Date of acquisition of preference shares	Number of preference shares acquired	Face value per preference share (₹)	Nature of consideration	Nature of transaction	Conversion ratio	Number of equity shares allotted post conversion	Acquisition price per preference share (₹)	Estimated price per equity share (based on conversion) (₹)
Series A CCPS*										

Sr. No.	Name of the shareholder of preference shares	Date of acquisition of preference shares	Number of preference shares acquired	Face value per preference share (₹)	Nature of consideration	Nature of transaction	Conversion ratio	Number of equity shares allotted post conversion	Acquisition price per preference share (₹)	Estimated price per equity share (based on conversion) (₹)
1.	Commelina Ltd	July 14, 2017#	1,022,182	10	Cash	Private placement	1.12 equity shares for each Series A CCPS (approximately)	1,142,324	2,543.58	2,276.06^

* *For details in relation to the conversion of Series A CCPS into equity shares of face value ₹10 each, see the allotment dated September 19, 2018 in the table above on equity share capital of our Company.*

The date of allotment of Series A CCPS to Commelina Ltd is July 14, 2017. However, the date of allotment of Series A CCPS has been inadvertently recorded as July 12, 2017 in Form FC-GPR filed by our Company, which is the date of approval of the issuance of Series A CCPS to Commelina Ltd by the Board.

^ *Considering that the allotment of equity shares pursuant to the conversion of Series A CCPS was made on September 19, 2018, this estimated price per equity share (based on conversion) does not take account of the effect of subsequent sub-division of equity shares on March 20, 2024.*

4. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for three years:***

In accordance with the Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Offer Equity Share capital of our Company held by our Promoter shall be locked in for a period of three years, except for the Equity Shares offered by our Promoter pursuant to the Offer for Sale, from the date of Allotment as minimum promoter's contribution ("**Promoter's Contribution**"), and our Promoter's shareholding in excess of 20% of the post-Offer Equity Share capital of our Company shall be locked in for a period of one year from the date of Allotment. The Promoter's Contribution shall be locked-in for a period of three years from the date of Allotment and the excess of 20% shareholding of our Promoter shall be locked-in for a period of one year from the date of Allotment considering that the majority of the proceeds of the Fresh Issue are proposed to be utilised towards (i) prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company and (ii) investment in our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, in the form of debt or equity for repayment/prepayment of borrowings, in full or part, of such Subsidiaries, where the majority of outstanding borrowings proposed to be re-paid/prepaid by our Company and/or our Subsidiaries have been availed for the purposes of capital expenditure. For details, see "*Objects of the Offer – Details of the Objects of the Fresh Issue*" on page 91.

As on the date of this Draft Red Herring Prospectus, our Promoter holds 73,519,238 Equity Shares, equivalent to 75.32% of the issued, subscribed and paid-up Equity Share capital of our Company out of which [●] is eligible for Promoter's Contribution.

The details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter's Contribution are set forth in the table below:

Number of Equity Shares locked-in(1)(2)	Date of allotment / transfer of the Equity Shares and when made fully paid-up	Nature of transaction	Face value per equity share (₹)	Issue/ acquisition price per Equity Share (₹)	Percentage of the pre- Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated in the Prospectus

(1) *For a period of three years from the date of Allotment or such other period as prescribed under SEBI ICDR Regulations from the date of Allotment.*

(2) *All Equity Shares were fully paid-up at the time of allotment/acquisition.*

Our Promoter has given his consent for inclusion of such number of Equity Shares held by him as part of the Promoter's Contribution, subject to lock-in requirements as specified under Regulation 14 of the SEBI ICDR Regulations. Our Promoter has agreed not to dispose, sell, transfer, create any pledge, lien or otherwise encumber in any manner, the Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

1. The Equity Shares offered for Promoter's Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of Equity Shares against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

2. The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year from the date of this Draft Red herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

3. Our Company has not been formed by the conversion of one or more partnership firms or limited liability partnerships into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from one or more partnership firms or limited liability partnerships; and

4. As on the date of this Draft Red Herring Prospectus, the Equity Shares offered for Promoter's Contribution are not subject to pledge or any other encumbrance with any creditor.

(ii) ***Details of Equity Shares locked-in for six months***

In accordance with Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (excluding the Promoter's Contribution and our Promoter's shareholding in excess of 20% of the post-Offer Equity Share capital of our Company, which will be locked-in for one year) will be locked-in for a period of six months from the date of Allotment, except for (i) the Equity Shares transferred pursuant to the Offer for Sale; and (ii) any Equity Shares allotted to eligible employees of our Company, whether currently employees or not pursuant to ESOP 2024.In accordance with Regulation 8A(c) of the SEBI ICDR Regulations, for Shareholders holding (individually or with persons acting in concert) more than 20% of pre-Offer shareholding of our Company, the provisions of lock-in as specified under Regulation 17 of the SEBI ICDR Regulations shall be applicable, and relaxation from lock-in as provided under Regulation 17(c) of the SEBI ICDR Regulations is not applicable.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(iii) ***Lock-in of Equity Shares Allotted to Anchor Investors***

There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

(iv) ***Other requirements in respect of lock-in***

(a) The Equity Shares held by our Promoter and locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or NBFC-ND-SI or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or NBFC-ND-SI or housing finance companies in terms of Regulation 21(a) of the SEBI ICDR Regulations, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of Equity Shares is a term of sanction of such loans. The Equity Shares held by our Promoter and locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or NBFC-ND-SI or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or NBFC-ND-SI or housing finance companies in terms of Regulation 21(b) of the SEBI ICDR Regulations, provided that the pledge of Equity Shares is a term of sanction of such loans. However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(b) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter and locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to and among any member of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

(c) The Equity Shares held by any person other than our Promoter and locked-in for a period of six months from the date of Allotment in the Offer as per Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

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5. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)#	Number of voting rights held in each class of securities (IX)				Number of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B + C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class: Equity Shares	Class: Others	Total								
(A)	**Promoters and Promoter Group**	3	73,519,240	0	0	73,519,240	75.32	73,519,240	0	73,519,240	75.32	0	0	0	0	0	0	73,519,240
(B)	**Public**	4	24,091,420	0	0	24,091,420	24.68	24,091,420	0	24,091,420	24.68	0	0	0	0	0	0	24,091,420
(C)	**Non Promoter-Non Public**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)(1)	**Shares underlying depository receipts**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)(2)	**Shares held by employee trusts**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	**7***	**97,610,660**	**0**	**0**	**97,610,660**	**100.00**	**97,610,660**	**0**	**97,610,660**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**97,610,660**

**The total number of Shareholders has been computed based on the beneficiary position statement dated July 30, 2024.*

6. **Major shareholders**

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder*	Number of Equity Shares held	Percentage of the pre-Offer Equity Share capital*
1.	Dr. Dharminder Kumar Nagar	73,519,238	75.32
2.	Commelina Ltd	24,091,380	24.68
Total		**97,610,618**	**100.00**

Based on the beneficiary position statement dated July 30, 2024.
**The remaining Shareholders of our Company (as of the date of the filing of this Draft Red Herring Prospectus) have negligible shareholding on a cumulative basis.*

b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company 10 days prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder*	Number of Equity Shares held	Percentage of the pre-Offer Equity Share capital*
1.	Dr. Dharminder Kumar Nagar	73,519,238	75.32
2.	Commelina Ltd	24,091,380	24.68
Total		**97,610,618**	**100.00**

Based on the beneficiary position statement dated July 19, 2024.
**The remaining Shareholders of our Company (as of 10 days prior to the filing of this Draft Red Herring Prospectus) had negligible shareholding on a cumulative basis.*

c) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company one year prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder*	Number of equity shares of face value of ₹10 each held	Percentage of the pre-Offer equity share capital*
1.	Dr. Dharminder Kumar Nagar	3,675,962	75.32
2.	Commelina Ltd	1,204,569	24.68
Total		**4,880,531**	**100.00**

Based on the beneficiary position statement dated July 31, 2023.
**The remaining Shareholders of our Company (as of one year prior to the filing of this Draft Red Herring Prospectus) had negligible shareholding on a cumulative basis.*

d) The details of our Shareholders who held 1% or more of the paid-up equity share capital of our Company two years prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of equity shares of face value of ₹10 each held	Percentage of the pre-Offer equity share capital*
1.	Dr. Dharminder Kumar Nagar	3,675,962	75.32
2.	Commelina Ltd	1,204,569	24.68
Total		**4,880,531**	**100**

Based on the beneficiary position statement dated July 29, 2022.
**The remaining Shareholders of our Company (as of two years prior to the filing of this Draft Red Herring Prospectus) had negligible shareholding on a cumulative basis.*

7. Except for (i) the grant of options under ESOP 2024 and/or allotment of Equity Shares pursuant to exercise of options granted under ESOP 2024; (ii) the Pre-IPO Placement; and (iii) the allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges

pursuant to the Offer or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be in the event there is a failure of the Offer.

8. Our Company presently does not intend or propose to alter its capital structure until six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to (i) the grant of options under ESOP 2024 and/or issuance of Equity Shares pursuant to exercise of options granted under ESOP 2024 and (ii) the issuance of Equity Shares pursuant to the Fresh Issue.

9. There are no outstanding convertible securities or any warrant, option or right to convert a debenture, loan or other instrument which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

10. Our Company, our Directors, and the Book Running Lead Managers have not entered into buy-back arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

11. As on the date of this Draft Red Herring Prospectus, our Company has a total of 7* Shareholders.
**The total number of Shareholders has been computed based on the beneficiary position statement dated July 30, 2024.*

12. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Managers and their respective associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. The Book Running Lead Managers and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

13. There are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares issued pursuant to the Offer will be fully paid up at the time of Allotment.

14. No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, the Syndicate Members, our Company, our Promoter (who is also a Selling Shareholder), the Investor Selling Shareholder, the members of the Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

15. Neither the (i) Book Running Lead Managers or any associate of the Book Running Lead Managers other than the Mutual Funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or FPIs other than individuals, corporate bodies and family offices which are associate of the Book Running Lead Managers or pension funds sponsored by entities which are associate of the Book Running Lead Managers nor (ii) any person related to our Promoter or the members of the Promoter Group shall apply in the Offer under the Anchor Investors Portion.

16. Our Promoter and the members of the Promoter Group shall not participate in the Offer, except by way of participation of the Promoter as the Promoter Selling Shareholder in the Offer for Sale.

17. Our Company shall ensure that all transactions in the Equity Shares by our Promoter and the members of the Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transactions.

18. At any given time, there shall be only one denomination of the Equity Shares of our Company.

19. **Pre-IPO Placement**

Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus. Our Company confirms that the details pertaining to the price and the names of the allottees pursuant to the Pre-IPO Placement (if undertaken) shall be disclosed through a public advertisement. In the event the Pre-IPO Placement is undertaken, a confirmation in this regard will be included in the "*Material Contracts and Material Documents for Inspection*" section of the Red Herring Prospectus.

20. Our Company is in compliance with the Companies Act, 2013, to the extent applicable, with respect to the issuances of securities from the date of incorporation of our Company until the date of filing of this Draft Red Herring Prospectus.

21. **Employee Stock Option Plan**

Our Company, pursuant to the resolution passed by our Board on June 3, 2024 and the resolution passed by our Shareholders' on June 4, 2024, approved the institution of an employee stock option scheme, namely, Paras Healthcare Employees Stock Option Plan, 2024 ("**ESOP 2024**"), which is in compliance with the Companies Act, 2013 and the SEBI SBEB & SE Regulations. A maximum of 2,196,239 options may be issued under ESOP 2024 and the maximum number of Equity Shares which may be issued pursuant to exercise of options under ESOP 2024 cannot exceed 2.25% of the total paid-up capital of our Company, as on April 1, 2024. Each option may be converted into one equity share upon exercise. The Nomination and Remuneration Committee, which has been empowered to administer ESOP 2024, has the right to amend the terms and conditions of ESOP 2024, subject to applicable laws.

As of the date of this Draft Red Herring Prospectus, there are no options granted pursuant to the ESOP 2024. The grants which shall be made under the ESOP 2024 shall be in compliance with the Companies Act, 2013. All options that shall be granted under the ESOP 2024 shall be granted only to persons who are, at the time of grant, employees of the Company (as such term is defined under the Companies Act, 2013 and the SEBI SBEB & SE Regulations, as applicable).

OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue.

Offer for Sale

The proceeds from the Offer for Sale shall be received by the Selling Shareholders after deducting their proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. Each of the Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale, net of their respective portion of the Offer related expenses. For details, see "- *Offer expenses*" on page 102.

Each of the Selling Shareholder have confirmed and approved their participation in the Offer for Sale in relation to their respective portion of the Offered Shares, as set out below:

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution/ authorization to participate in the Offer for Sale	Date of consent letter
Dr. Dharminder Kumar Nagar	[●]	Up to 2,928,320 Equity Shares	-	July 30, 2024
Commelina Ltd	[●]	Up to 12,045,690 Equity Shares	July 12, 2024	July 30, 2024

Fresh Issue

The details of the proceeds of the Fresh Issue are summarised in the table below:

(₹ in million)

Particulars		Estimated Amount
Gross proceeds from the Fresh Issue^ ("**Gross Proceeds**")		4,000**
Less:	Estimated Offer related expenses in relation to the Fresh Issue#	[●]
Net Proceeds*		**[●]**

^ Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares or specified securities to the Pre-IPO Placement, our Company shall utilise the proceeds from such Pre-IPO Placement towards general corporate purposes.
**To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.*
***Subject to full subscription to the Fresh Issue component.*
 # For details, see "- Offer expenses" on page 102.

Requirement of Funds:

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)

S. No.	Particulars	Estimated Amount[(1)]
1.	Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	2,179.58
2.	Investment in our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, in the form of debt or equity for repayment/prepayment of borrowings, in full or part, of such Subsidiaries	820.42
3.	General corporate purposes*#	[●]
	Total#	**[●]**

**To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*
 # The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds, in accordance with the SEBI ICDR Regulations.
(1) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and the Prospectus.

(collectively, referred to herein as the "**Objects**")

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake its existing business activities and the activities for which funds are being raised through the Fresh Issue. The main objects clause of the respective memorandum of association of PHRPL and PMHPL enables each of them (i) to undertake its existing business activities; and (ii) to undertake activities for which the borrowings were availed by it and which are proposed to be repaid or prepaid from the Net Proceeds. In addition, our Company expects to receive the benefits of listing its Equity Shares on the Stock Exchanges, including enhancing its visibility and brand image, and creating a public market for our Equity Shares.

Utilization of Net Proceeds and Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed towards the Objects in accordance with the schedule set forth below:

(in ₹ million)

Particulars	Estimated Amount to be funded from Net Proceeds	Estimated Utilization of Net Proceeds
		Fiscal 2025
Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	2,179.58	2,179.58
Investment in our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, in the form of debt or equity for repayment/prepayment of borrowings, in full or part, of such Subsidiaries	820.42	820.42
General corporate purposes(1)(2)	[●]	[●]
Total	**[●]**	**[●]**

(1) To be finalised upon determination of Offer Price and updated in the Prospectus, at the time of filing with the RoC.
(2) The amount to be utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue, in accordance with the SEBI ICDR Regulations.

The deployment of funds indicated above will be based on management estimates, existing circumstances of our business, prevailing market conditions and other commercial factors, which may be subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale"* on page 44.

Given the nature of our business, and since the amount of the Net Proceeds proposed to be utilized towards the Objects are not towards implementing any specific project, we may have to revise our funding requirements and deployment from time to time, on account of a variety of factors such as our financial condition, business strategies and external factors such as market conditions, any epidemic, competitive environment and other external factors, which would not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds, implementation schedule and funding requirements or increasing or decreasing the amounts earmarked towards any of the aforementioned objects, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable laws. For further details, see "*Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale*" on page 44. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements.

Subject to applicable law, if the actual utilisation towards any of the identified Objects is lower than the proposed deployment, such balance will be used for general corporate purposes, to extent that the total amount to be utilized will not exceed 25% of the gross proceeds of the Fresh Issue.

If the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) till Fiscal 2026, in accordance with applicable laws.

Details of the Objects of the Fresh Issue

1. Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company

Our Company has entered into various borrowing arrangements for borrowings in the form of working capital term facilities, overdraft and term loans, among others. As on June 30, 2024, the total outstanding borrowings of our Company are ₹ 6,601.16 million, on a consolidated basis. For details of these financing arrangements including indicative terms and conditions, see "*Financial Indebtedness*" on page 369.

Our Company intends to utilize ₹ 2,179.58 million from the Net Proceeds towards prepayment or scheduled repayment of all, or a portion, of the principal amount on certain loans availed by our Company and the accrued interest thereon, the details of which are listed out in the table below. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, along with interest and other related costs, will also be funded out of the Net Proceeds. In the event the Net Proceeds are insufficient for payment of pre-payment penalty, interest or other related costs, as applicable, such payment shall be made from the internal accruals of our Company.

Further, given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings availed by our Company, may vary from time to time and our Company may repay/ prepay or refinance its borrowings from one or more financial institutions in the ordinary course of business, prior to filing of the Red Herring Prospectus. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Additionally, owing to nature of our business, our Company may avail additional facilities, repay certain instalments of our borrowings and/ or draw down further funds under existing borrowing facilities, from time to time, after the filing of this Draft Red Herring Prospectus. Accordingly, in case any of the below mentioned borrowings are pre-paid or further drawn-down prior to the filing of the Red Herring Prospectus, we may utilize the Net Proceeds towards repayment and / or pre-payment of such additional indebtedness. In light of the above, if at the time of filing the Red Herring Prospectus, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company. The amount allocated for estimated schedule of deployment of Net Proceeds in a particular Fiscal may be utilized for repayment or prepayment of borrowings availed by our Company in the subsequent Fiscal, as may be deemed appropriate by our Board, subject to applicable law.

We believe that the repayment/ prepayment of the borrowings by our Company, will help reduce our overall outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt-equity ratio and enable better utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates and additional funds/ capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For details in relation to key terms of our borrowings, see "*Financial Indebtedness*" on page 369.

The following table sets forth details of borrowings availed by our Company, which were outstanding as on June 30, 2024, which are proposed to be repaid or prepaid, all or in part, from the Net Proceeds:

Sr. No	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan[#]
1.	IndusInd Bank	Term loan	1. Sanction letter dated June 24, 2021 2. Sanction letter dated March 31, 2022, 3. Sanction letter dated dated January 24, 2024	No prepayment charges if prepayment is from own sources of the Company or Shareholders. Pre-payment charges will be 1% if refinanced from another lender in first three years of availing the loans. 30 days prior notice to be provided to IndusInd Bank for prepayment.	Term Loan 1: 12 years with a moratorium of 03 years Term Loan 2: 09 years with a moratorium of 01 year	Term Loan 1: Repayment in 36 unequal structural instalments, to start at the end of 13th quarter from the date of the first drawdown Term Loan 2: Repayment in 32 unequal structural instalments, to start at the end of 5th quarter from the date of the first drawdown.	5.75 to 8.79	1,194.20	1,017.38	1. First pari pasu charge by way of equitable mortgage over land and building of hospital in Gurgaon. 2. First pari pasu charge by way of hypothecation over all movable fixed asset, present and future, except the ones which are exclusively charged to other existing lenders, including assets of hospital at Kanpur. 3. First pari pasu charge by way of hypothecation over all current assets, present and future, intangibles, goodwill, uncalled capital, present and future.	Term Loan 1: For Capital expenditure related to Kanpur unit and facility related expenses. Term Loan 2: For takeover of term loan from Axis Bank Limited. Original utilisation from Axis bank relates to capital expenditure for Udaipur unit.

Sr. No	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan#
2.	IDFC First Bank		1.Sanction letter dated September 30, 2021 2. Sanction letter dated dated December 14, 2023	Prepayment not permitted upto 24 months from the date of the first disbursement. Post first disbursement, the prepayment is allowed subject to one month prior notice being provided to the IDFC First Bank with a prepayment penalty of 1% of amount being prepaid, to be calculated from date of the prepayment till date of the maturity of the loan. Provided that no prepayment penalty to be charged after 24 months of the first disbursement, if the prepayment is being done from the internal accruals of the Company.	04 years	12 equal quarterly instalments starting from the 15th month from the date of first disbursement (moratorium period of 12 months)	9.50	700.00	148.51	1)Excusive charge on the corporate office of the Company, situated at first floor, Paras twin tower- B, Golf Course Road, Sector - 54, Gurugram, (with 10 car parking / slot bearing no's 87 to 96 located at basement-II of the project in Paras Twin Tower in a G +11 store yard building with 3 level basement, situated in the revenue estate of village Haiderpur Viran, Sector - 54, Golf course road district Gurugram, Haryana- 122 022. 2)Subservient charge on unencumbered movable fixed asset (current and future) 3)Subservient charge on current asset of the company (current and future).	For meeting capital expenditure requirements and reimbursement of capital expenditure.

Sr. No	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan#
3	HDFC Bank Limited	Term loan	1. Sanction letter dated December 18, 2020 2. Sanction letter dated July 28, 2023	No prepayment penalty	Hospital Medical, Infrastructure and Equipment Finance: 08 years including 01 year of moratorium; and Guaranteed Emergency Credit Line: 05 years;	Hospital Medical, Infrastructure and Equipment Finance: 8 years Guaranteed Emergency Credit Line: five years;	7.15 to 9.25	1,361.66*	1,189.08	**Primary security:** 1) First pari pasu charge on movables fixed assets including plant machinery, machinery spares, tools and accessories, furniture, fixture, vehicle and all other movable assets, present and future. 2) First pari pasu charge on current asset, operating cash flow, receivable, commission, revenue of whatsoever nature arising present and future, intangibles, goodwill, uncalled capital, present and future. **Secondary collateral** 1)First pari pasu charge on Paras hospital property at Block-C-1, Sushant Lok-1, Sector-43 Gurgaon – 122 002. 2) Exclusive charge on property located at Udaipur. 3) First pari pasu charge on leasehold property right of Kanpur unit of the	For healthcare infrastructure and health equipment

Sr. No	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan#
										Company. 4) Corporate Guarantee of Plus Medicare Private Limited. **For Guaranteed Emergency Credit Line Primary security** 1) Second pari pasu charge on movables fixed assets including plant machinery, machinery spares, tools and accessories, furniture, fixture, vehicle and all other movable asset, present and future. 2) Second pari pasu charge on current asset, operating cash flow, receivable, commission, revenue of whatsoever nature arising present and future, intangibles, goodwill, uncalled capital, present and future.	
										Secondary collateral 1) Second pari pasu charge on Paras hospital property at Block - C-1, Sushant Lok-1,	

Sr. No	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan#
										sector-43 Gurgoan-122 002.	
Total								**3,255.86**	**2,354.97**		

(1) In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which they were availed pursuant to a certificate dated July 31, 2024.

(2)As certified by the Statutory Auditors of the Company, vide their certificate dated July 31, 2024.

 # As disclosed above, certain loans taken from banks or financial institutions, were utilized for capital expenditure by the Company.

2. Investment in our Subsidiaries, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited, in the form of debt or equity for repayment/prepayment of borrowings, in full or part, of such Subsidiaries

Our Subsidiaries, PHRPL and PMHPL, have entered into various financing arrangements with banks for availing loans in the form of term loans and working capital demand loans among others. As on June 30, 2024, the total outstanding borrowings of our Subsidiaries are ₹ 1,254.88 million. For details of these financing arrangements including indicative terms and conditions, see "*Financial Indebtedness*" on page 369.

We propose to utilise an estimated amount of up to ₹ 820.42 million from the Net Proceeds towards investing in our Subsidiaries, PHRPL and PMHPL, through debt or equity or both, in order to repay/ prepay, in full or in part, certain or all of the borrowings availed by our Subsidiaries. The repayment/ prepayment of the borrowings by our Subsidiaries, will help reduce our overall outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt-equity ratio and enable better utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates and additional funds/ capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

Further, given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings availed by our Subsidiaries, may vary from time to time and our Subsidiaries may repay/ prepay or refinance its borrowings from one or more financial institutions in the ordinary course of business, prior to filing of the Red Herring Prospectus. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Subsidiaries with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Additionally, owing to nature of our business, our Subsidiaries may avail additional facilities or repay certain instalments of our borrowings after the filing of this Draft Red Herring Prospectus. Accordingly, we may choose to repay/ prepay certain borrowings, other than those identified below, which may include additional borrowings availed by our Subsidiaries through investment in our Subsidiaries (in the form of debt or equity). Accordingly, in case any of the below mentioned borrowings are pre-paid or further drawn-down prior to the filing of the Red Herring Prospectus, we may utilize the Net Proceeds towards repayment and / or pre-payment of such additional indebtedness. In light of the above, if at the time of filing the Red Herring Prospectus, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Subsidiaries. The amount allocated for estimated schedule of deployment of Net Proceeds under this Object in a particular Fiscal may be utilized for repayment or prepayment of borrowings availed by our Subsidiaries in the subsequent Fiscal, as may be deemed appropriate by our Board, subject to applicable law.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting the ability of our Company and/or Subsidiaries to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Subsidiaries may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For details in relation to key terms of the borrowings of our Subsidiaries, see "*Financial Indebtedness*" on page 369.

The following table sets forth details of borrowings availed by our Subsidiaries, which were outstanding as on June 30, 2024, which are proposed to be repaid, all or in part, from the Net Proceeds:

Sr. No	Name of Borrower	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan#
1	Paras Healthcare (Ranchi) Private Limited ('PHRPL')	IndusInd Bank Limited	Term loan	1. Sanction letter dated October 12, 2022 2. Sanction letter dated July 20, 2021; 3. Sanction letter dated August 04, 2021	No prepayment charges if prepayment is from own sources of the PHRPL/ shareholders of PHRPL. Prepayment penalty of 1% if refinanced from another lender. 30 days prior notice to be provided to IndusInd Bank Limited in the event of such prepayment	10 years (with moratorium of 03 years)	Repayment in 28 unequal structural instalments, to start at the end of 13th quarter from the date of first draw-down	8.88	500.00	500.00	1. Hypothecation over all the movable fixed assets, current assets (present and future); and 2. Unconditional and irrevocable Corporate Guarantee of the Paras Healthcare limited (Formerly known as Paras Healthcare Private Limited)	Capital expenditure for setting up 300 bed hospital at Ranchi, and facility related expenses
				1. Sanction letter dated September 16, 2023 and dated September 28, 2023;	Prepayment is not allowed for first 12 months. Post 12 months, prepayment penalty is Nil if paid by own funds and is 1% of the outstanding amount in case of bank / financial	84 months including a moratorium of 30 days	Equated monthly instalments (“**EMI**”) to be calculated as per the disbursement amount – end to end tenor will be 84 months	8.69	100.00	59.69	1. Exclusive charge by way of hypothecation over specific medical equipments. 2. Corporate Guarantee of the Paras Healthcare limited (Formerly known as Paras Healthcare Private Limited)	Financing of Medical Equipment

Sr. No	Name of Borrower	Name of the lender	Nature of borrowing	Date of the sanction letter	Voluntary prepayment penalty	Tenor	Repayment schedule	Rate of interest as on June 30, 2024 (% per annum)	Amount sanctioned (in ₹million)	Total outstanding - principal amount as on June 30, 2024 (in ₹ million)	Security	Purpose of loan[#]
					institution takeover							
2	Plus Medicare Hospitals Private Limited	HDFC Bank Limited	Term loan	1. Sanction letter dated February 3, 2023;	No pre-payment penalty	08 years and moratorium of 24 months	74 unequal structured instalments	8.85	300.00	300.00	**Primary security:** 1) Exclusive change on movable fixed assets of the Plus Medicare Hospitals Private Limited including plant machinery, machinery spares, tools and accessories, furniture, fixture, vehicle and all other movable asset (present and future). 2) Exclusive change on current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future. 3) Non-disposable undertaking of shareholding of Plus Medicare Hospitals Private Limited. 4) Corporate guarantee of Paras Healthcare Limited (Formerly known as Paras Healthcare Private Limited) **Secondary collateral** 1) Exclusive change over property situated at Udaipur	For procuring equipment in Jammu and Kashmir Hospital (for setting up hospital in Jammu and Kashmir)
Total									**900.00**	**859.69**		

[(1)] *In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which they were availed pursuant to a certificate dated July 31, 2024.*

[(2)] As certified by the Statutory Auditors of the Company, vide their certificate dated July 31, 2024.
[#] As disclosed above, certain loans taken from banks or financial institutions, were utilized for capital expenditure by the Subsidiaries.

For details of security provided for the abovementioned borrowings, see "*Financial Indebtedness*" beginning on page 369.

Our Company will invest in our Subsidiaries, either in the form of debt or equity, depending upon the identification of the specific borrowings to be repaid/prepaid, by our Subsidiaries. The actual mode of investment has not been finalised as on the date of this Draft Red Herring Prospectus and will be finalized at the time of utilization of the funds received from the Net Proceeds.

3. General corporate purposes

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include payment of commission and/or fees to consultants, to further strengthen our existing ecosystem, meeting ongoing general corporate exigencies, expenses incurred in ordinary course of business, business development initiatives, other expenses including salaries, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the business requirements of our Company and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event we are unable to utilise the entire amount that we have currently estimated for use of our Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) in the subsequent Fiscals.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Means of finance

The Net Proceeds will not be utilised for financing a particular project, accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders.

Appraising entity

None of the Objects require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

Offer expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the Book Running Lead Managers, legal counsels, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by UPI Bidders, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) the listing fees, audit fees of the statutory auditors (other than to the extent attributable to the Offer), corporate or advertisements expenses in the ordinary course of business by the Company (not in connection with the Offer), and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which will be borne solely by the Company, and ((b) fees and expenses in relation to the legal counsel to any of the Selling Shareholders which shall be borne by the respective Selling Shareholders, all costs, charges, fees and expenses that are associated with and incurred solely in connection with the Offer including, *inter-alia*, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the Registrar of Companies and any other Governmental Authority, advertising, printing, road show expenses, accommodation and travel expenses, fees and expenses of the legal counsel to the Company and the Indian and international legal counsel to the BRLMs, fees and expenses of the statutory auditors (to the extent related to the Offer), registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLMs, Syndicate Members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be shared by the Company and each of the Selling Shareholders in proportion to the number of Equity Shares issued and/or transferred by the Company and each of the Selling Shareholders in the Offer in respect of their respective portion of the Offered Shares, respectively, except as may be prescribed by the SEBI or any other regulatory authority. The Company agrees to pay the cost and expenses of the Offer on behalf of the Selling Shareholders in the first instance, (in accordance with the appointment or engagement letter or memoranda of understanding or agreements with such entities), and each of the Selling Shareholders agrees that it shall reimburse the Company, in proportion to its respective portion of the Offered Shares, for any documented expenses incurred by the Company on behalf of such Selling Shareholder, subject to receipt of supporting documents for such expenses upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer in accordance with applicable law, except for such costs and expenses, in relation to the Offer which are paid for directly by the Selling Shareholders. In the event that the Offer is postponed or withdrawn or abandoned for any reason or the Offer is not successful or consummated, all Offer expenses will be borne in accordance with, and subject to applicable law and as mutually agreed amongst the Company and the Selling Shareholders.

The break-up for the estimated Offer expenses are as follows:

Activity	**Estimated expenses (1) (₹ in million)**	**As a % of total estimated Offer related expenses (1)**	**As a % of Offer size (1)**
Fees payable to the Book Running Lead Managers and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by UPI Bidders) procured by the members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Banks for Bids made by RIBs (2)(3)	[●]	[●]	[●]
Selling commission and uploading charges payable to members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers (4)(5)(6)	[●]	[●]	[●]
Processing fees payable to the Sponsor Banks (6)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to the other parties to the Offer, including, Statutory Auditors, Independent Chartered Accountant, industry expert and legal counsels	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.*

(2) *Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

Portion for RIBs*	*[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Eligible Employees	*[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Non-Institutional Bidders*	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

(3) *No processing fees shall be payable by the Selling Shareholders to the SCSBs on the applications directly procured by them.*

Processing / uploading fees payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIBs*	*[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Eligible Employees	*[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Non-Institutional Bidders*	*[●]% of the Amount Allotted (plus applicable taxes)*

(4) *Selling commission on the portion for UPI Bidders, Eligible Employees, Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for RIBs	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*[●]% of the Amount Allotted (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

(5) *Selling commission/ uploading charges payable to the Registered Brokers on the portion for UPI Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

Portion for RIBs*	*₹ [●] per valid application (plus applicable taxes)*
Portion for Eligible Employees	*₹ [●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Bidders*	*₹ [●] per valid application (plus applicable taxes)*

* *Based on valid applications*

(6) *Uploading charges/ Processing fees for applications made by UPI Bidders would be as under:*

Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	*₹ [●] per valid application (plus applicable taxes)*
Payable to Sponsor Banks	*₹ [●] per valid application (plus applicable taxes)* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the

SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Bridge financing facilities

We have not availed bridge financing from any bank or financial institution as on the date of this Draft Red Herring Prospectus.

Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, we will appoint a monitoring agency to monitor the utilization of the Gross Proceeds. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Our Company will disclose the utilisation of the Gross Proceeds, including interim, use under a separate head in our balance sheet for such fiscals as required under applicable law, specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such unutilised Gross Proceeds. Our Company will indicate investments, if any, of unutilised Gross Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Gross Proceeds and provide item by item description for all the expense heads under each Object of the Offer. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company and shall be furnished to the Monitoring Agency, in terms of the Monitoring Agency Agreement. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including deviations, if any, in the utilization of the Gross Proceeds of the Offer from the Objects as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors' report, after placing the same before the Audit Committee. We will disclose the utilization of the Gross Proceeds under a separate head along with details in our balance sheet(s) until such time as the Gross Proceeds remain unutilized clearly specifying the purpose for which such Gross Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Gross Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the Objects without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English, and one in Hindi, Hindi also being the regional language of Haryana where our Registered and Corporate Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, in accordance with the Companies Act, 2013 and SEBI ICDR Regulations, at a price and in the manner as prescribed by SEBI, in this regard.

Other confirmations

No part of the Net Proceeds will be paid by our Company to our Promoter, Promoter Group, our Directors, our Key Managerial Personnel or our Senior Management. There are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoter, Promoter Group, our Directors, our Key Managerial Personnel, or our Senior Management.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price, and Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Bidders should also see "*Risk Factors*", "*Our Business*", "*Summary of Financial Information*", "*Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 199, 61, 272 and 334, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Fifth largest healthcare provider in terms of bed capacity in North India, Bihar and Jharkhand among our Peers, with an aggregate of 2,135 beds, as of March 31, 2024. (*Source: CRISIL Report)*
- Asset light business model with several initiatives to drive patient access and performance.
- Delivering quality clinical care by attracting and retaining renowned clinicians.
- Diversified operations across clinical specialties, payor mix and hospitals.
- Robust operating infrastructure across our hospitals including information technology and modern equipment.
- Doctor led professional management team with proven execution capabilities.

For further details, see "*Our Business – Our Competitive Strengths*" on page 202.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "*Restated Consolidated Financial Information*" and "*Other Financial Information*" on pages 272 and 333, respectively.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings per share for continuing operations ("EPS") (face value of each Equity Share is ₹1):

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2024	(1.57)	(1.57)	3
2023	(5.82)	(5.82)	2
2022	(2.01)	(2.01)	1
Weighted Average for the above three Fiscals	(3.06)	(3.06)	-

Notes:
1. Basic Earnings per Equity Share (₹) = Net profit after tax attributable to owners of our Company, as restated / Weighted average no. of Equity Shares outstanding during the year / period
2. Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to owners of our Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year / period
3. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year /Total of weights.
4.Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.
5. Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on March 18, 2024 and March 20, 2024 respectively, stock split of one equity share having face value of ₹ 10 each into ten equity shares having face value of ₹ 1 each has been approved.
6. Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on March 18, 2024 and March 20, 2024 respectively 1 bonus equity shares for every 1 existing equity shares (1:1) had been approved.
7. The impact of events mentioned in note (5) and (6) in relation to stock split and bonus shares has been considered retrospectively for the purpose of calculation of basic and diluted earning per share for current year and previous years.
8. The figures disclosed above for the financial years ended March 31, 2024, 2023 and 2022 and other relevant records of our Company are based on the Restated Consolidated Financial Information of the Company.

B. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on Basic EPS for Fiscal 2024	[●]*	
Based on Diluted EPS for Fiscal 2024		

**To be updated at the Prospectus stage.*

C. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 106.62, the lowest P/E ratio is 31.97 and the average P/E ratio is 61.45.

Particulars	Industry P/E Ratio	Name of the company	Face value of the equity shares (in ₹)
Highest	106.62	Apollo Hospitals Enterprise Limited	5.00
Lowest	31.97	Yatharth Hospital and Trauma Care Services Limited	10.00
Average	61.45	N.A.	N.A.

Notes:

(1) The industry high and low has been considered from the industry peer set provided below. The industry composite has been circulated as the arithmetic average P/E of the industry peer set as given below.

(2) The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on NSE on July 26th, 2024 divided by the Diluted EPS as on for the financial year ended March 31, 2024.

(3) All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for the Fiscal, 2024, as available on the websites of the Stock Exchanges.

D. Return on Net Worth ("RoNW")

Fiscal / Period ended	RoNW (%)	Weight
2024	(8.32)	3
2023	(82.92)	2
2022	(18.37)	1
Weighted Average for the above three Fiscals	(34.86)	-

Notes:

i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of our Company divided by average equity. Average equity is the average of opening and closing total equity for a fiscal year.

iii) Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2024; 2023 and 2022, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

iv) The figures disclosed above for the financial years ended March 31, 2024, 2023 and 2022 are based on the Restated Consolidated Financial Information of our Company.

E. Net Asset Value ("NAV") per Equity Share

Net Asset Value per Equity Share	₹
As at March 31, 2024	34.68
After the Offer	
- At Floor Price	[●]*
- At Cap Price	[●]*
At Offer Price	[●]

**Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

Notes:

(i) Net asset value per Equity Share is calculated as total equity divided by number of equity shares outstanding as at the end of year.

(ii) Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on March 18, 2024 and March 20, 2024 respectively, stock split of one equity share having face value of ₹ 10 each into ten equity shares having face value of ₹ 1 each has been approved.

(iii) Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on March 18, 2024 and March 20, 2024 respectively 1 bonus equity shares for every 1 existing equity shares (1:1) had been approved.

(iv) The impact of events mentioned in note (ii) and (iii) in relation to stock split and bonus shares has been considered retrospectively for the purpose of calculation of net asset value per share for current year and previous years.

(v) The figures disclosed above for the financial year ended March 31, 2024, are based on the Restated Consolidated Financial Information of our Company.

For further details, see "*Other Financial Information*" on page 333.

F. Comparison of accounting ratios with Listed Industry Peers

The following peer group has been determined based on the companies listed on the Stock Exchanges:

(***The remainder of this page has been intentionally left blank***)

Company	Face value per equity share	Enterprise Value as on July 29 2024 (₹ million)	Closing Price as on July 26, 2024 (₹)	Revenue from Operations for Fiscal 2024 (₹ million)	EBITDA for Fiscal 2024 (₹ million)	EPS (Basic)	EPS (Diluted)	P/E	EV/EBITDA	Return on Net Worth (%)	Net Asset Value per equity share (₹)
Paras Healthcare Limited	1.00	NA	NA	11,290.39	1,544.11	(1.57)	(1.57)	NA	NA	(8.63%)	34.68
Apollo Hospitals Enterprise Limited	5.00	1,004,881.00	6,664.55	190,592.00	25,150.00	62.50	62.50	106.63	39.96	16.11%	429.24
Fortis Healthcare Limited	10.00	395,111.00	509.80	68,929.20	13,154.00	7.93	7.93	64.29	30.04	17.27%	52.30
Global Health Limited	2.00	322,551.00	1,203.95	32,751.11	9,030.53	17.80	17.80	67.64	35.72	17.96%	108.01
Jupiter Lifeline Hospitals Limited	10.00	83,606.00	1,316.50	10,954.82	2,641.38	28.65	28.65	45.95	31.65	23.09%	177.93
Krishna Institute of Medical Sciences Limited	10.00	187,866.00	2,153.20	24,981.44	6,532.11	38.75	38.75	55.57	28.76	20.53%	215.00
Max Healthcare Group	10.00	909,423.00	948.50	68,490.00	19,070.00	10.89	10.84	87.50	47.69	41.69%	29.07
Narayana Health Limited	10.00	262,174.00	1,246.75	50,182.49	12,275.48	38.86	38.86	32.08	21.36	35.22%	128.90
Yatharth Hospital and Trauma Care Services Limited	10.00	42,613.00	462.25	6,705.47	1,955.49	14.46	14.46	31.97	21.79	24.06%	94.89

Notes:

1) Closing Price per share is closing price in NSE as on 26th July, 2024.

2) Enterprise Value is sourced from Bloomberg on 29th July,2024

3) EV/EBITDA is calculated as Enterprise Value divided by EBITDA for Fiscal 2024.

2) P/E is calculated as closing price / diluted EPS.

3) For Paras Healthcare Limited, all the numbers have been taken from Restated Consolidated Financial Statements. For others, all the numbers have been sourced from the Industry Report.

For further details of non-GAAP measures, see "*Other Financial Information*" on page 333, to have a more informed view.

G. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 29, 2024 and the Audit Committee has confirmed that verified and audited details of all the KPIs pertaining to our Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus have been disclosed in this section. Further, the KPIs herein have been certified by Suri & Sudhir, Chartered Accountants, Chartered Accountants, pursuant to certificate dated July 31, 2024. This certificate has been designated as a material document for inspection in connection with the Offer. See "*Material Contracts and Documents for Inspection*" on page 516.

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to its peers.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by our Board), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges or till the utilisation of the Offer Proceeds as per the disclosure made in the section "*Objects of the Offer*" starting on page 90 of this Draft Red Herring Prospectus, whichever is later, or for such other duration as required under the SEBI ICDR Regulations.

KPIs:

Particulars	As of/for the year ended March 31,		
	2024	2023	2022
Total bed capacity (count) (1)	2,135	1,500	1,250
Number of operational beds (count) (2)	1,332	1,102	978
Number of ICU beds (count) (3)	425	356	266
Bed Occupancy Rate (%)4)	52.34%	56.35%	54.41%
Average revenue per occupied bed ("ARPOB") (₹ million) (5)	44,345.37	40,464.33	40,100.03
Average length of stay ("ALOS") (in days) (6)	3.14	3.22	3.55
In-patient volume – discharged patients (count) (7)	81,047	70,393	54,709
In-patient revenue(8) (₹ million)	9,225.33	7,509.86	6,323.61
Out-patient volume – consultations (count) (9)	569,139	4,42,758	365,952
Out-patient revenue (₹ million) (10)	1,641.97	1,348.45	1,190.23
Revenue from Operations (₹ million) (11)	11,290,39	9,179.20	7,799.24
Total Income (₹ million) (12)	11,510.23	9,360.53	7,931.72
Profit / (loss) before tax (₹ million) (13)	66.30	(270.53)	30.51
Loss for the year (₹ million) (14)	(153.31)	(427.92)	(148.08)
EBITDA (₹ million) (15)	1,544.11	876.14	826.52
EBITDA Margin(16) (%)	13.68%	9.54%	10.60%
RoE (%) (17)	(8.32) %	(82.92) %	(18.37) %
RoCE (%) (18)	5.86%	2.84%	6.48%
Capital expenditure per total bed capacity(19) (₹ million)	5.84	6.49	5.07
Debt to Equity (times) (20)	1.65	16.20	2.96
Number of Hospitals (count) (21)	8	6	6
Revenue Growth Rate (%) (22)	23.00%	17.69%	28.93%
Increase in EBITDA (%) (23)	76.24%	6.00%	59.23%
Capital Employed (₹ million) (24)	12,568.24	7,802.19	5,338.15
Tier 2 city mix (%) (25)	62.35%	61.33%	61.35%

Particulars	As of/for the year ended March 31,		
	2024	**2023**	**2022**
Net profit ratio (%) [26]	(1.33%)	(4.57%)	(1.87%)
Number of surgeries (count) [27]	30,219	27,976	21,687

Note:

[(1)] *Total bed capacity is as at end of relevant fiscal and denotes the number of beds for which the civil structure has been planned for.*

[(2)] *Number of operational beds includes census beds (bed available for mid-night occupancy such as intensive care units ("**ICUs**") and wards and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds).*

[(3)] *Number of ICU beds represents the total intensive care unit beds operational as of the end of the respective fiscal.*

[(4)] *Bed occupancy rate is calculated by dividing the total number of occupied beds by the total number of operational beds.*

[(5)] *ARPOB is calculated as revenue from sale of services - healthcare divided by number of occupied bed days in the respective fiscal.*

[(6)] *ALOS is calculated as average number of days spent by admitted in-patients.*

[(7)] *In-patient volume – discharged patients refers to the total number of patients who have been admitted to a healthcare facility for treatment and subsequently discharged.*

[(8)] *In-patient revenue refers to the income generated from patients who are admitted to the hospital for at least one overnight stay.*

[(9)] *Out-patient volume – consultations refers to the total number of outpatient visits for consultations within a specific period.*

[(10)] *Out-patient revenue includes revenue earned from services provided to patients who visit the hospital or clinic for treatment but do not require an overnight stay.*

[(11)] *Revenue from operations includes revenue from services of Healthcare (i.e., earned through in patient department and out-patient department) , sale of product through pharmacy and other operating income.*

[(12)] *Total income includes revenue from operations and other income.*

[(13)] *Profit / (loss) before tax refers to the profit generated by us before accounting for taxes.*

[(14)] *Profit/loss for the year the Company earned after accounting for taxes.*

[(15)] *EBITDA is calculated as profit or loss before tax for the year plus finance costs, depreciation and amortization expense and exceptional items.*

[(16)] *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*

[(17)] *RoE is calculated as loss after tax attributable to owners of our Company divided by average equity. Average equity is the average of opening and closing total equity for a fiscal year.*

[(18)] *RoCE is calculated as a percentage of EBIT (i.e. Loss for the year plus Tax expense and finance costs) divided by capital employed*

[(19)] *Capital expenditure per total bed is calculated by dividing the gross block of assets (including right to use of assets) of each hospital by the bed capacity of such hospital as of the end of the respective fiscal.*

[(20)] *Debt to equity is calculated as total of non-current and current borrowings divided by tangible net worth. Tangible net worth is calculated as total equity less intangible assets and goodwill.*

[(21)] *Number of hospitals refer to total number of hospitals operated by the company at the end of fiscal year.*

[(22)] *The revenue growth rate is a financial metric that measures the increase (or decrease) our revenue over a specific period.*

[(23)] *The Increase in EBITDA is a financial metric that measures the increase (or decrease) in our EBITDA over a specific period.*

[(24)] *Capital employed is calculated as tangible net worth (wherein tangible net worth is calculated as total equity less intangible assets and goodwill)plus deferred tax liabilities, lease liabilities and total borrowings.*

[(25)] *Tier 2 city mix represents the percentage of revenue generated from operations from all our hospitals except our Gurugram hospital.*

[(26)] *Net profit ratio is calculated as loss for the year divided by total income.*

[(27)] *Number of surgeries represents the sum total of all types of surgeries performed in a particular year at all hospitals.*

For a reconciliation of Non-GAAP measures, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*" on page 348.

We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" starting on page 1. For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 199 and 334, respectively.

H. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools.

Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. See "*Risk Factor – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investor's assessments of our financial condition*" on page 51.

Explanation for the KPIs

Sr. No.	KPI	Explanation
1	Total bed capacity	Total bed capacity is as at end of relevant fiscal and denotes the number of beds for which the civil structure has been planned for.
2	Number of operational beds	Operational beds includes census beds (bed available for mid-night occupancy such as intensive care units ("ICUs"), wards etc.) and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds etc.).
3	Number of ICU beds	Same represents the total intensive care unit beds operational in a particular period.
4	Bed Occupancy Rate (%)	Bed occupancy rate is calculated by dividing the total number of occupied beds by the total number of operational beds. This metric is crucial for evaluating a hospital's financial viability and operational efficiency. Given the substantial fixed costs associated with equipment, beds, and infrastructure, hospitals must maintain adequate occupancy levels to cover operational expenses and achieve breakeven. Thus, monitoring and optimizing the occupancy rate is essential for effective cost management and ensuring sustainable financial performance.
5	Average revenue per occupied bed ("**ARPOB**") (₹)	ARPOB is calculated as revenue from sale of services healthcare divided by operational occupied beds days. This metric provides insight into the revenue generated per occupied bed. It helps our company understand financial performance, guide pricing strategies, and optimize resource and capacity planning.
6	Average length of stay ("**ALOS**")	Average length of stay (ALOS) is calculated as average number of days spent by admitted inpatients. This metric is used by the management to track length of stay of each in patient admission and discharge, it helps in tracking hospital's efficiency and complexity of work.
7	In-patient volume – discharged patients	Total number of patients who have been admitted to a healthcare facility for treatment and subsequently discharged. This metric is important for assessing the utilization of hospital resources, patient flow, and overall hospital performance.
8	In-patient revenue (₹ million)	Tracking inpatient revenue helps a company analyze the revenue generated from its core activities, such as patient admissions, surgeries, and other inpatient services.
9	Out-patient volume – consultations	Total number of outpatient visits for consultations within a specific period. This metric is crucial for healthcare facilities to evaluate the demand for outpatient services, manage resources, and assess the effectiveness of service delivery.
10	Out-patient revenue (₹ million)	Tracking outpatient revenue helps our company analyse revenue generated from outpatient services in a healthcare facility. This includes services provided to patients who visit the hospital or clinic for treatment but do not require an overnight stay.
11	Revenue from Operations (₹ million)	Revenue from operations is a critical metric for assessing the financial health and performance of a healthcare facility. It helps in understanding how effectively the facility is generating income from its core activities, managing costs, and achieving profitability. Regular analysis of operational revenue allows for better financial planning, resource allocation, and strategic decision-making.
12	Total Income (₹ million)	Total income is the sum total of the revenue from operations and other income at group level.
13	Restated Profit Before Tax (₹ million)	Tracking restated profit for the year helps Company track the overall profitability of the business before tax.
14	Restated Profit After Tax (₹ million)	Tracking restated profit for the year helps Company track the overall profitability of the business after tax.
15	Reported EBITDA (₹ million)	Tracking EBITDA helps Company identify underlying trends in the business and facilitates evaluation of year-on year operating performance of the operations by eliminating items that are variable in nature and not considered by Company in

Sr. No.	KPI	Explanation
		the evaluation of ongoing operating performance and allowing comparison of the recurring core business operating results over multiple periods.
16	Reported EBITDA Margin (%)	Tracking EBITDA Margin assists in tracking the margin profile of the business and in understanding areas of the business operations which have scope for improvement.
17	RoE (%)	This ratio helps our Company in measuring the returns generated from equity financing.
18	RoCE (%)	This ratio helps our Company in measuring the operating returns generated from total capital employed in the business.
19	Capital expenditure per operational bed (₹ million)	Same is calculated basis total amount capitalised divided by total bed capacity in a particular hospitals helps in budgeting and control over actual cost incurred.
20	Debt to Equity	This ratio helps our company to access its financial leverage .
21	Number of Hospitals	Total number of operating hospitals in the group.
22	Revenue Growth Rate	This ratio is used by the group to track the revenue from operation and its growth over the year on year basis.
23	Increase in EBITDA	Tracking Increase in EBITDA assists in tracking the margin profile of the business and in understanding areas of the business operations which have scope for improvement.
24	Capital Employed	This ratio helps our Company in measuring the operating returns generated from total capital employed in the business.
25	Tier 2 city mix	This ratio explains the percentage of revenue from operations earned from tier 2 City hospitals accordingly management plan further investment and expansions.
26	Net profit ratio (%)	Tracking net profit ratio assists in tracking the margin profile of the business and allows comparison of results over multiple periods
27	Number of surgeries	Sum total of all types of surgeries performed in a particular year at all hospitals of the group, which helps to analyse related revenue matrix.

I. Comparison of KPIs based on additions or dispositions to our business

During the Fiscal 2023, our Company acquired 100% equity shareholding of Plus Medicare Hospitals Private Limited ("**PMHPL**"), which owned the land and buildings for the Udaipur hospital. Our Company had entered into a lease agreement with PMHPL for the operations of the Udaipur hospital, operated by us, prior to the acquisition. For details in relation to the acquisition of PMHPL, see "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, slump sales, mergers, amalgamation, any revaluation of assets in the last ten years*" and "*Restated Consolidated Financial Information- Note 41- Business combinations"* on pages 240 and 328, respectively.

J. Comparison of its KPIs with Listed Industry Peers

Set forth below is a comparison of our KPIs with our peer group companies listed in India and operating in the same industry as our Company, whose business profile is comparable to our business in terms of our size and our business model.

(***The remainder of this page has been intentionally left blank***)

As at and for Fiscal 2024										
Sr No.	**Particulars**	**Paras Healthcare Private Limited**	**Apollo Hospitals Enterprise Limited**	**Fortis Healthcare Limited**	**Global Health Limited**	**Jupiter Lifeline Hospitals Limited**	**Krishna Institute of Medical Sciences Limited**	**Max Healthcare Group**	**Narayana Health Limited**	**Yatharth Hospital and Trauma Care Services Limited**
1	Total bed capacity (count) (1)	2,135	10,134	4,500+	2,823	961	3,975	~4,000	6,074	1,605
2	Number of operational beds (count) (2)	1,332	9,369	4,500+	2,823	961	3,503	~4,000	5,332	1,605
3	Number of ICU beds (count) (3)	425	NA	NA	664	NA	NA	NA	NA	455
4	Bed Occupancy Rate (%)4)	52.34%	65%	65%	62%	64%	54%	75%	53%	54%
5	Average revenue per occupied bed (“ARPOB”) (₹ million) (5)	44,345.37	57,500	60,900	61,900	54,900	31,900	75,800	38,400	28,600
6	Average length of stay (“ALOS”) (in days) (6)	3.1	3.3	4.3	3.2	3.9	4.1	4.2	4.4	4.8
7	In-patient volume – discharged patients (count) (7)	81,047	569,988	NA	155,915	49,100	191,167	231,625	236,000	49,000
8	In-patient revenue(8) (₹ million)	9,225.33	87,045	50,590	28,138	8,604	NA	NA	29,099	5,886
9	Out-patient volume – consultations (count) (9)	569,139	1,922,696	NA	2,683,293	831,200	1,587,997	2,505,000	2,541,000	327,000
10	Out-patient revenue (₹ million) (10)	1,641.97	21,304	8,262	5,360	1,994	NA	NA	10,672	819
11	Revenue from Operations (₹ million) (11)	11,290.39	190,592.00	68,929.20	32,751.11	10,954.82	24,981.44	68,490.00	50,182.49	6,705.47
12	Total Income (₹ million) (12)	11,510.23	191,835.00	69,406.80	33,497.75	10,954.82	25,109.29	NA	50,934.38	6,861.57
13	Profit / (loss) before tax (₹ million) (13)	66.30	13,805.00	8,579.70	6,258.64	1,952.63	4,562.14	15,940.00	8,885.28	1,563.44
14	Loss for the year (₹ million) (14)	(153.31)	9,350.00	6,452.20	4,780.60	1,766.12	3,360.07	12,780.00	7,896.24	1,144.75
15	EBITDA (₹ million) (15)	1,544.11	25,150.00	13,154.00	9,030.53	2,641.38	6,532.11	19,070.00	12,275.48	1,955.49
16	EBITDA Margin(16) (%)	13.68%	13.20%	19.08%	27.57%	24.11%	26.15%	27.80%	24.46%	29.16%
17	RoE (%) (17)	-8.32%	16.11%	17.27%	17.96%	23.09%	20.53%	41.69%	35.22%	24.06%

18	RoCE (%) [18]	5.86%	19.95%	21.47%	21.40%	21.74%	20.64%	36.82%	28.93%	25.90%
19	Capital expenditure per total bed capacity[19] (₹ million)	5.84	12.80	15.83	11.41	8.39	6.57	10.57	6.31	3.64
20	Debt to Equity (times) [20]	1.65	0.51	0.22	0.14	-	0.61	0.41	0.55	0.10
21	Number of Hospitals (count) [21]	8	73	28	5	3	12	19	18	5
22	Revenue Growth Rate (%) [22]	23.00%	14.63%	10.75%	20.75%	21.32%	13.46%	16.01%	10.47%	28.34%
23	Increase in EBITDA (%) [23]	76.24%	20.87%	15.38%	33.67%	24.42%	5.01%	16.56%	18.38%	41.74%
24	Capital Employed (₹ million) [24]	12,568.24	119,439.00	52,154.20	36,647.53	11,703.56	30,902.72	46,393.20	43,027.02	8,890.26
25	Tier 2 city mix (%) [25]	62.35%	NA	NA	NA	NA	NA	NA	NA	NA
26	Net profit ratio (%) [26]	(1.33)%	4.87%	9.30%	14.27%	16.12%	13.38%	18.70%	15.50%	16.68%
27	Number of surgeries (count) [27]	30,219	NA	NA	NA	NA	NA	NA	NA	NA

Notes:

(1) Total bed capacity is as at end of relevant fiscal and denotes the number of beds for which the civil structure has been planned for.

(2) Number of operational beds includes census beds (bed available for mid-night occupancy such as intensive care units ("ICUs") and wards and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds).

(3) Number of ICU beds represents the total intensive care unit beds operational as of the end of the respective fiscal.

(4) Bed occupancy rate is calculated by dividing the total number of occupied beds by the total number of operational beds.

(5) ARPOB is calculated as revenue from sale of services - healthcare divided by number of occupied bed days in the respective fiscal.

(6) ALOS is calculated as average number of days spent by admitted in-patients.

(7) In-patient volume – discharged patients refers to the total number of patients who have been admitted to a healthcare facility for treatment and subsequently discharged.

(8) In-patient revenue refers to the income generated from patients who are admitted to the hospital for at least one overnight stay.

(9) Out-patient volume – consultations refers to the total number of outpatient visits for consultations within a specific period.

(10) Out-patient volume – consultations refers to the total number of outpatient visits for consultations within a specific period.

(11) Revenue from operations includes revenue from services of Healthcare(i.e earned through in patient department and out patient department) , sale of product through Pharmacy and other operating income.

(12) Total income is the sum total of the revenue from operations and other income.

(13) Profit / (loss) before tax (PBT) refers to the profit a company earns before accounting for taxes.

(14) Profit/loss for the year the Company earned after accounting for taxes.

(15) EBITDA is calculated as profit or loss before tax for the year plus finance costs, depreciation and amortization expense.

(16) EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(17) RoE is calculated as loss after tax attributable to owners of our Company divided by average equity. Average equity is the average of opening and closing total equity for a fiscal year.

(18) RoCE is calculated as a percentage of EBIT (i.e. Loss for the year plus Tax expense and finance costs) divided by capital employed

(19) Capital expenditure per total bed is calculated by dividing the gross block of assets (including right to use of assets) of each hospital by the total total bed capacity of such hospital as of the end of the respective fiscal.

(20) Debt to equity is calculated as total of non current and current borrowings divided by tangible net worth. Tangible net worth is calculated as total equity less intangible assets and goodwill.

(21) Number of hospitals refer to total number of hospitals operated by the company at the end of fiscal year.

(22) The revenue growth rate is a financial metric that measures the increase (or decrease) in a company's revenue over a specific period.

(23) The Increase in EBITDA is a financial metric that measures the increase (or decrease) in a company's EBITDA over a specific period.

(24) Capital employed is calculated as tangible net worth (wherein tangible net worth is calculated as total equity less intangible assets and goodwill) plus deferred tax liabilities, lease liabilities and total borrowings.

(25) Tier 2 city mix represents the percentage of revenue generated from operations from all our hospitals except our Gurugram hospital.
(26) Net profit ratio is calculated as profit/(loss) for the year divided by total income
(27) The number of surgeries refers to the total count of patients discharged from surgical specialties over a specific period.

Justification for Basis for Offer Price:

K. Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under any employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances"):

Our Company has not issued any Equity Shares (excluding Equity Shares issued pursuant to the bonus issuance dated March 27, 2024) or convertible securities or any employee stock option scheme during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

L. Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoter (who is also a Selling Shareholder), members of the Promoter Group, the Investor Selling Shareholder or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions"):

There have been no secondary sale/ acquisition of Equity Shares, where our Promoter (who is also a Selling Shareholder), members of the Promoter Group, Investor Selling Shareholder or other shareholders with the right to nominate directors on our Board, are a party to the transaction, during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding any employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

M. If there are no such transactions to report under K and L, the following are the details of the price per share of our Company basis the last five primary or secondary transactions (secondary transactions where our Promoter (who is also a Selling Shareholder), members of the Promoter Group, Investor Selling Shareholder or other shareholders with the right to nominate directors on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of transactions:

Since there are no such transactions to report to under K and L therefore, information for the last 5 primary or secondary transactions (secondary transactions where our Promoter (who is also a Selling Shareholder) / Promoter Group entities or Investor Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this Draft Red Herring Prospectus, irrespective of the size of transactions, is as below:

Primary transactions:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)(1)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total consideration (in ₹ million)
March 27, 2024	36,759,620	1	-	Bonus issue	N.A.	Nil
Weighted average cost of acquisition						**Nil**

Secondary acquisition:

Except as disclosed below, there have been no secondary transactions by our Promoter (who is also a Selling Shareholder), members of the Promoter Group, Investor Selling Shareholder are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of transfer	Name of transferor	Name of transferee	Number of securities s	Nature of Securities	Face value of securities	Price per specified security	Nature of Transaction	Nature of consideration	Total Consideration (B)
May 31, 2024	Dharminder Kumar Nagar	Mrs. Gurdeep Kaur Nagar	1	Equity shares	1	-	Gift	N.A.	Nil
May 31, 2024	Dharminder Kumar Nagar	Ms. Ranya Nagar	1	Equity shares	1	-	Gift	N.A.	Nil
Weighted average cost of acquisition (A/B)									**Nil**

N. Weighted average cost of acquisition, floor price and cap price

In respect of the above transactions, set out below are the details of the weighted average cost of acquisition as compared to the Floor Price and Cap Price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)#	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of Primary Issuances	N.A.(1)^	[●]	[●]
Weighted average cost of acquisition of Secondary Transactions	N.A.(2)^	[●]	[●]
Since there were no primary or secondary transactions of Equity Shares of our Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoter (who is also a Selling Shareholder), members of the Promoter Group, Investor Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below			
Based on primary issuance	Nil$	[●]	[●]
Based on secondary transactions	Nil&	[●]	[●]

**To be updated at the Prospectus stage.*
(1)There were no primary / new issue of shares (equity/ convertible securities)excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days
(2)There were no secondary sale / acquisition of shares equity/convertible securities), where Promotes or Promoter Group or Selling Shareholders or Shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
$ No consideration has been paid as the Equity Shares were received pursuant to the bonus issuance of Equity Share.
& No consideration has been paid as the Equity Shares were received pursuant to gift of Equity Shares.
 # As certified by Suri & Sudhir, Chartered Accountants by way of their certificate dated July 31, 2024.

O. The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, members of the Promoter Group by way of primary and secondary transactions in the last 18 months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Fiscals 2024, 2023 and 2022

[●]*

**To be included on finalisation of Price Band and will be updated at the Prospectus stage.*

P. The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by

our Promoter, members of the Promoter Group by way of primary and secondary transactions in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any, which may have influenced the pricing of the Offer

[●]*

**To be included on finalisation of Price Band and will be updated at the Prospectus stage.*

Q. The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹[●] has been determined by our Company in consultation with the Book Running Lead Managers, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 199, 272 and 334, respectively, to have a more informed view.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

Paras Healthcare Limited
(formerly known as Paras Healthcare Private Limited)
1st Floor, Tower B, Paras Twin Towers,
Golf Course Road, Sector-54, Gurgaon,
Haryana – 122002

Date: 31 July, 2024

Subject: Statement of possible special tax benefits ("the Statement") available to Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited) ("the Company"), its shareholders and its material subsidiary prepared in accordance with the requirement under Schedule VI –Part A -Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the SEBI ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 19 July 2024.

We hereby report that the enclosed **Annexure II and III** prepared by the Company, initialled by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiary (defined in Table 1.2 of **Annexure I**), under direct and indirect taxes (together **"the Tax Laws"),** presently in force in India as on the 31 July 2024, which are defined in **Annexure I**. These possible special tax benefits are dependent on the Company, its shareholders and its material subsidiary fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its material subsidiary and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, its shareholders and its material subsidiary may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure II and III** cover, the possible special tax benefits available to the Company, its shareholders and its material subsidiary and do not cover any general tax benefits available to the Company, its shareholders and its material subsidiary

The preparation of the enclosed **Annexure II and III** and its contents is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 30 July 2024. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. Further, the benefits discussed in the Annexure II and III are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i) the Company, its shareholders and its material subsidiary will continue to obtain these possible special tax benefits in future; or

ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company and its material subsidiary.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus, prepared in connection with the Proposed Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges. It is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Sujay Paul
Partner
Membership No.: 096314
UDIN: 24096314BKETXX5384

Date: 31 July 2024
Place: Noida

Annexure I

Table 1.1 – List of Direct and Indirect Tax Laws ("TAX LAWS")

S.no.	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962 (read with applicable circulars and notifications) as amended by the Finance (No. 1) Act 2024, and the proposals introduced by the Finance (No. 2) Bill, 2024[1].
2.	Central Goods and Services Tax Act, 2017 including the relevant rules, notifications and circulars issued there under, The Integrated Goods and Services Tax Act, 2017 including the relevant rules, notifications and circulars issued there under, Applicable State/ Union Territory Goods and Services Tax Act, 2017 including the relevant rules, notifications and circulars issued there under
3.	The Customs Act, 1962 including the relevant rules, notifications and circulars issued there under
4.	The Customs Tariff Act, 1975 including the relevant rules, notifications and circulars issued there under
5.	The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)

Table 1.2 – Material subsidiary considered as part of the Statement

S.no.	Material Subsidiary
1.	Paras Healthcare (Ranchi) Private Limited[2]

Note: Material subsidiary identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, includes a subsidiary whose income or net worth in the immediately preceding accounting year (i.e., financial year ended 31 March 2024) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediately preceding accounting year.

For and on behalf of Board of Directors of
Paras Healthcare Limited

Dilip Bidani
Chief Financial Officer

Place: Gurugram
Date: 31 July 2024

[1] The proposals introduced by the Finance (No. 2) Bill, 2024 are yet to receive President's assent to be enacted as a Law.

[2] Paras Healthcare (Ranchi) Private Limited is referred to as "material subsidiary".

Annexure II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO PARAS HEALTHCARE LIMITED, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE LAWS IN INDIA – INCOME TAX ACT, 1961

Outlined below are certain possible special direct tax benefits available to Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited) ("the Company"), its shareholders and its material subsidiary (as listed in **Table 1.2 of Annexure I**) under the Income-tax Act, 1961 (hereinafter referred to as **"the ITA"**), read with Income Tax Rules, circulars, notifications, as amended by the Finance (No. 1) Act, 2024 and the proposals introduced by the Finance (No. 2) Bill, 2024, (collectively hereinafter referred to as the **"Income Tax Laws"**). These possible special direct tax benefits are dependent on the Company, its shareholders and its material subsidiary fulfilling the conditions prescribed under the ITA and the relevant Income Tax Laws of India.

A. Possible special direct tax benefits available to the Company under the Income Tax Laws in India

1. Beneficial corporate tax rate - Section 115BAA of the ITA

Section 115BAA of the ITA, introduced vide The Taxation Laws (Amendment) Act, 2019, lays down certain conditions on fulfillment of which domestic companies are entitled to avail a beneficial tax rate of 22% (plus applicable surcharge and cess). The option to apply this tax rate is made available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AYs. The beneficial tax regime is subject to a company not availing any of the following deductions / exemptions under the provisions of the ITA:

- Section10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB / 33ABA: Tea coffee rubber development expenses / site restoration expenses
- Section 35(1)(ii) or 35(1)(iia) or 35(1)(iii) / 35(2AA) / 35(2AB): Expenditure on scientific research.
- Section 35AD: Capital expenditure incurred on specified businesses.
- Section 35CCC / 35CCD: Expenditure on agricultural extension / skill development.
- Section 80LA of the ITA other than deduction applicable to a unit in the International Financial Services Centre, as referred to in sub-section (1A) of Section 80LA of the ITA
- Chapter VI-A other than the provisions of section 80JJAA and section 80M of the ITA.

The total income of a company availing the beneficial tax rate of 25.168% (i.e., 22% tax plus 10% surcharge and 4% health & education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the beneficial tax regime in its return of income filed under section 139(1) of the ITA. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the ITA shall not be applicable to companies availing this beneficial tax regime.

The provisions do not specify any limitation / condition on account of turnover, nature of business or date of incorporation for opting for the beneficial tax regime. Accordingly, all existing as well as new domestic companies are eligible to avail this beneficial tax regime by filing Form 10-IC which is a pre-requisite for availing the concessional tax rates under section 115BAA of the ITA.

Note: The Company has opted for beneficial tax regime under section 115BAA of the ITA starting FY 2019-20 and onwards, and therefore, is eligible for a concessional effective tax rate of 25.168% (including applicable surcharge and health and education cess) subject to fulfilment of above conditions.

2. Deduction in respect of inter-corporate dividends – Section 80M of the ITA

As per the provisions of section 80M of the ITA, inserted with effect from 01 April 2021, a domestic company, shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust. However, such deduction shall be restricted to the amount of dividend distributed by it to its shareholders on or before the due date i.e., one month prior to the date of furnishing the return of income under sub-section (1) of section 139 of the ITA.

3. **<u>Deductions in respect of employment of new employees – Section 80JJAA of the ITA</u>**

As per section 80JJAA of the ITA, where a company is subject to tax audit under section 44AB of the ITA and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the ITA. Further, to claim the aforesaid deduction, it is required to furnish the report of an accountant electronically in Form 10DA containing the particulars of deduction prior to the due date of filing tax audit report as per section 44AB of the ITA.

4. **<u>Deduction in respect of certain preliminary expenses – Section 35D of the ITA</u>**

In accordance with and subject to the fulfillment of conditions as laid out under section 35D of the ITA, a company may be entitled to amortize preliminary expenditure, being specified expenditure incurred in connection with the issue for public subscription or such expenditure as prescribed under section 35D of the ITA, subject to the limit specified therein (viz maximum 5% of the cost of the project or 5% of the capital employed in the business of the company).

The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or as the case may be, the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.

Further, to claim the aforesaid deduction, it is required to furnish a statement in Form 3AF containing the particulars of expenditure specified under section 35D of the ITA to such income tax authority prior to one month before the due date of filing income tax return as per section 139(1) of the ITA.

B. Possible special direct tax benefits available to the material subsidiary, namely Paras Healthcare (Ranchi) Private Limited, under the Income Tax Laws in India

Paras Healthcare (Ranchi) Private Limited (“material subsidiary”) is in the business of providing healthcare services and have not yet opted the concessional tax rate under section 115BAA of the ITA, however, the material subsidiary may opt for the beneficial tax regime of section 115BAA of the ITA in the subsequent years based on evaluation of eligibility conditions.

In addition to benefits as mentioned above in A.2., A.3. and A.4., the following benefits may be available to the said material subsidiary subject to the fulfilment of the prescribed conditions as stated under the relevant provisions of ITA –

1. **<u>Deduction in respect of expenditure on specified business of operating and maintaining hospital – Section 35AD of the ITA</u>**

In accordance with and subject to the fulfillment of conditions as laid out under section 35AD of the ITA, a company engaged in a specified business which includes building and operating a new hospital with at least 100 beds for patients, shall be eligible to claim deduction of 100% of capital expenditure incurred wholly or exclusively for the purpose of such specified business under the aforesaid section.

It should be noted that no deduction under any other section shall be allowed in respect of any expenditure such as depreciation or repairs incurred in relation to the capital asset for which the deduction under section 35AD of the ITA has been claimed. Further, where a deduction under section 35AD of the ITA is claimed in respect of the specified business in any assessment year, no deduction under Chapter VI-A under the heading "C.— Deductions in respect of certain incomes" is permissible.

The material subsidiary is not presently claiming this benefit but is eligible to claim in the future subject to fulfillment of the specified conditions under section 35AD of the ITA.

However, if the material subsidiary exercises option for beneficial tax regime as prescribed under section 115BAA of the ITA, the said deduction under section 35AD of the ITA shall not be available.

2. **<u>Deduction for any sum paid to approved institutions in respect of Scientific research or Social / Statistical research – Section 35 of the ITA</u>**

As per section 35(ii), 35(iia), 35(iii) and 35(2AA) of the ITA, a company can claim the deduction in respect of any sum paid for scientific research or social science and statistical research, as the case may be, to any approved - Research Association, Institute, College, University, Indian Company engaged in scientific research and development, National Laboratory, Indian Institute of Technology and other specified institutions, subject to fulfilment of prescribed conditions laid under section 35 of the ITA.

The material subsidiary is not presently claiming this benefit but is eligible to claim in the future subject to fulfillment of the specified conditions under section 35 of the ITA.

However, if the material subsidiary exercises option for beneficial tax regime as prescribed under section 115BAA of the ITA, the said deduction shall not be available.

3. **<u>Deduction with respect to donations/contributions to specified funds/institutions - Section 80G of the ITA</u>**

A company is entitled to claim deduction, under the provisions of section 80G of the ITA towards donation / contribution made to specified funds / institutions subject the fulfilment of conditions laid down therein. The deduction under section 80G of the ITA shall be available for an amount equal to 100% or 50% (subject to permissible limit) of the amount of donations made by the Company in the relevant previous year.

The material subsidiary is not presently claiming this benefit but is eligible to claim in the future subject to fulfillment of the specified conditions under section 80G of the ITA.

However, if the material subsidiary exercises option for beneficial tax regime as prescribed under section 115BAA of the ITA, the said deduction shall not be available.

4. **<u>Set-off of Unabsorbed Depreciation – Section 32(2) of the ITA</u>**

As per the provisions of section 32(2) of the ITA, where a company does not have sufficient profits to cover the depreciation expense for that year, the unabsorbed depreciation shall be carried forward to subsequent assessment years for an indefinite period until it is fully absorbed and set off against future profits of subsequent assessment years.

5. **<u>Carry-forward and set-off of business losses – Section 72 of the ITA</u>**

As per the provisions of section 72 of the ITA, if the company has incurred loss under the head "Profits and gains of business or profession”, and such loss has not been set-off against income under any other head of income, then such loss as has not been set-off shall be carried forward to set-off against the income in the following eight assessment years.

6. **<u>Setoff of MAT Credit – Section 115JAA of the ITA</u>**

As per the provisions of section 115JAA of the ITA, a company can claim credit of any taxes paid under MAT provision. Taxes paid under MAT provisions, if any, are eligible for carry forward for a period of fifteen assessment years immediately succeeding the assessment year in which such credit has become allowable.

The credit is available for set off only when tax becomes payable under the normal provisions of the ITA. The tax credit can be utilized to the extent of difference between the tax payable under the normal provisions of the ITA and tax payable under MAT for that year.

However, if the material subsidiary exercises option for beneficial tax regime as prescribed under section 115BAA of the ITA, the said benefit of setoff shall not be available.

C. Possible special direct tax benefits available to the shareholders under the Income Tax Laws in India

Below are certain possible special tax benefits available to the shareholders of the Company for investing in the shares of the Company.

1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of a domestic corporate shareholder, benefit of deduction under section 80M of the ITA would be available on fulfilling the conditions (as discussed in A.2. above).

2. As per section 115A of the ITA, dividend income earned by a non-resident (not being a company) or by a foreign company, shall be taxed at the rate of 20% subject to fulfilment of prescribed conditions under the ITA.

3. As per section 111A of the ITA, short-term capital gains arising from transfer of equity shares on which securities transaction tax (STT) is paid at the time of acquisition and sale, shall be taxed at the rate of 15% (proposed to be increased to 20% w.e.f. 23 July 2024 by the Finance (No. 2) Bill 2024. This is subject to fulfilment of prescribed conditions under the ITA.

4. As per section 112A of the ITA, long-term capital gains arising from transfer of equity shares on which STT is paid at the time of acquisition and sale, shall be taxed at the rate of 10%. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018 for cases where STT was not paid at the time of acquisition.

   The tax rate on long-term capital gains has been proposed to be increased to 12.5% w.e.f. 23 July 2024 by the Finance (No. 2) Bill, 2024.

   However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,00,000 in a financial year (proposed to be increased to INR 1,25,000 w.e.f. 23 July 2024 by the Finance (No. 2) Bill, 2024).

5. Where the shareholders are Individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15% in respect of dividend income, long-term capital gain and short-term capital gain under section 111A of the ITA.

6. As per section 90(2) of the ITA, non-resident shareholders will be eligible to take advantage of the beneficial provisions under the respective Double Taxation Avoidance Agreement ("DTAA"), if any, applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits.

   Further, any income by way of capital gains, dividends accruing to non-residents may be subject to withholding tax per the provisions of the ITA or under the relevant DTAA, whichever is more beneficial to such non-resident. However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.

Notes:

1. These possible special direct tax benefits are dependent on the Company or its material subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income Tax Laws. Hence, the ability of the Company or its material subsidiary or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its material subsidiary or its shareholders may or may not choose to fulfil.

2. The possible special direct tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.

4. The Statement is prepared based on information available with the Management of the Company and there is no assurance that:

i. the Company or its material subsidiary or its shareholders will continue to obtain these benefits in future;
ii. the conditions prescribed for availing the benefits have been / would be met with; and
iii. the revenue authorities / courts will concur with the view expressed herein.

5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

6. The Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares.

For and on behalf of Board of Directors of
Paras Healthcare Limited

Dilip Bidani
Chief Financial Officer

Place: Gurugram
Date: 31 July 2024

Annexure III

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE INDIRECT TAX REGULATIONS IN INDIA

Outlined below are the special tax benefits available to Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited) **(the "Company")** including its shareholders and its material subsidiary (as listed in **Table 1.2 of Annexure I**) under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, applicable State/ Union Territory Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred as **"Indirect Tax Regulations"**), presently in force in India.

I. Special tax benefits available to the Company

The Company is primarily engaged in business of providing healthcare services which are exempt as per the relevant notifications issued under the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017/ applicable State/ Union Territory Goods and Services Tax Act, 2017 (except for services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit (CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding Rs. 5000 per day to a person receiving health care services) subject to fulfilment of conditions.

Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)

i. Export Promotion Capital Goods ('EPCG')

The objective of the EPCG Scheme is to facilitate import of capital goods for producing quality goods and services without the payment of customs duty.

Import under EPCG Scheme shall be subject to a specific export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years reckoned from date of issue of authorization.

EPCG license holder is exempted from payment of whole of Basic Customs Duty ('BCD'), Additional Duty of Customs/ CVD and SAD/CVD in lieu of VAT/local taxes (non-GST goods), IGST and Compensation Cess on GST goods up to a date notified by Central Board of Indirect Taxes and Customs ('CBIC'), subject to certain conditions.

The Company has imported capital goods under the EPCG scheme issued by the Government of India.

II. Special tax benefits available to the Material Subsidiary of the Company i.e., Paras Healthcare (Ranchi) Private Limited

Paras Healthcare (Ranchi) Private Limited is primarily engaged in business of providing healthcare services which are exempt as per the relevant notifications issued under the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017/ applicable State/ Union Territory Goods and Services Tax Act, 2017 (except for services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit (CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding Rs. 5000 per day to a person receiving health care services) subject to fulfilment of conditions.

There are no other special indirect tax benefits available to Paras Healthcare (Ranchi) Private Limited under Indirect Tax Regulations.

III. Special tax benefits available to the Shareholders of the Company

a. The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company.

Securities are excluded from the definition of Goods as defined under Section 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined under Section 2(102) of the Central Goods and Services Tax Act, 2017.

b. Apart from above, the shareholders of the Company are not eligible to special tax benefits under the Indirect Tax Regulations.

Notes:

1. This Annexure sets out only the special tax benefits available to the Company, its Material Subsidiary and its Shareholders under the Indirect Tax Regulations, presently in force in India.

2. These special tax benefits may be dependent on the Company or its shareholders or material subsidiary fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its Shareholders or Material Subsidiary to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its Shareholders or Material Subsidiary may or may not choose to fulfil.

3. This special tax benefits discussed in this Annexure is not exhaustive. It is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Offer

4. This annexure covers only indirect tax regulations benefits and does not cover any income tax law benefits or benefit under any other law.

5. The Statement is prepared on the basis of information available to the management of the Company and there is no assurance that:
   i. the Company or its shareholders or material subsidiary will continue to obtain these benefits in future; and
   ii. the conditions prescribed for availing the benefits have been/ would be met with.

6. These comments are based upon the existing provisions of the specified indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.

7. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For and on behalf of Board of Directors of
Paras Healthcare Limited

Dilip Bidani
Chief Financial Officer

Place: Gurugram
Date: 31 July 2024

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Assessment of Healthcare delivery sector India with a focus on North India" dated July 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL MI&A, who were appointed by our Company pursuant to an engagement letter dated April 8, 2024, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. A copy of the CRISIL Report is available on the website of our Company at https://www.parashospitals.com/investors. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For more information, see "Risk Factors - Industry information included in this Draft Red Herring Prospectus has been derived from an industry report exclusively commissioned by us, and paid for by us for such purpose. Further, this Draft Red Herring Prospectus contains information from technical reports commissioned by our Company." on page 50. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 23.*

MACROECONOMIC OVERVIEW OF INDIA

A review of global and India's GDP growth

Global GDP is estimated to grow at 3.2% in 2024 and 2025 amid moderating inflation and steady growth in key economies

As per the International Monetary Fund's ("**IMF**") April 2024 update, global Gross Domestic Product ("**GDP**") growth is estimated at 3.2% for 2023 and projected to grow at the same rate in 2024, 2025 and 2026. The latest estimate for 2024 is 0.1 percentage points higher compared with IMF's previous forecast in January 2024, mainly due to greater-than-expected resilience in the United States ("**US**") and several large emerging markets and developing economies, as well as fiscal support in China. Emerging market and developing economies are also expected to experience stable growth through 2024 and 2025, with regional differences.

India among the world's fastest-growing large economies

India was one of the fastest-growing economies in 2018 (i.e., Fiscal 2019; fiscal year is from April 1 to March 31) and 2019 (Fiscal 2020). In 2020 (Fiscal 2021), though, the country's GDP, along with most countries, including the USA and the United Kingdom ("**UK**"), except China, contracted following the onset of the pandemic. India's GDP shrank 5.8%.

However, in 2021, the GDP of all major economies rebounded on a low base with the economic activities resuming. Among major economies, India, with a growth rate of 9.8%, was the fastest growing (Fiscal 2022), followed by China (8.4%). The country also overtook the UK as the fifth-largest economy in the world in the April-June quarter of 2022 and registered a growth of 7.0% in 2022 (Fiscal 2023).

In 2023 (Fiscal 2024), India registered a growth rate of 8.2% which was higher than all key major economies. For 2024 (Fiscal 2025), India's GDP is projected to grow at 6.8%. The country is forecasted to grow faster than China (4.6%) as well as the global average (3.2%).

Analysis of the India's Fiscal 2024 growth reveal notable dichotomies. Growth has primarily been fueled by fixed investments, exhibiting a robust 9% expansion, while private consumption growth lagged at 4%, trailing overall GDP growth. On the supply side, the manufacturing sector experienced the most substantial growth at 9.9%, while the agriculture and Electricity, Gas, Water Supply & Other Utility services sectors exhibited more modest growth rates of 1.4% and 7.5%, respectively. These trends underscore the varied performance across sectors, highlighting the nuanced dynamics shaping India's economic landscape in Fiscal 2024. Overall, real GDP of India is estimated to have grown at 8.2% in Fiscal 2024 compared with 7.0% in Fiscal 2023.

India's per capita GDP has grown faster than the global average

Between 2018 and 2023, global per capita GDP clocked a compounded annual growth rate ("**CAGR**") of 3.1% and that of Emerging Markets and Developing Asia grew at 4.4%, according to the IMF.

Meanwhile, India witnessed a higher per capita GDP CAGR of 4.8%, China 4.9%, the US 5.3%, and UK 2.6%.

GDP per capita, current prices (US$)

Regions	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	CAGR (2018-23)
Australia	56,434	54,396	53,253	64,327	65,575	65,434	66,589	68,614	70,751	72,808	75,320	3.0%
Canada	46,618	46,431	43,573	52,521	55,613	53,548	54,866	57,021	58,907	60,729	62,636	2.8%
China	9,849	10,170	10,525	12,572	12,643	12,514	13,136	14,037	14,929	15,834	16,782	4.9%
European Union	36,020	35,290	34,516	38,950	37,659	41,129	42,443	43,947	45,493	46,993	48,529	2.7%
UK	43,275	42,713	40,246	46,704	45,730	49,099	51,075	53,627	56,759	59,870	63,279	2.6%
India	1,974	2,050	1,916	2,250	2,366	2,500	2,731	2,984	3,265	3,573	3,911	4.8%
USA	63,165	65,505	64,367	70,996	77,192	81,632	85,373	87,978	90,903	94,012	97,231	5.3%
Emerging and Developing Asia	5,417	5,604	5,634	6,584	6,692	6,703	7,062	7,548	8,045	8,561	9,109	4.4%
Middle East (Region)	11,915	11,364	9,648	11,544	13,757	13,366	13,818	14,286	14,735	15,227	15,701	2.3%
Advanced economies	48,191	48,481	47,476	52,853	53,562	56,243	58,258	60,382	62,616	64,852	67,227	3.1%
World	11,472	11,518	11,111	12,527	12,894	13,359	13,836	14,368	14,946	15,533	16,148	3.1%

Notes: E – estimated; P – projected

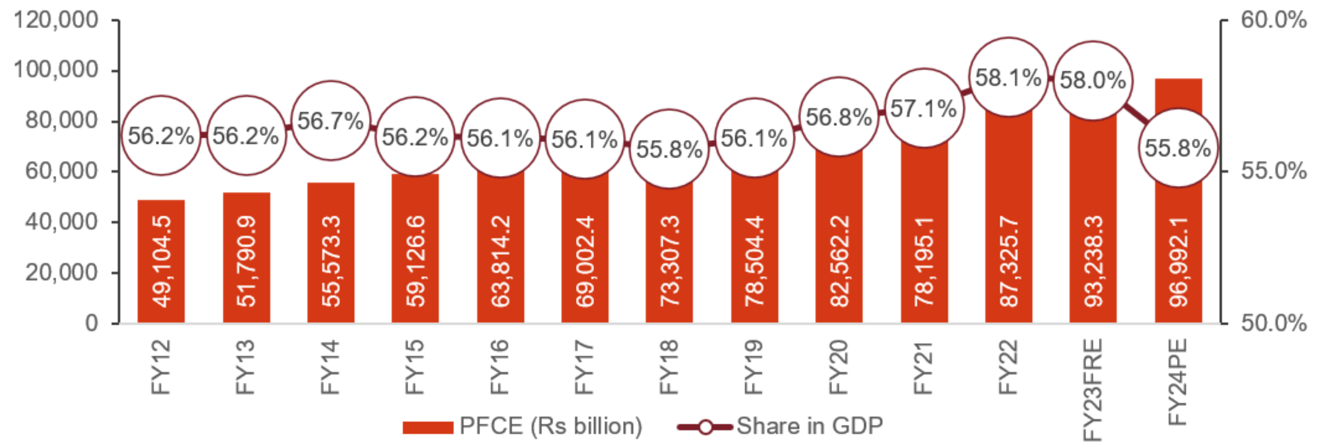
Source: IMF, CRISIL MI&A

FUNDAMENTAL GROWTH DRIVERS OF GDP

PFCE to maintain dominant share in GDP

Private Final Consumption Expenditure ("**PFCE**") at constant prices clocked 6% CAGR between Fiscals 2012 and 2023, maintaining its dominant share of approximately 58.0% in Fiscal 2023 (approximately ₹ 93,238 billion in absolute terms, up 6.8% year-on-year). Growth was led by healthy monsoon, wage revisions due to the implementation of the Seventh Central Pay Commission's ("**CPC**") recommendations, benign interest rates, growing middle age population and low inflation. As of Fiscal 2024, PFCE is estimated to have further increased to ₹ 96,992.1 billion, registering a year-on-year growth of approximately 4% and forming approximately 56% of India's GDP. The increasing share of discretionary spending from Fiscal 2012 suggests rising disposable incomes and spending capacity of households.

PFCE (at constant prices)



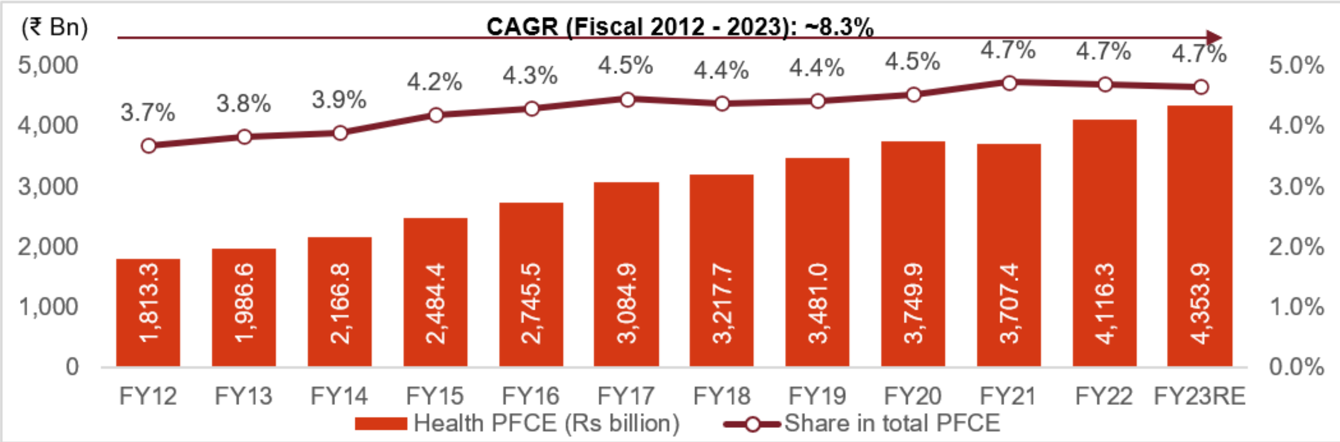
Note: FRE: First Revised estimates; PE: Provisional estimates

Source: Provisional Estimates of Annual GDP for 2023-24, MOSPI, CRISIL MI&A

Share of health expenditure in total PFCE consistently increasing

The share of health expenditure in total PFCE has been consistently increasing; it rose from 3.7% in Fiscal 2012 to 4.7% in Fiscal 2023. In absolute terms, health expenditure increased at a CAGR of approximately 8.3% from ₹ 1,813.3 billion in Fiscal 2012 to ₹ 4,353.9 billion in Fiscal 2023.

Share of health expenditure in total PFCE



Note: RE: Revised estimates

Source: MoSPI, CRISIL MI&A Consulting

India saw robust growth in per capita income between Fiscal 2012 and Fiscal 2024

India's per capita income, a broad indicator of living standards, rose to ₹ 99,404 in Fiscal 2023 from ₹ 63,462 in Fiscal 2012, i.e., 4.2% CAGR. Growth was led by better job opportunities, propped up by overall economic growth. Moreover, population growth was stable at approximately 1% CAGR. Also, as per the provisional estimates of annual GDP for 2023-24, per capita net national income (constant prices) was estimated to have increased to ₹ 106,744, thereby registering an on-year growth of approximately 7.4%.

With per capita income rising to upper middle-income category by Fiscal 2031, the share of PFCE is expected to be dominant in India's GDP growth.

Per capita net national income at constant (2011-12) prices

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023FRE	Fiscal 2024PE
Per-capita NNI (₹)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	94,054	99,404	106,744
Year-on-Year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	9.3	5.7	7.4

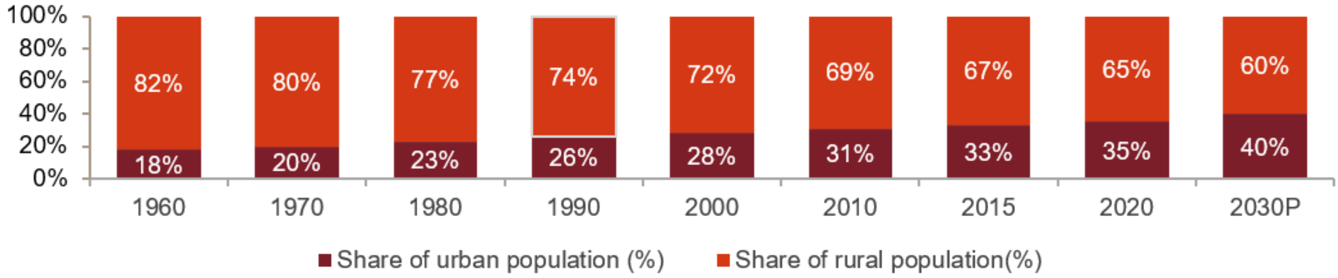
FRE –First revised estimates, PE –Provisional estimates of NNI, NNI – net national income

Source: Provisional Estimates of Annual GDP for 2023-24, CSO, MOSPI, CRISIL MI&A

Urbanisation likely to reach 40% by 2030

India's urban population has been increasing over the years. The trend is expected to continue as economic growth increases. From ~31% of the total population in 2010, the country's urban population is projected to reach nearly 40% by 2030, according to a UN report on urbanisation. People from rural areas move to cities for better job opportunities, education and quality of life. Typically, migration can be of the entire family or a few individuals (generally an earning member or students).

India's urban population versus rural



Note: P: Projected

Source: World Urbanization Prospects: The 2018 Revision, UN, CRISIL MI&A

Budget for health and wellbeing hiked by 7.0% in Fiscal 2025 compared to that in Fiscal 2024

Key budget proposals

Health and Wellbeing – Expenditure

Ministry/departments	Actuals Fiscal 2022 (₹ billion)	Actuals Fiscal 2023 (₹ billion)	RE Fiscal 2024 (₹ billion)	BE Fiscal 2025 (₹ billion)
Healthcare	**844.7**	**757.3**	**805.2**	**906.6**
Department of health & family welfare	817.8	733.1	776.2	876.6
Department of health research	26.9	24.2	28.9	30.0
Well-being	**686.1**	**621.0**	**800.3**	**811.0**
Ministry of Ayush	23.6	24.5	30.0	37.1
Department of drinking water & sanitation	662.5	596.6	770.3	773.9
Overall (health and wellbeing)	**1,530.8**	**1,378.3**	**1,605.5**	**1,717.6**

BE: Budget Estimates; RE: Revised Estimates;

Source: Budget document, CRISIL MI&A

Key budget proposals for Fiscals 2024 to 2025

- An estimated ₹ 877 billion has been allocated to the department of health and family welfare for Fiscal 2025
- Ministry of Ayush saw an increase of 16.3% in budget allocation for Fiscal 2025 compared to Fiscal 2024

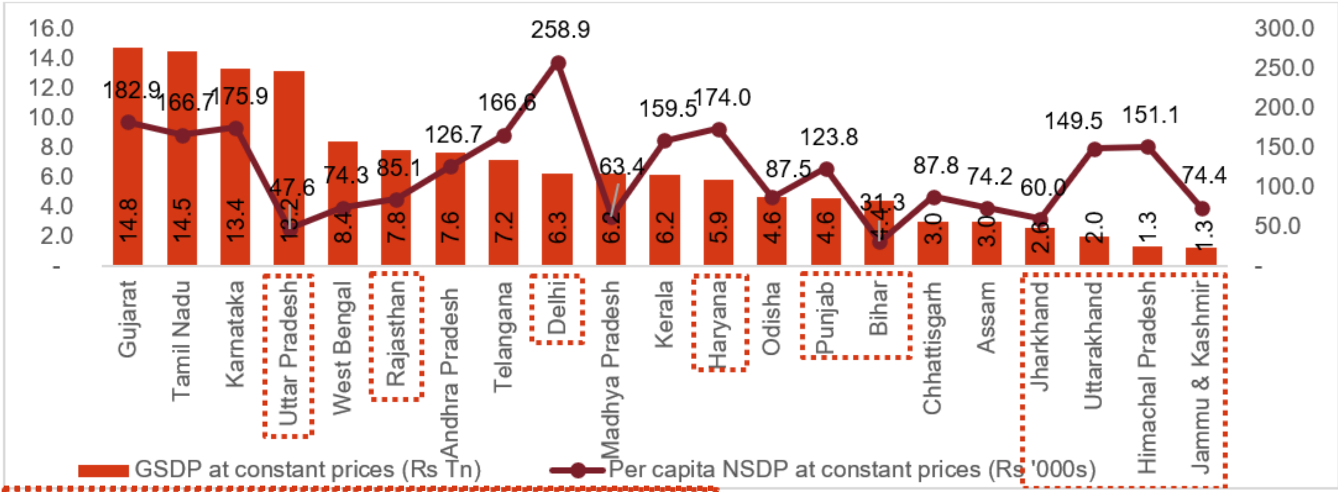
STATE-WISE MACROECONOMIC INDICATORS WITH FOCUS ON NORTH-INDIA

North Region of India consists of Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan

Three North Indian states – Uttar Pradesh, Rajasthan and Delhi among the top ten states in terms of gross state domestic product (GSDP) as of Fiscal 2023

In Fiscal 2023, Gujarat, Tamil Nadu and Karnataka were top rankers* in terms of gross state domestic product ("**GSDP**") at constant prices. However, in terms of per-capita net state domestic product "(**NSDP**") at constant prices, Goa (₹ 333.7 thousand) and Sikkim (₹ 259.9 thousand) led the peer states in Fiscal 2023.

State-wise GSDP and per capita NSDP at constant prices as of Fiscal 2023



Note: Dotted Box represents seleet North and East Indian states

Note: Top 21 states/UT in terms of Fiscal 2023-GSDP (constant prices) have been considered to plot the above chart

Latest data available has been considered for the above chart. Fiscal 2023 data is not available for Maharashtra, Manipur, Mizoram, and Andaman & Nicobar Islands

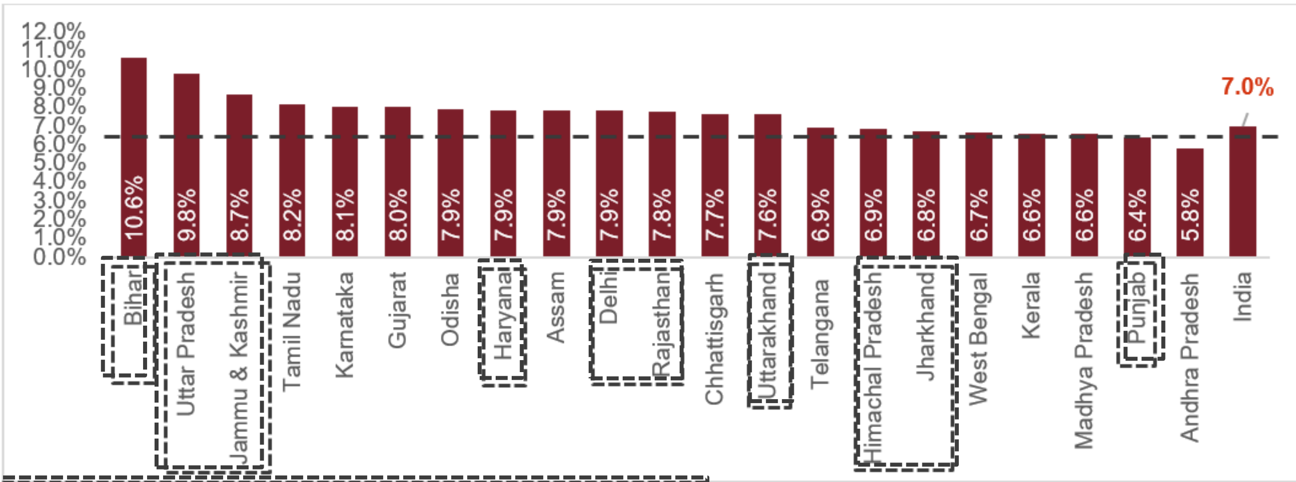
** Fiscal 2023 data is not available for Maharashtra, Manipur, Mizoram, and Andaman & Nicobar Islands*

Source: MOSPI, CRISIL MI&A

Bihar, Uttar Pradesh and Jammu & Kashmir have grown the fastest in Fiscal 2023 among the states for which data is available.

Among the top* 21 states by Fiscal 2023 – GSDP, Bihar, Uttar Pradesh and Jammu & Kashmir registered the highest growth of 10.6%, 9.8% and 8.7% respectively over Fiscal 2022. These states were followed by Tamil Nadu, Karnataka and Gujarat which registered a growth of 8.2%, 8.1% and 8% respectively. A total of 13 states out of the 21 under consideration registered a growth rate higher than India's growth rate of 7.0% in Fiscal 2023.

GSDP (constant) growth across states in Fiscal 2023 (%)



Note: Dotted Box represents select North and East Indian states

Note: Top 21 states/UT in terms of Fiscal 2023-GSDP (constant prices) have been considered to plot the above chart

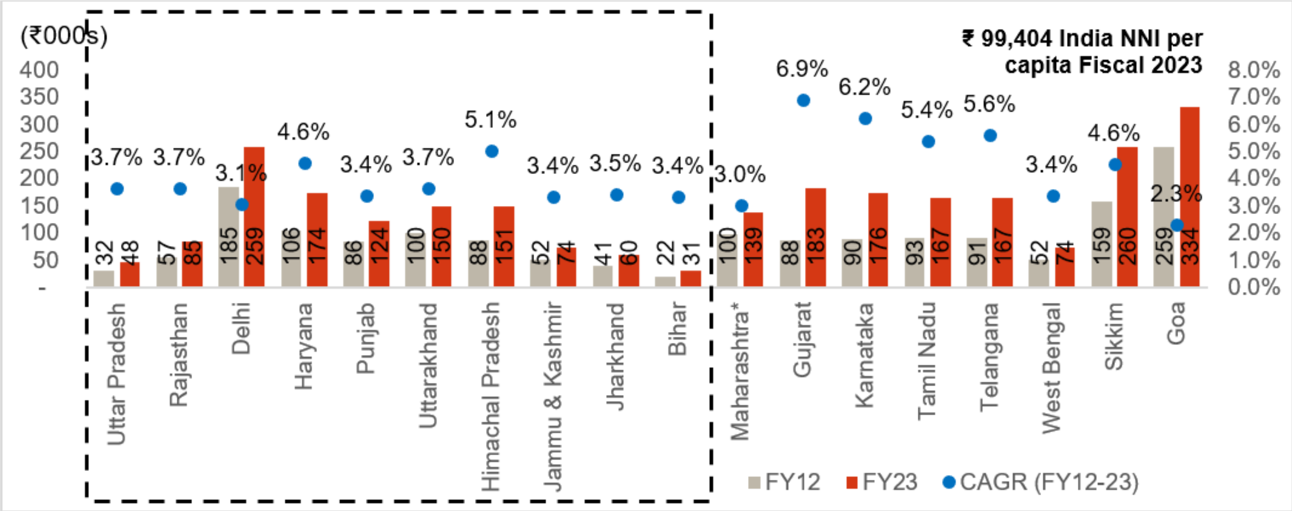
Latest data available has been considered for the above chart. Fiscal 2023 data is not available for Maharashtra, Manipur, Mizoram, and Andaman & Nicobar Islands

Source: MOSPI, CRISIL MI&A

In terms of per capita NSDP, Goa had the highest value among the selected states. It stood at ₹ 3.33 million in Fiscal 2023. Goa was followed by Sikkim and Delhi which had NSDP per capita of ₹ 2.59 million and ₹ 2.58 million respectively. Among the Northern states considered, Haryana had the second highest NSDP of ₹1.73 million.

Gujarat, Karnataka and Telangana were the top three states among the selected states in terms of growth, they registered growth rates of 6.9%, 6.2% and 5.6% respectively over Fiscal 2012 to Fiscal 2023.

Per capita net state domestic product (NSDP) per capita for selected states (in ₹ '000) – Fiscal 2012 vs Fiscal 2023



Note: The box denotes select North and East Indian states

*Note: *For Maharashtra, Fiscal 2023 numbers were not available, hence Fiscal 2022 numbers are used and subsequently the growth rate is from Fiscal 2012 to Fiscal 2022*
*Source: Ministry of Statistics Programme and Implementation ("**MOSPI**"), CRISIL MI&A*

Meghalaya and Uttar Pradesh have shown high focus on healthcare spending compared to overall expenditure as per Fiscal 2024 budgeted estimates

As per the scale used, 1 indicates the highest rank and 28 the lowest. The scatter plots that follow juxtapose the latest available rankings on each of these metrics from independent sources (X-axis) with our rankings based on the states' spending towards healthcare as a percentage of its total spending (Y-axis).

In terms of healthcare expenditure compared to overall expenditure of the states as per Fiscal 2024 budgets, Northeastern state of Meghalaya ranked 1st, while Northern states of Uttar Pradesh and Rajasthan ranked 2nd and 4th respectively.

DISEASE PROFILE IN INDIA

A review of communicable diseases in India

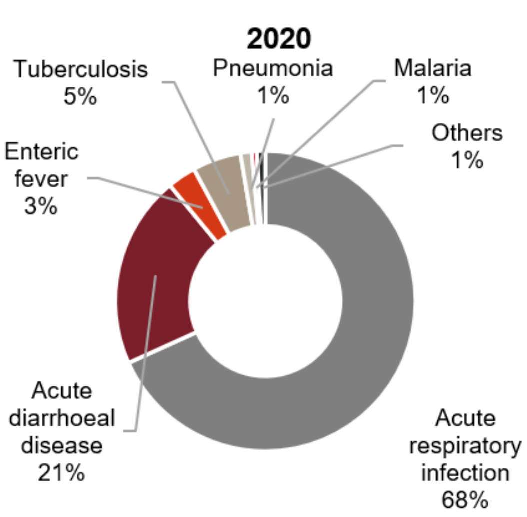
Overall, communicable diseases have been decreasing in India, especially with a considerable fall in cases and deaths due to malaria, dengue, chikungunya, chicken pox, encephalitis, and viral meningitis.

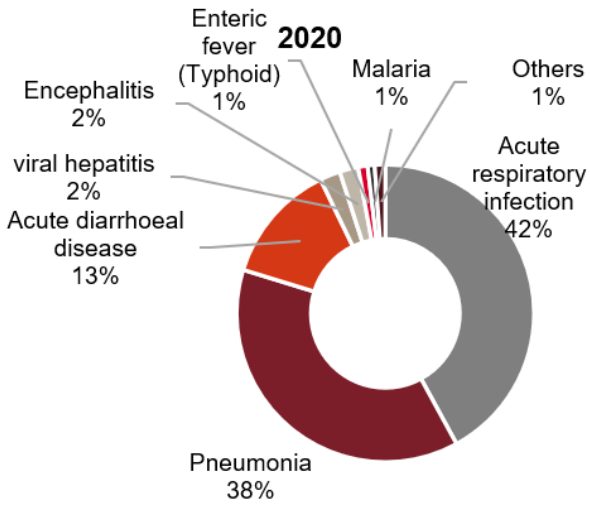
Morbidity reported on major communicable diseases

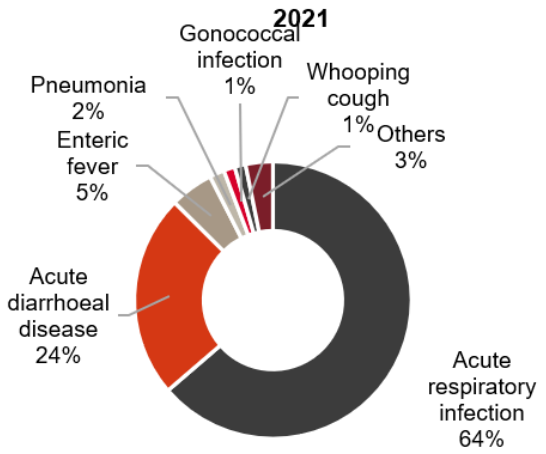
Among the various communicable diseases reported by states/union territories ("**UTs**") in 2020 and 2021, the following communicable diseases accounted for the maximum percentage of cases reported

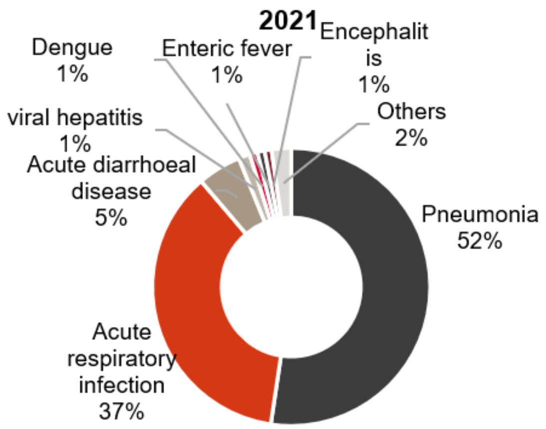
Mortality reported on major communicable diseases

Among the various communicable diseases reported by states/UTs in 2020 and 2021, the following communicable diseases accounted for the maximum percentage of deaths reported







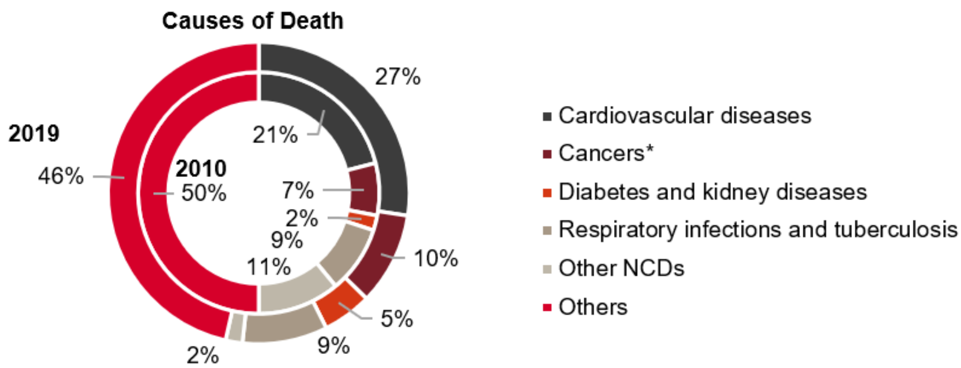


Source: National Health Profile-2021, National Health Profile-2022, CRISIL MI&A

From 2020 to 2021, pneumonia deaths have increased from 38% to 52%, while the acute respiratory infection deaths have seen a decrease from 42% to 37%. Taken together, Pneumonia and acute respiratory infection deaths account for ~90% of the mortality for major communicable diseases. In terms of morbidity, acute respiratory infection has seen a decrease from 68% to 64% while acute diarrheal disease saw its share increase from 21% to 24%. Communicable diseases such as enteric fever, tuberculosis, pneumonia, malaria and others formed a smaller share of the total morbidity reported during these two years.

A review of non-communicable diseases in India

Disease epidemiology shifting towards lifestyle diseases



*Note: Inner pie represents 2010 data, while outer pie represents 2019 data; * *Neoplasms which are tumors are considered as cancer in the above chart; Others include digestive diseases, HIV/AIDS, transport injuries, mental disorders, neurological disorders, sense organ diseases etc.*

Source: WHO global burden of disease, CRISIL MI&A

As opposed to the decreasing rate in communicable diseases, lifestyle-related illnesses or non-communicable diseases ("**NCDs**") have been increasing rapidly in India over the past few years. The contribution of NCDs to the disease profile rose from 30% in 1990 to 55% in 2016. Recent statistics show these illnesses accounted for nearly 66% of all deaths in India in 2019.

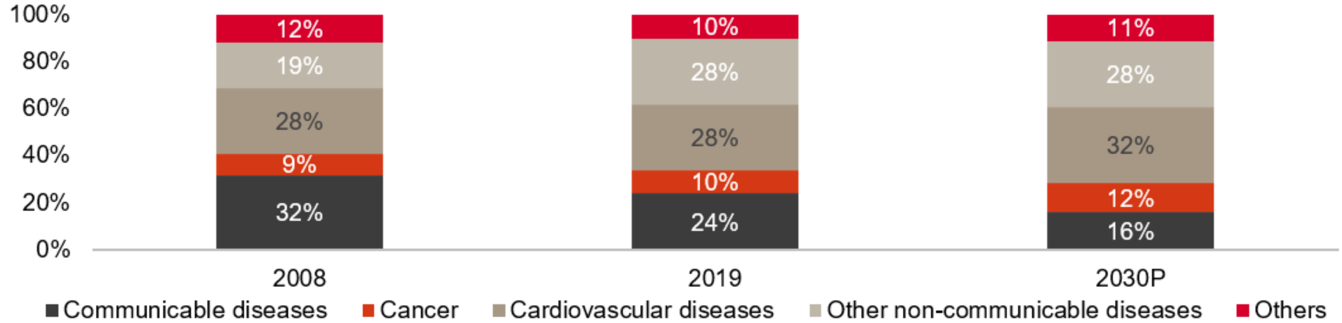
As per the World Economic Forum, the world will lose nearly $30 trillion by 2030 for treatment of NCDs and India's share of this burden will be $5.4 trillion.

In 2019, of the total disease burden, the contribution of the group of risks (unhealthy diet, high blood pressure, high blood sugar, high cholesterol, and overweight) which mainly cause ischemic heart disease, stroke and diabetes rose to ~27%.

Non-communicable diseases: A silent killer

CRISIL MI&A believes NCDs exhibit a tendency to increase in tandem with rising income levels. The World Health Organization ("**WHO**") projects an increasing trend in NCDs by 2030, following which CRISIL forecasts demand for healthcare services associated with lifestyle-related diseases such as cardiac ailments, cancer and diabetes to rise. Another emerging market in the country is orthopaedics, which currently comprises a very small proportion compared with NCDs, but has a potential market in the country. The orthopaedics market can be classified into four different segments, viz., knee, hip, trauma, and spine, of which the knee replacement market holds the biggest share, followed by trauma and spine. Hip replacement in India is still a very small segment compared with knee replacement in contrast to the worldwide trend.

Causes of death in India

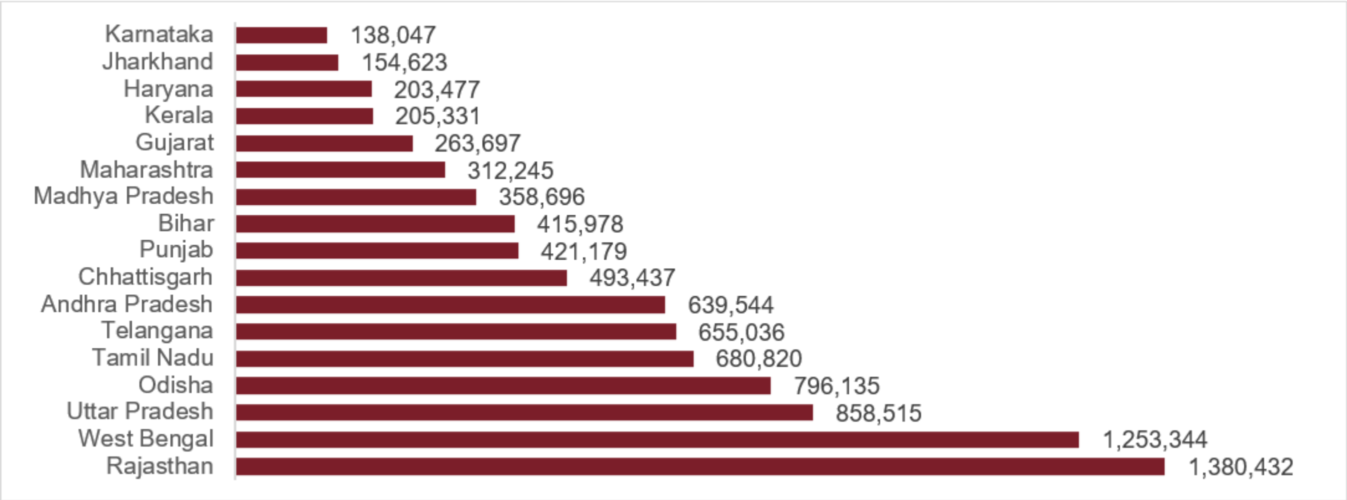


Source: WHO global burden of disease, India: Health of the Nation's States, CRISIL MI&A

Uttar Pradesh had the third highest NCD cases in 2021

As per the National Health Profile 2022, out of 59.10 million patients who attended NCD clinics in 2021, 5.9% were diagnosed with diabetes, 7.6% with hypertension, 2.5% with both diabetes and hypertension, 0.3% with cardiovascular ailments, 0.1% with stroke, and 0.2% with common cancers. Out of the 17 states compared, Rajasthan, West Bengal, and Uttar Pradesh topped the number of persons diagnosed with NCDs out of those screened in 2021 whereas Jharkhand and Karnataka were at the bottom.

State-wise number of persons diagnosed with NCDs in 2021



17 states under the non-special category given by the RBI (except Goa) have been considered for analysis - Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, and West Bengal.

*Data for National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke ("**NPCDCS**") from January 2021 to December 2021.*

** Telangana excludes data for cardiovascular disease as it was not reported by the state.*

NCDs include addition of positive cases of diabetes, hypertension, both diabetes & hypertension, cardiovascular ailments, stroke and common cancers

Source: National Health Profile (NHP) 2022, CRISIL MI&A

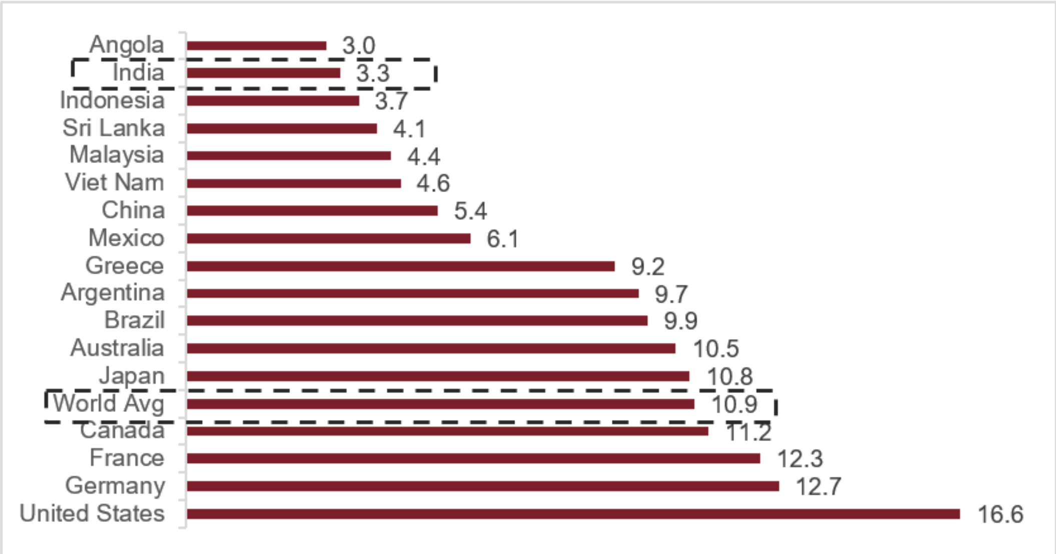
INDIA'S SOCIAL AND HEALTHCARE PARAMETERS

Along with the structural demand existing in the country and the potential opportunity it provides for growth, provision of healthcare in India is still riddled with many challenges. The key challenges are inadequate health infrastructure, unequal quality of services provided based on affordability and healthcare financing.

India lags peers in healthcare expenditure

Global healthcare spending has been rising faster in keeping with the economic growth. As the economy grows, public and private spending on health increases, too. Also, greater sedentary work is giving rise to chronic diseases, which is also pushing up healthcare spending. Fast-growing economies with low spending on health are seeing chronic diseases increase dramatically as they move up the income ladder. Developed economies such as United states, Germany, France, Japan, United Kingdom, spend higher on healthcare as compared to developing nations such as India, Vietnam, Indonesia, etc.

Current healthcare expenditure as % of GDP (2021, 2022)



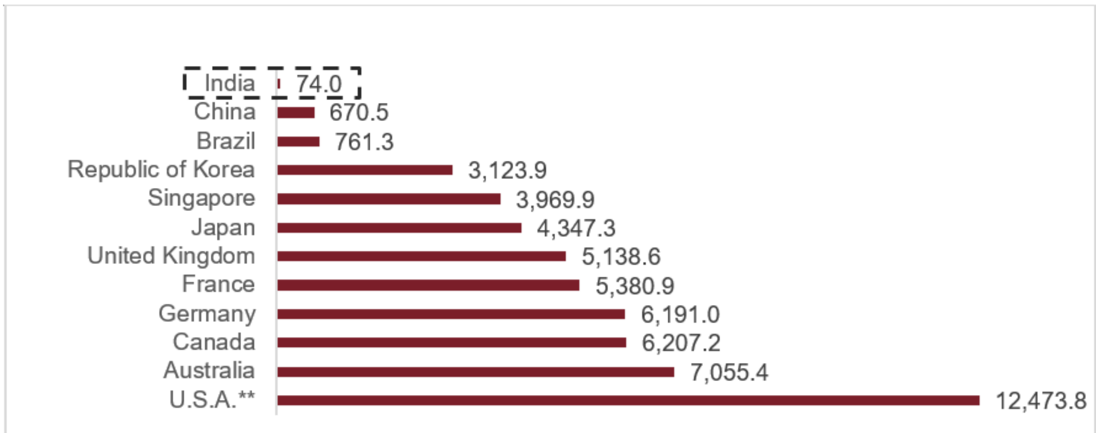
Note: Latest data has been considered. Data for Canada, Germany and United States is as of 2022, rest 2021
World average is for the year 2020

Source: Global Health Expenditure Database accessed in May 2024, World Health Organization; CRISIL MI&A

According to the Global Health Expenditure Database compiled by the WHO, in 2021, India's expenditure on healthcare was 3.3% of GDP. As of 2021, India's healthcare spending as a percentage of GDP is less than not only developed countries, such as the US and UK, but also developing countries such as Brazil, Vietnam, Sri Lanka and Malaysia.

India spends too little on healthcare

Per capita current expenditure on health in USD (2021, 2022)

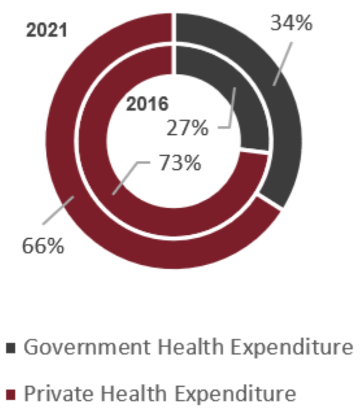


*Note: Latest data has been considered. Data for Republic of Korea, United Kingdom, Germany, Canada, United States of America is as of 2022. Data for India, China, Brazil, Singapore, France, Australia is as of 2021; **United States of America*
Source: Global Health Expenditure Database accessed in January 2024, CRISIL MI&A

India's public spending on healthcare services remains much lower than its global peers. For example, India's per-capita total expenditure on healthcare (at an international dollar rate, adjusted for purchasing power parity) was only $74.0 in 2021 versus the United States of America's $12,012.2 (2021 data for comparison purpose) and Australia's $7,055.4 (2021).

Public healthcare expenditure is low, with private sector accounting for a lion's share

Domestic general expenditure on health as % of CHE (2021)

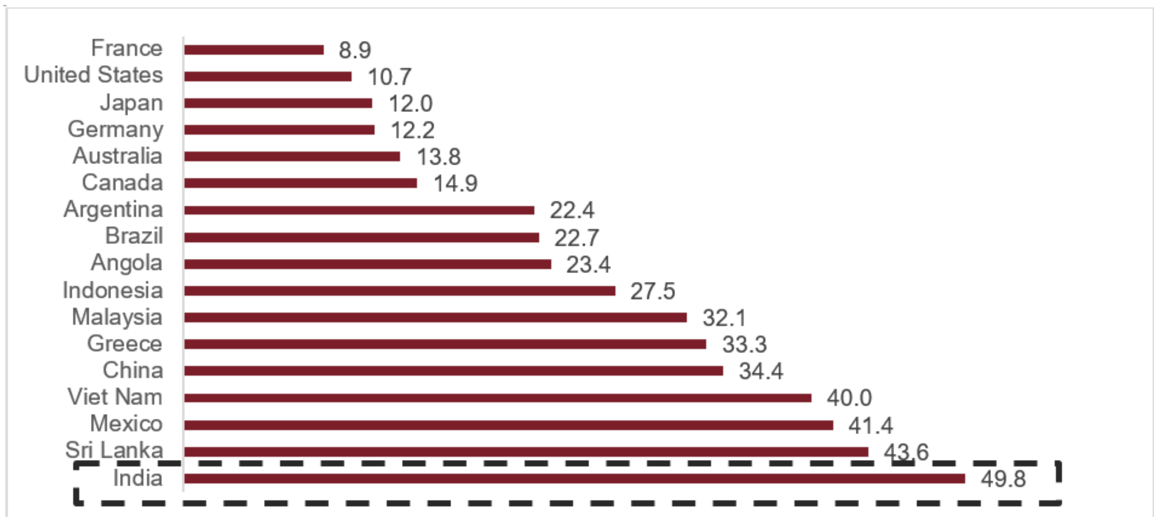


India's current healthcare expenditure ("**CHE**") is skewed more towards private expenditure compared with public expenditure. Government expenditure on healthcare has remained range-bound at 20-30% of the current healthcare expenditure from 2010 to 2016. From 2016 to 2021, the government expenditure has increased from 27% to 34%. Rest of the expenditure is private in nature (expenditure from resources with no government control such as voluntary health insurance, and the direct payments for health by corporations (profit, not-for-profit and non-government organisations) and households. However, the government aims to increase public healthcare expenditure to 2.5-3% of GDP by 2025 from the current 2%, as per the National Health Policy.

Source: Global Health Expenditure Database- World Health Organisation, CRISIL MI&A

Nearly 17% of the rural population and 13% of the urban population are dependent on borrowings for funding their healthcare expenditure for July 2017- June 2018 as per NSS 75th Round Health in India Report. And nearly 80% of the rural population and 84% of the urban population use their household savings on healthcare-related expenditure as per "Health in India – 2018, NSS 75th Round". Health expenditures incurred by people contribute to nearly 3.6% and 2.9% of rural and urban poverty, respectively. And annually, an estimated 50 to 60 million people fall into poverty due to healthcare-related expenditure. However, with measures like Pradhan Mantri Jan Arogya Yojana ("**PMJAY**"), the problems with regards to affordability of healthcare is expected to ease especially for the deprived population.

Out of pocket spending as % of CHE (2021)

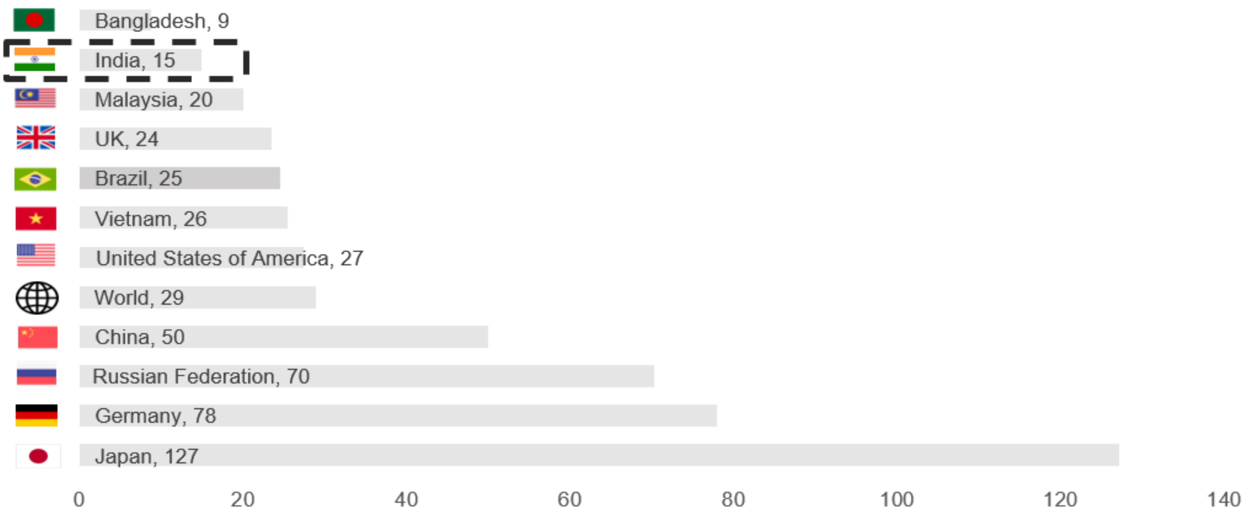


Note: Latest data has been considered. Data for Canada is as of 2022, rest 2021
Source: Global Health Expenditure Database accessed in May 2024, World Health Organization; CRISIL MI&A

Health infrastructure of India needs improvement

The adequacy of a country's healthcare infrastructure and personnel is a barometer of its quality of healthcare. India accounts for nearly a fifth of the world's population but has an overall bed density of merely 15 per 10,000 people, with the situation being far worse in rural than urban areas. India's bed density not only falls far behind the global median of 29 beds, it also lags that of other developing countries such as Brazil (25 beds), Malaysia (20 beds), and Vietnam (26 beds).

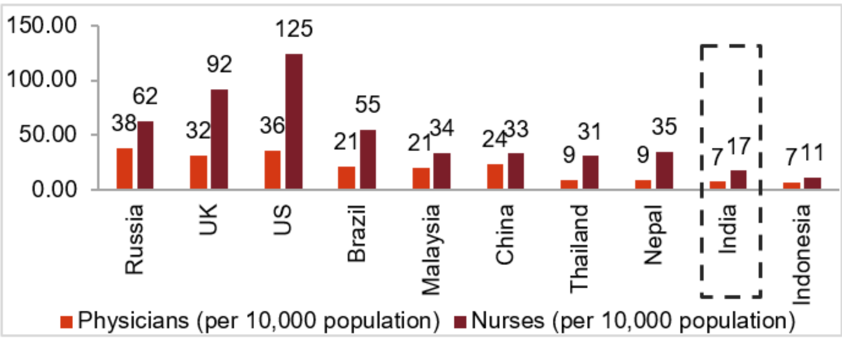
Bed densities across countries - hospital beds (per 10,000 population)



Note: India bed density is estimated by CRISIL MI&A for Fiscal 2022, 2019 figure for Bangladesh, 2020 figures for Japan, Germany, China, United States and World, 2021 figures for Russian Federation, Brazil, UK and Malaysia, 2017 for Vietnam

Source: World Health Organization Database, The World Bank, CRISIL MI&A

Healthcare personnel: India vs other countries (latest as reported by each country)



The paucity of healthcare personnel compounds the problem. At 7 physicians and 17 nursing personnel per 10,000 population (2020), India trails the global median of 17 physicians and 38 nursing personnel during the same period. Even on this parameter, India lags developing countries such as Brazil (21 physicians, 55 nurses), Malaysia (21 physicians, 34 nurses) and other Southeast Asian countries.

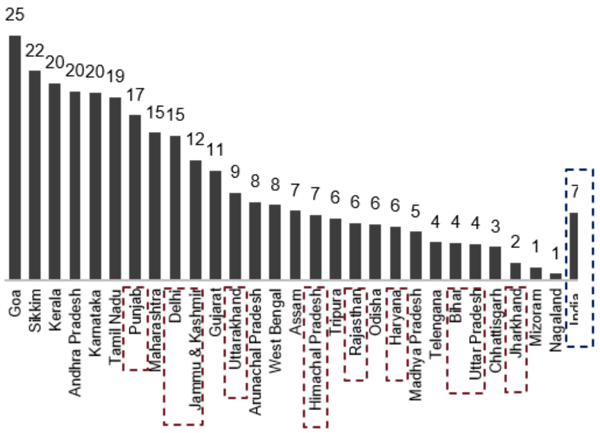
Note: 2021 figure for UK, Brazil, Nepal, Indonesia 2020 figures for India, China, Russia, US; 2019 figures for Malaysia, Thailand; 2019 figure for world average
Source: World Health Organization, World Bank, CRISIL MI&A

Physicians (per 10,000 population)		Nurses (per 10,000 population)	
World average*	India	World average*	India
 ~17	 7	 38	 17

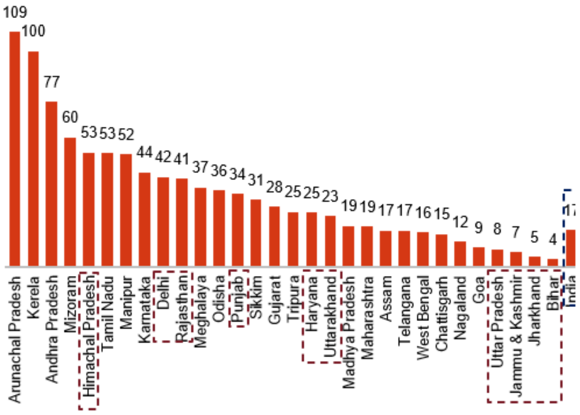
*Note: * World average as of 2019, India average as of 2020*

Source: WHO World Health Statistics, World Bank

Select state count of doctors possessing recognised medical qualifications (under I.M.C Act) per 10,000 population – 2020



Select state count of registered nurses per 10,000 population – 2021



Note: *Dotted Box represents select North and East Indian States* | *Highlights India*

India data for doctors and Nurses is as per world bank data for 2020 while statewise data is from National Health Profile 2022.

17 states under the non-special category given by the RBI (except Goa) along with our key states of study have been considered above. Amongst our key states, doctor numbers for Manipur and Meghalaya are not available, while nurse numbers for Nagaland are not available

For Nurse data:

Data up to December 31, 2019, for the following states: Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Punjab, Telangana, Uttar Pradesh

Data up to December 31, 2020, for the following states: Bihar, Maharashtra, Odisha, Rajasthan, Uttarakhand

Andaman and Nicobar is combined with Tamil Nadu; Lakshadweep combined with Kerala; Daman & Diu and Dadra Nagar Haveli combined with Gujarat

Source: National Health Profile 2022, CRISIL MI&A

There are 1.20 million number of doctors with recognised medical qualifications (under I.M.C Act) registered with state medical councils/the Medical Council of India as of 2020. There are 2.47 million registered nurses ("**RN**") and registered midwives ("**RM**"), 982,932 auxiliary nurse midwives and 57,122 lady health visitors serving in the country as on December 31, 2021.

Maharashtra leads in terms of absolute number of registered doctors as of 2020 with 188,540 registered doctors. Among the states considered, Goa had the highest number of registered doctors per 10,000 population. At 25 doctors per 10,000 population. Goa is followed by Sikkim and Kerala at 22 and 20 respectively. Among the northern states, Punjab has the highest number registered doctors per 10,000 population at 17 followed by Delhi at 15.

As of 2021, Andhra Pradesh had the highest number of registered nurses per 10,000 population at 109. It was closely followed by Kerala at 100 nurses per 10,000 population. Among the northern states, Himachal Pradesh fared better than the rest of the states. Himachal Pradesh had 53 registered nurses per 10,000 population. It was followed by Delhi which had 42 registered nurses per 10,000 population.

Region wise doctor and nurse density

Region	States covered for doctors and nurses' data	Avg. doctors per 10,000 (2020)	Avg. registered nurses per 10,000 (2021)	Estimated bed density per 10,000 (2020)
East India	Bihar, Jharkhand, Odisha, West Bengal, Chhattisgarh, Sikkim, Arunachal Pradesh, Assam, Tripura, Mizoram, Nagaland*, Manipur**, Meghalaya**	5.2	14.4	7-8
North India	Jammu & Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Uttar Pradesh, Haryana, Delhi	6.2	15.4	15-16
West India	Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Goa	10.0	25.4	10-11
South India	Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Telangana	17.3	56.4	26-27

*Note: 17 states under the non-special category given by the Reserve Bank of India (except Goa) along with our key states of study have been considered above. Amongst our key states, doctor numbers for Manipur and Meghalaya are not available, while nurse numbers for Nagaland are not available, *Nurse data for Nagaland is not available and hence is excluded from nurse density calculations, **doctor data for Manipur and Meghalaya is not available and is excluded for doctor density calculations*

For Nurse data :

Data up to 31st December 2019 for the following states: Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Punjab, Telangana, Uttar Pradesh

Data up to 31st December 2020 for the following states: Bihar, Maharashtra, Odisha, Rajasthan, Uttarakhand

Andaman Nicobar is included with Tamil Nadu; Lakshadweep included with Kerala; Daman & Diu and Dadra & Nagar Haveli is included with Gujarat

Source: National Health Profile 2022, CRISIL MI&A

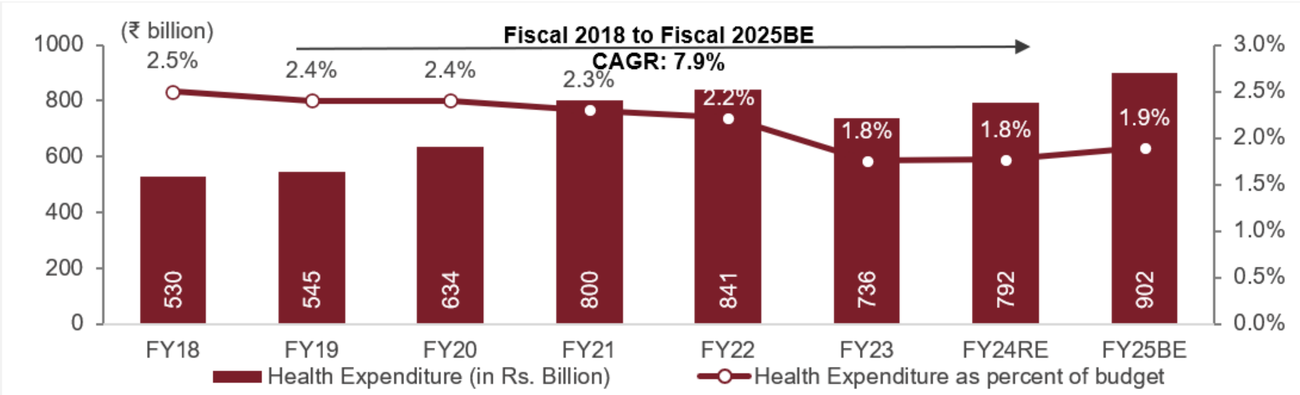
Government health spend up in absolute terms, but down as % of total budget

In absolute terms, the government's allocation to healthcare has increased from ₹ 530 billion in Fiscal 2018 to ₹ 902 billion for Fiscal 2025 (budgeted estimates), at a CAGR of 7.9%. However, as a percentage of the Union Budget 2024-25, the allocation has decreased from 2.5% in Fiscal 2018 to 1.9%.

Although healthcare expenditure increased significantly by ~26% on-year in Fiscal 2021 due to fund allocation for pandemic-related measures such as vaccination drives sustaining in Fiscal 2022, it declined ~8% on-year in Fiscal 2023 with the withdrawal of pandemic support.

In Fiscal 2024, healthcare allocation in the budget rose ~7.7% on-year, driven by increase in expenditure on schemes such as Pradhan Mantri Atmanirbhar Swasth Bharat Yojana, which aims to establish primary healthcare infrastructure, Pradhan Mantri Swasthya Suraksha Yojana, which focuses on setting up new All India Institute of Medical Sciences hospitals and enhancing facilities at government medical colleges in states, and PMJAY, a health insurance scheme. In addition, the budget's allocation to healthcare has increased ~13.8% on-year Fiscal 2025, improving the share of healthcare allocation in the total budget to 1.9%.

Budgetary allocation for healthcare over the years



RE: Revised estimates; BE: Budget estimates

Source: Budget documents, CRISIL MI&A

KEY HEALTHCARE SCHEMES AND PROGRAMMES UNDER IMPLEMENTATION/ANNOUNCED

Key government healthcare schemes

S No		Scheme	Launched	Purpose
1		**National Health Mission (NHM)**	-	**Envisages achievement of universal access to equitable, affordable and quality healthcare services that are accountable and responsive to people's needs**
	1.1	National Sickle Cell Anaemia Elimination Mission	2023	Focusses on addressing the significant health challenges posed by the sickle cell disease, particularly among tribal populations of the country
	1.2	Free Diagnostics Service Initiative	2015	Provides accessible, affordable and quality diagnostic services in all public health facilities up to district hospitals by utilising the capacity of the private companies in supporting NHM to provide essential diagnostic services, thereby having a positive impact on reducing OOP expenditure on diagnostics
	1.3	National Urban Health Mission	2013	Addresses the healthcare needs of the urban population with a focus on the poor, by making available to them essential primary healthcare services and reducing their OOP expenditure for treatment
	1.4	National Rural Health Mission	2005	Provides accessible, affordable and quality healthcare to the rural population, especially the vulnerable groups
2		**Ayushman Bharat Digital Mission**	**2021**	**Aims to develop the backbone necessary to support an integrated digital health infrastructure by bridging the gap between various stakeholders in the healthcare ecosystem through digital highways**
3		**Pradhan Mantri Ayushman Bharat Health Infrastructure Mission**	**2021**	**Focuses on developing capacities of health systems and insti tutions across the continuum of care at all levels, viz. primary, seco ndary and tertiary, and on preparing health systems to respond effectively to the current and future pandemics/disasters**
4		**Ayushman Bharat**		
	4.1	Health and Wellness Centres	2018	Aims to deliver an expanded range of services to address the primary healthcare needs of the entire population in their area, expanding access, and ensuring universality and equity
	4.2	Pradhan Mantri Jan Arogya Yojana	2018	Aims to provide ₹ 5 lakh health cover per family per year for secondary and tertiary care hospitalisation to over 107.4 million vulnerable families (approximately 500 million beneficiaries.)

Source: Budget documents, CRISIL MI&A

STRUCTURE OF THE HEALTHCARE DELIVERY INDUSTRY IN INDIA

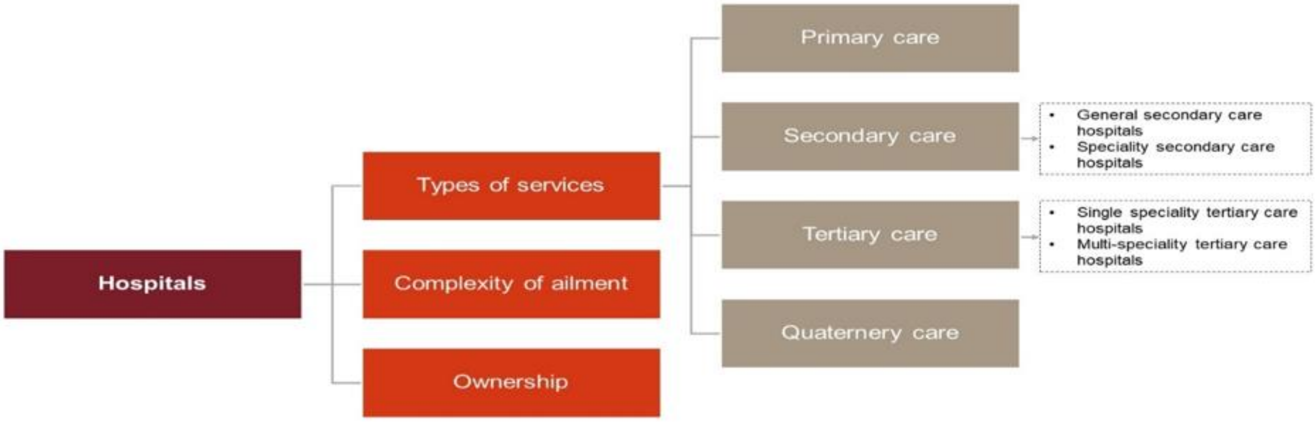
Overview of healthcare industry

Source: CRISIL MI&A

India's fast-growing healthcare industry has become one of the leading contributors to the economy. A combination of economic and demographic factors is driving healthcare demand in the country. Factors such as an ageing population, a growing middle class, increasing incidence of lifestyle diseases, and the adoption of technology are some of the key drivers.

The domestic healthcare industry comprises the following segments: healthcare delivery (hospitals, clinics), pharmaceuticals, medical devices, diagnostic services, medical equipment, and other support services to the healthcare players.

Classification of hospitals



Classification of hospitals based on services offered

Primary care/ dispensaries/ clinics

Primary care facilities are outpatient units that offer basic, point-of-contact medical and preventive healthcare services, where patients come for routine health screenings and vaccinations. These do not have intensive care units ("**ICU**") or operation theatres. Primary care centres also act as feeders for secondary care/ tertiary hospitals, where patients are referred to for treatment of chronic/ serious ailments.

Secondary care

Secondary care facilities diagnose and treat ailments that cannot be treated in primary care facilities. These act as the second point of contact in the healthcare system. There are two types of secondary care hospitals - general and specialty care.

General secondary care hospitals

These hospitals are approached for common ailments, and attract patients staying within a radius of 30 km. The essential medical specialties in general secondary care hospitals include: internal medicine, general surgery, obstetrics and gynaecology, paediatrics, ear-nose-throat ("**ENT**"), and ophthalmology. Such a hospital typically has one central laboratory, a radiology laboratory, and an emergency care department. Generally, secondary care hospitals have 50-100 in-patient beds, a tenth of which are allocated for the ICU segment.

Specialty secondary care hospitals

These hospitals are located in district centres, treating patients living within a radius of 100-150 km. They usually have an in-patient bed strength of 100-200, 15% of which are reserved for critical care units. The balance is for private rather than general ward beds. Apart from medical facilities offered by a general secondary care hospital, specialty secondary care hospitals treat ailments related to gastroenterology, cardiology, neurology, dermatology, urology, dentistry, and oncology.

Tertiary care

Tertiary care hospitals provide advanced healthcare services, usually on referral from primary or secondary medical care providers.

Single-specialty tertiary care hospitals

These treat a particular ailment (such as cardiac, cancer, etc). Prominent facilities in India include: Escorts Heart Institute & Research Centre (New Delhi); Tata Memorial Cancer Hospital (Mumbai); HCGEL Oncology (Bengaluru); Sankara Nethralaya (Chennai); National Institute of Mental Health & Neuro Sciences (NIMHANS, Bengaluru); and Hospital for Orthopaedics, Sports Medicine, Arthritis and Trauma (HOSMAT, Bengaluru).

Multi-specialty tertiary care hospitals

These hospitals offer all medical specialities under one roof and treat complex cases such as multi-organ failure, high-risk, and trauma cases. Such hospitals are located in state capitals or metropolitan cities and attract patients staying within a 500 km radius. They have a minimum of 200 in-patient beds, which can go up to 1,500 beds. About one-fourth of the total beds are reserved for patients in need of critical care. Medical specialties offered include: cardio-thoracic surgery, neurosurgery, surgical oncology, endocrinology, plastic and cosmetic surgery, and nuclear medicine. In addition, these hospitals have histopathology and immunology laboratories as a part of its diagnostic facilities. Lilavati Hospital and Hiranandani Hospital in Mumbai, Medanta hospitals in NCR region, Paras Hospitals in North India, KIMS in Hyderabad are multi-specialty tertiary care hospitals.

Quaternary care hospitals

Quaternary care hospitals are an extension of tertiary care in reference to advanced levels of medicine which are highly specialised and not widely accessed, and usually only offered in a very limited number of hospitals which are highly advanced. It involves complex and innovative treatments, surgeries and procedures that require cutting-edge technology and expertise. Quaternary care hospitals offer specialised surgical procedures such as organ transplants and robotic surgery, innovative treatments like gene therapy and stem-cell therapy. Examples of quaternary care services include neurosurgery, transplantation, oncology etc. Max super speciality hospital, Vaishali, Apollo Hospital, Navi Mumbai, Paras HMRI Patna are some examples of quaternary care hospitals.

Classification of hospitals by facilities/ services offered

	Primary care	Secondary care	Tertiary care
Services	Provides all services as required for the first point of contact	Provides all services as required, including organised medical research	Provides all services as required, including provision for experimental therapeutic modalities and organised research in chosen specialities
Multi-disciplinary	Yes	Yes	Single- or multi-speciality
Type of service	Only medical services and excludes surgical services	Overall medical and surgical services	Complex surgical services with sophisticated equipment
Type of patient	Only outpatient	Inpatient and outpatient	Primarily inpatient
No of beds	0 beds	50-200 beds	>200 beds
Dependent on	Secondary and tertiary care hospitals for further diagnosis and support	Tertiary care hospital for diagnostic and therapeutic support on referral and for patient transfer	Tertiary care/secondary hospital for referrals for its workload
Investment	Low investment required	Medium	High

REVIEW OF BUSINESS MODELS FOR HEALTHCARE DELIVERY

Emerging business models

- Lease contracts
- Operation and maintenance ("**O&M**") contracts
- Medicities (one-stop centres)
- Franchise arrangements
- Expansion into tier 2 and 3 cities
- Public-Private partnerships

Source: Industry, CRISIL MI&A

Lease contracts

In the hospitals sector, the ownership model has become costly because of the sharp increase in land prices, especially in metros and tier 1 cities, over the past few years. This has compelled private players to look for alternative models such as lease contract. In a lease contract, the landowner develops the hospital building as per specifications given by the private player, who, in turn, enters into a long-term lease agreement with the land owner. For example, Apollo Hospitals has acquired land and building on lease from Orient Hospital, Madurai, for 60 years. However, lease renewals pose a major risk for private players. This sharp rise in land prices is benefiting legacy/established hospitals wherever they own land or have very long-term lease. This is also a primary factor that many new hospitals are not coming in prime areas of metro cities.

O&M contracts

Under this model, a large private player (or a hospital chain) undertakes a contract for managing a standalone hospital and overseeing functions such as marketing, operations, finance, and administration. In return, the private player receives a fixed annual management fee and share in revenue or profits from the standalone hospital's owners. Apollo and Fortis (with Cauvery Hospital in Mysuru) have entered into such contracts to expand their base in India.

Franchise arrangements

In this model, franchisees obtain the premises (owned or leased) and infuse capital (both fixed and working), while the franchisor lends the brand name to the healthcare facility for a fee. The franchisor has to ensure that the service quality is maintained across all healthcare centres that use its brand. It may also help the franchisee in training and recruiting staff, procuring equipment, designing the facility, etc. In India, Apollo Hospitals has expanded its network of primary clinics through this model.

Expansion into tier 2/ 3 cities through primary and secondary hospitals

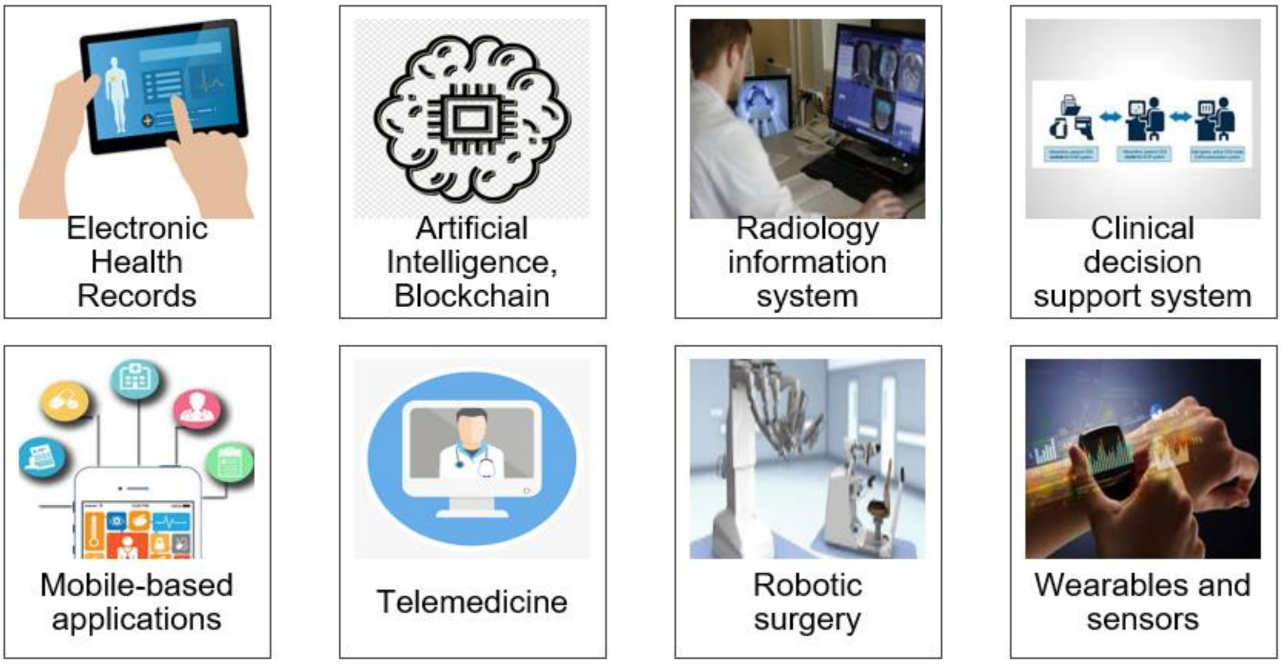
Private players are now foraying into tier 2 and 3 cities as income levels in these cities are fast catching up with those in metros and tier I cities, and these regions hold a big share of unmet healthcare demand. Some of the major hospital chains are also expanding into these regions at different price formats, thereby creating a continuum of care, with provision of higher super specialty services in metros/ tier 1 locations. Apollo Hospitals expanded into Karaikudi and Karimnagar with its Apollo Reach brand (rates of which are lower than in the cities). ILS hospitals have also expanded to tier-II cities such as Agartala, Howrah and is expanding to Ranchi.

However, there are some chains that predominantly operate only in tier 2 and 3 cities, such as Paras Healthcare and Shalby Hospitals.

Public-Private partnerships

Public-Private Partnerships ("**PPPs**") models in healthcare are mainly used to bridge the gap in healthcare infrastructure, particularly in tier-2 and tier-3 cities where access to quality healthcare is limited. With most of the healthcare infrastructure concentrated in metropolitan cities, PPPs offer a viable solution to extend healthcare services to underserved populations. In this model, the government and private healthcare providers collaborate to deliver healthcare services. The partnership shares risks, responsibilities, and rewards, with the private partner investing in resources and technology, and the government ensuring accessibility and affordability. The private partner operates and manages facilities, while the government monitors regulatory compliance thereby ensuring that there is accountability and affordability of the services.

EMERGING TECHNOLOGIES IN HEALTHCARE DELIVERY



The healthcare industry, like other industries, is constantly evolving in terms of technology. Developments in information technology have helped create systems that ensure faster and reliable services. While, on the one hand, these systems help increase reach and quality of healthcare delivery systems across the country, on the other, they enable healthcare delivery providers to improve efficiency by helping them in resource planning, maintaining patient records, etc. CRISIL MI&A expects the advent of 5G, smartphone penetration, and increasing health-conscious population to deepen digital healthcare penetration.

Electronic health records

EH₹ are designed to manage detailed medical profile and history of patients such as medication and allergies, immunisation status, laboratory test results, and radiology images. Information stored in EHRs can be in a combination of various formats including picture, voice, images, graphs, and videos. Besides storing information, EHRs have the capability of analysing data with respect to a specific ailment, generating customised reports, setting alarms and remainders, providing diagnostic decision support, etc. EHRs can be shared between multiple systems allowing doctors from various specialties and hospitals to share the same set of patient data. This feature helps improve coordination between doctors, saves time, and prevents redundancy of recreating medical records.

Artificial Intelligence ("AI") and blockchain

Healthcare establishments like hospitals are looking at opportunities to deploy AI or/and blockchain in improving their operating efficiency – scheduling appointments depending on the gravity of the issue, healthcare monitoring, etc, thereby minimising human error through technological intervention. For instance, NITI Aayog has extended its support to an AI-based project - Radiomics, which is also supported by Tata Memorial Centre Imaging Biobank.

Apollo has partnered with Microsoft to create a cardiovascular disease risk score application programme interface ("**API**") for assigning risk scores to cardiac patients in India. Max Healthcare is also in the process of piloting AI and machine learning ("**ML**") algorithms for prediction of readmission of myocardial infractions, along with being involved in a project concerning speech to text technology for accurately capturing clinical and radiology information in the systems.

Radiology information system

RIS is a tool that allows managing digital copies of medical imagery such as X-ray, MRI, ultrasound, and associated data on a network. RIS is used by doctors to access medical imagery data from multiple locations. It is connected to medical equipment such as X-ray, MRI and ultrasound machines, which generate diagnosis results in the form of images and graphs. The RIS directly captures results and feeds them to EHRs, central databases or remote databases. RIS systems are integrated with a dedicated picture archiving and communication modules which ensures that the pictures are stored in a systematic manner and transferred accurately to the intended database or recipient.

Clinical decision support system

CDSS is a software designed to assist doctors in taking decisions pertaining to the diagnosis and treatment of patients. A CDSS is supported by a large database that has detailed information on ailments with data aspects ranging from symptoms to diagnosis. The database is supported by a set of rules that help generate accurate results for the query made by the user. It also contains patient specific information such as medical history, allergies, etc, which helps doctors to make effective decisions on the treatment. CDSS databases are open-ended to allow addition of information on newly discovered diseases, procedure and medications, rectification of erroneous procedures, and updating of patient information.

Mobile-based application

Healthcare delivery is also seeing an influx of mobile-based applications (mobile apps) to assist doctors as well as patients. These apps provide features such as self-diagnosis, drug references, hospital/doctor search, appointment assistance, electronic prescriptions, etc. While certain apps allow doctors to obtain information on drugs, dosage, contradictions, disease/ condition references and procedures; others allow patients to locate doctors, fix appointments, and opt for video consultations. Furthermore, there are apps that help patients save their medical records and keep them updated regularly.

Telemedicine

Telemedicine is a technology designed to improve accessibility of healthcare services from remote locations. Telemedicine, through its extensive use of information technology, creates a connection between doctors at the main hospital and patients at remote locations or telemedicine centres. The doctor analyses the patient through telephonic conversation or video conferencing and is assisted by a junior doctor or health worker who is physically present at the telemedicine centre. The junior doctor physically examines the patient and conveys the information, based on which the doctor confirms the diagnosis and prescribes medication. If the ailment is complex, the patient is advised to get admitted at the main hospitals and avail the intensive care facility.

Robotic surgery

Robotic surgery or robot-assisted surgery ("**RAS**") is a surgery conducted by using a robotic arm that is controlled electronically by a control pad. The pad may be located at a local or remote place and is equipped with high-definition cameras allowing surgeons to take a closer look at the areas being operated. Since RAS can be performed from remote locations, it allows patients to avail the treatment from the desired specialist surgeons across the globe without having to travel. RAS has been used to conduct general surgery, bypass surgery, colorectal surgery, gastrointestinal surgery, neurosurgery, orthopaedic surgery, etc.

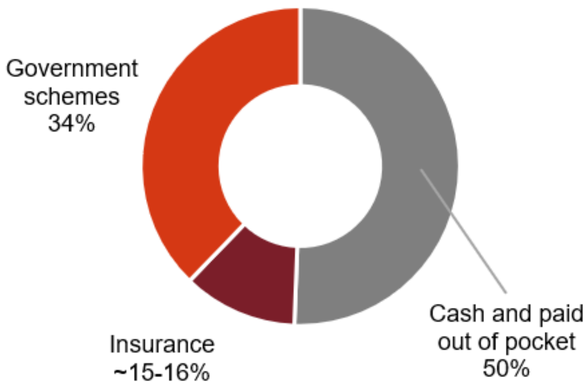
Wearables and sensors

With awareness on healthcare increasing, people have started adopting wearables and sensors that keep a track of the vitals of the user. Wearables and sensors also have data about the user's historical health records and sends out alerts in case of any irregularities. Some sensors are used solely from a curative healthcare perspective, to lead a healthy life with a proper fitness routine.

PAYMENT MODES IN INDIAN HEALTHCARE

Government schemes accounted for 34% of the Indian current healthcare expenditure in 2021. Insurance accounted for 15-16%, while the major chunk came from cash/out of pocket expenses

Payor mix (India) 2021

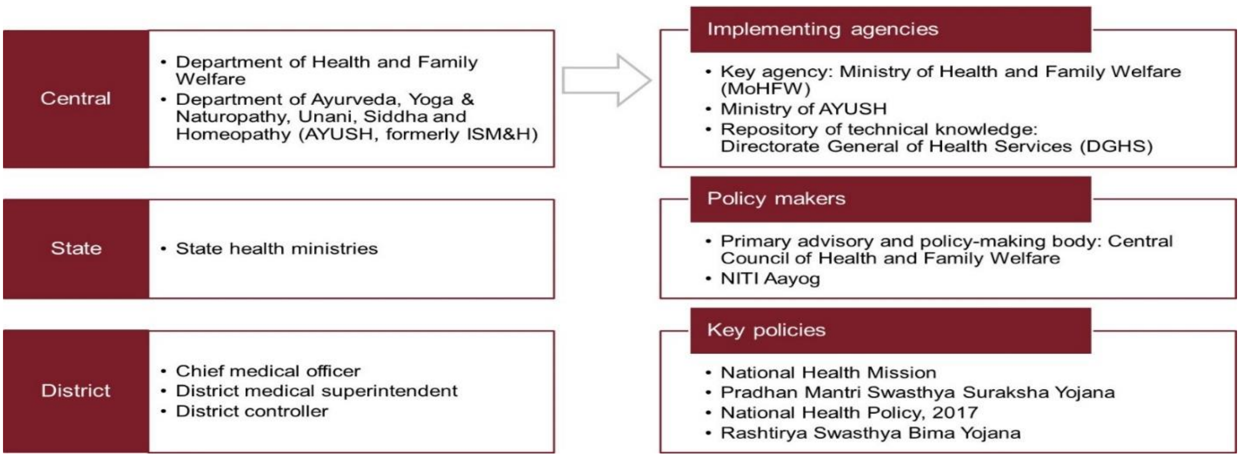


Source: WHO, CRISIL MI&A

Government schemes accounted for 34% current health expenditure in the country in 2021. ~65-66% of current health expenditure was funded using cash and insurance.

REGULATORY FRAMEWORK FOR HOSPITALS AND HEALTHCARE IN INDIA

Government framework for healthcare delivery



Source: Industry, CRISIL MI&A

The Union Ministry of Health and Family Welfare ("MoHFW") is the key agency implementing healthcare programmes in India

The Indian healthcare ecosystem lacks a common regulator, with different entities in the healthcare value chain coming under the purview of different ministries and regulatory bodies.

The MoHFW is the central body responsible for implementing various healthcare and family planning programmes in India. These programmes aim at the prevention and control of major communicable diseases such as AIDS, leprosy, etc. Further, awareness programmes on maternal health, paediatrics, and promotion of traditional and indigenous systems of medicines (such as ayurveda, unani, etc.) are also carried out.

Besides these, the ministry also assists states in preventing and controlling the spread of seasonal disease outbreaks (such as malaria, dengue, etc.), and epidemics through technical assistance (such as recommending measures to contain sudden epidemics). The MoHFW sponsors central schemes and provides grants-in-aids to various autonomous/statutory bodies and NGOs. In addition to the centrally sponsored schemes, the ministry formulates and implements various World Bank-assisted projects for controlling diseases such as AIDS, malaria, tuberculosis, etc.

Regulatory environment for healthcare delivery in India

Regulations pertaining to the healthcare delivery infrastructure

The regulations for setting up a hospital in India are stringent with several approvals required to be taken. Moreover, hospitals are also covered under the purview of the policies such as the Clinical Establishment Act, 2010, and the Bio-Medical Waste Management & Handling Rules, 1998, which provide guidelines for registering hospitals and clinics and regulate their day-to-day operations as far as their environmental impact is considered. The approval process is time-consuming, with wait times ranging from 14 to 180 days, depending on the agency, for various approvals. **F**

Accreditation of hospitals

Accreditation of hospitals is a voluntary process, wherein an authorised agency evaluates and recognises health services according to a set of standards that are revised periodically. In developing countries such as India, where healthcare services are delivered mainly through private health providers, regulation is a vital instrument and function of the government policy.

In India, hospitals are accredited by National Accreditation Board for Hospitals and Healthcare Providers ("**NABH**"). The NABH is a constituent board of Quality Control of India and a member of International Society for Quality in Health Care ("**ISQua**"). NABH accreditation is compulsory for hospitals to get empanelled under the Central Government Health Scheme ("**CGHS**"), which provides healthcare facilities to all central government employees. P.D. Hinduja Hospital (Mumbai), Max Super Speciality Hospital (New Delhi), Apollo Speciality Hospital (Chennai), Narayana Hrudayalaya (Bengaluru), ILS Hospital (Dum Dum), ILS Hospital (Agartala), Paras HMRI Hospital (Patna), Medwin Hospital (Hyderabad) are some of the hospitals accredited by the NABH.

International accreditation agencies include the International Organization for Standardization ("**ISO**"), Joint Commission International ("**JCI**"), and Trent Accreditation Scheme ("**TAS**").

Diagnostic centres are accredited by the National Accreditation Board for Testing and Calibration Laboratories ("**NABL**") in India and international agencies such as the Asia Pacific Laboratory Accreditation Cooperation and the International Laboratory Accreditation Cooperation. ILS (Dum Dum) is also accredited by NABL for complying with ISO 15189:2012 standards in the field of medical testing.

Regulations pertaining to financing of healthcare infrastructure

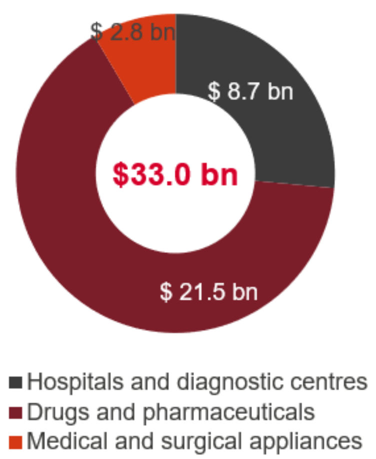
Owing to the capital-intensive nature of hospitals and also considering the existing infrastructure gap, which calls for a rapid growth in bed counts across the country, the financing needs for setting up/expanding hospitals are fulfilled through various routes such as foreign direct investment ("**FDI**"), external commercial borrowing ("**ECBs**"), private equity funds, etc. apart from conventional bank loans.

Apart from these, the government provides tax relief to hospitals with 100 beds or more in the form of investment-linked deduction (on capital expenditure other than for land acquisition, goodwill and financial instruments incurred prior to the commencement of business) under Section 35AD of the Income Tax Act 1961. The central government has also come out with broad guidelines of provision of up to 40% viability gap funding for construction of new hospitals in Tier-II and -III cities/ towns, which are empanelled under the PMJAY.

FDI

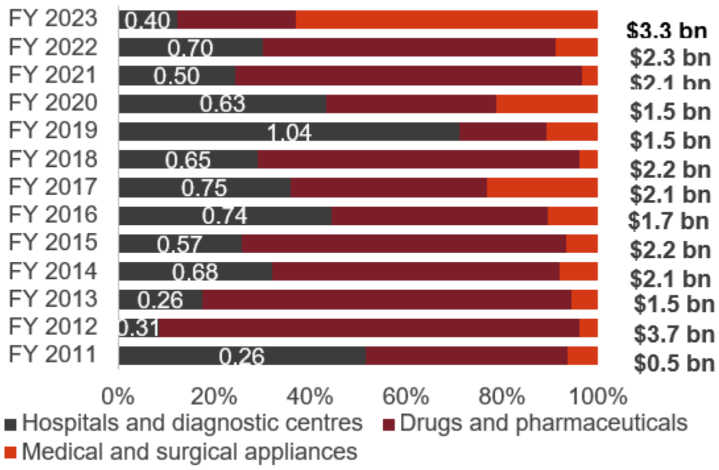
FDI of up to 100% is permitted under the automatic route in Indian hospitals from 2000. This means foreign investment in hospitals does not require prior approval either from the government or the Reserve Bank of India. Investors are only required to notify the concerned regional RBI office within 30 days of receipt of inward remittances and file the required documents with that office within 30 days of issue of shares to foreign investors. As of Fiscal 2023, cumulative FDI equity inflows in: (1) hospitals & diagnostic centres amounted to $2,804 million, (2) drugs & pharmaceuticals amounted to $21,464 million and (3) medical & surgical appliances totalled $2,406 million.

Annual cumulative FDI inflow for Fiscal 2023



Source: DIPP, CRISIL MI&A

Year-wise FDI inflow from Fiscal 11 to Fiscal 2023 ($ bn)



Source: DIPP, CRISIL MI&A

ECB

Currently, services sector entities (including hotels, hospitals and software sectors), are allowed to avail ECB facility of: (1) up to $100 million per financial year, under the approval route, for imports of capital goods and (2) another $100 million per financial year, under the automatic route, for capital expenditure in foreign currency and/or rupee for permissible end use.

Regulations pertaining to price controls

The National Pharmaceutical Pricing Authority ("**NPPA**") regulates prices of drugs/ medicines by bringing them under the ambit of the National List of Essential Medicines ("**NLEM**"). The medical devices sector is largely unregulated, except for those who have been notified as drugs under the Drugs and Cosmetics Act. In February 2017, the NPPA introduced price controls for cardiac stents – price of bare metal stents ("**BMS**") was slashed to ₹ 8,000 and that of drug-eluting stents ("**DES**") was reduced by ~85% to ₹ 29,600. In February 2019, however, the NPPA revised their prices upwards in line with the WPI numbers of 4.2% (with effect from April 1, 2019). The revised price of BMS stands at ₹ 8,261 and that of DES stands at ₹ 30,800 at present.

The prices of knee and hip implants were also capped (up to 69%) in August 2017. Cobalt chromium knee implant, which was priced at ₹ 158,324 was capped at ₹ 54,720 (excluding GST). Implants with special metals, such as titanium and oxidised zirconium, earlier priced at ₹ 249,251 was capped at ₹ 76,600 (excluding GST).

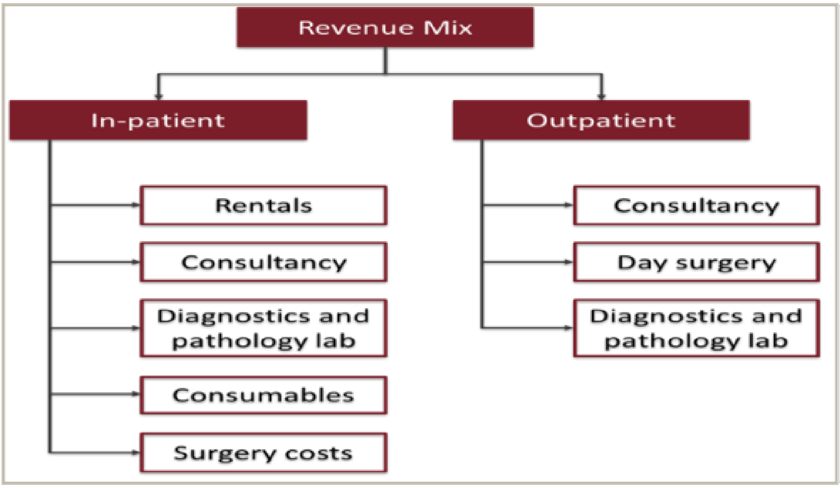
The NPPA's initial intention was to bring eight new medical device segments – all implantable devices, CT scanning equipment, X-ray equipment, MRI equipment, dialysis machine, bone marrow cell separators, defibrillators, and PET equipment – under the Drugs and Cosmetics Act. This would have subjected them to registration and import licensing under the Medical Device Rules 2017. This was to be done with effect from April 1, 2020. However, all medical devices are expected to be brought under the scope of regulation subsequently. NPPA may also consider capping the trade margins instead of capping the prices of medical devices.

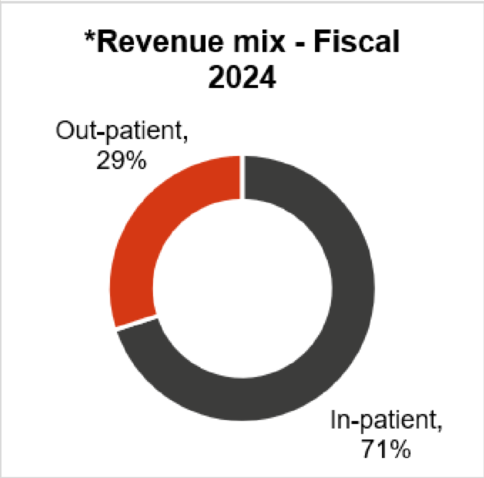
The Bureau of Indian Standards ("**BIS**") is in the process of finalising quality control orders ("**QCO**") for medical devices, which will require all medical devices to be registered with the Central Drugs Standard Control Organisation ("**CDSO**") in the first phase (of 12-18 months). After this period, they will have to conform to the quality standards of the Bureau.

REVENUE AND COST STRUCTURE REVIEW OF HOSPITALS

Hospitals derive bulk of their revenue from IPD

The primary revenue streams of hospitals are the In-patient department ("**IPD**") and out-patient department ("**OPD**") segments. Typically, in most hospitals, the OPD contributes to more than three-fourths of total volumes; whereas the IPD accounts for as much as ~71% of the overall revenue as of Fiscal 2024. This ratio could vary with hospitals, depending on the type of services rendered and the ailment mix. Similar to these estimates, Paras Hospitals derives 82% of their revenues from IPD while OPD accounts for 18% of their revenues for Fiscal 2024.





*Notes: 1) The IPD in a hospital generally consists of beds, operation theatre(s), intensive care unit, supportive services (such as nursing services, pharmaceutical services, laboratory and diagnostics centres) and central sterile and supply department ("**CSSD**")*

2) In the OPD, examination, diagnostics and day surgeries are included

**Revenue mix is the estimated average for hospitals across India*

Source: CRISIL MI&A

Surgeries and diagnostics fetch bulk of the IPD revenue

Surgeries and diagnostics account for the bulk of IPD revenue for most hospitals; however, the share of these verticals vary across hospitals, based on the pricing strategies deployed and specialities offered. However, surgical patients generate more revenue as opposed to medical patients. Hospitals used to enjoy high margins on the consumables used. However, after the government has capped the prices of stents and knee implants, they have rationalised their treatment costs by charging for the services rendered. Some hospitals have in-house facilities such as diagnostic centres and pharmacies, while others outsource these services.

Other monitorables that may boost revenue include:

Occupancy levels: Given the high fixed costs (equipment, beds and other infrastructure), occupancy levels need to be commensurate for a hospital to break-even. Most large hospitals operate at over 65-70% occupancy ratio ("**OR**"). The following factors aid in ensuring high occupancy levels:

- **Good brand recognition**
- **Reputed doctors**
- **A strong referral network**

Average length of stay ("ALOS"): Large hospitals usually operate at high occupancy levels but try to keep the ALOS short, which enables them to record higher utilisation levels and ensure that more patients are treated at the same time.

Ailment-wise length of stay

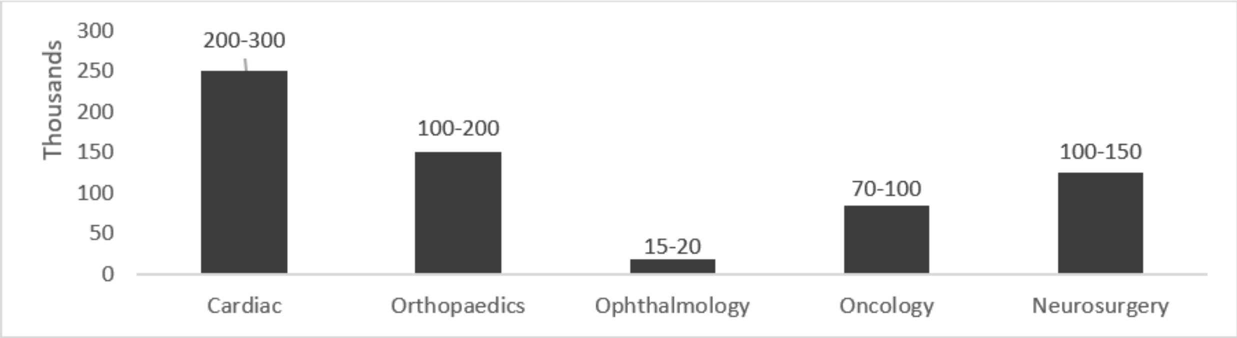
Ailment	ALOS	Remarks
Cardiac	5 days	In complex, surgical cases, ALOS is 7-8 days Angiography – day care; and angioplasty – 2 days
Orthopaedics	3-4 days	Joint replacement surgeries would have relatively higher ALOS
Oncology	5-6 days	Hospitalisation is for surgical cases only. For chemotherapy, there are day-care beds and for radiotherapy, no stay is required
Neurosurgery	8-10 days	Would vary on case-to-case basis depending on the complexity of the case
Ophthalmology	1 day	Day care

Source: CRISIL MI&A

Medical patients versus surgical patients: Having a higher number of surgical patients versus medical patients helps hospitals boost revenue. This is because average revenue per surgical patient is higher, given the extensive use of operation theatre and diagnostic facilities.

According to our industry interactions, the OPD contributes almost one-third of in-patient volumes in most hospitals. This is especially evident during the initial years of operations of a hospital. The OPD, typically, also acts as a feeder for a hospital's in-house diagnostic/ pathology centres.

Ailment-wise realisation (₹)



Source: CRISIL MI&A

Procedure-wise realisation

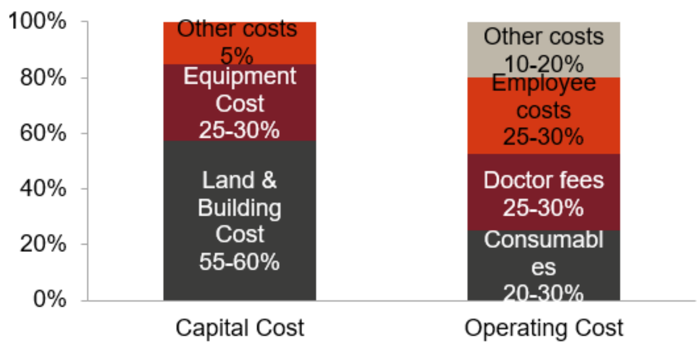
Procedure	Average realisation per procedure (₹ millions)
Angioplasty (one stent)	1,90,500 – 4,12,750
Chemotherapy (per cycle)	63,500 – 1,90,500
Gastric bypass	2,85,750 – 5,71,500
Gastric banding	3,68,300 – 5,39,750
Lap hysterectomy	95,250 – 3,81,000
Myomectomy hysteroscopic	63,500-4,57,200

Source: CRISIL MI&A

Capital costs

For secondary care hospitals in tier-I cities, the capital costs would hover around ₹ 5-8 million per bed and the costs for super-specialty tertiary care hospitals would be higher as high-end technology and equipment costs are involved. Use of imported equipment can further drive up equipment costs. Capital costs to build tertiary care hospitals in tier-I cities are in the range of ₹ 10-12 million per bed, excluding land cost. For a secondary care hospital in tier II cities, the capital cost would hover around ₹ 2.5-5 million per bed followed by ₹ 1-2.5 million per bed in the remaining Indian cities and towns (other than tier I & tier II). The table below depicts the capital cost per bed across tier-I, II & III cities for secondary and tertiary care hospitals.

Typical cost structure of hospitals



Capital cost / bed (excluding land cost)	Secondary care hospital	Tertiary/Quaternary care hospital
Tier - I	₹ 5-8 million	₹ 10 million+
Tier – II	₹ 2.5–5 million	₹ 5-8 million
Tier - III	₹ 1-2.5 million	₹ 2.5-5 million

Source: CRISIL MI&A

The two key capital cost components are land and building development costs and equipment costs.

- ***Land and building costs:*** These costs usually form 55-60% of the total project cost. Land cost usually constitutes 20-30% of the total project cost as land cost varies with location. In some cases, land is offered at a concessional rate by the government. However, after obtaining land at cheaper rates, hospitals may have contractual obligations to treat a certain percentage of patients (belonging to the lower income category) free of charge and/ or at a subsidised rate every year.
- ***Equipment costs:*** These costs form 25-30% of the total project cost (subject to variations depending on the sophistication of the equipment purchased). MRI, linear accelerators and CT scan machines are some of the expensive equipment, each

costing ₹ 50-100 million. As these equipment rapidly become obsolete, hospitals need to set aside resources periodically for technology upgradation (as it directly impacts patient outcomes). Moreover, the maintenance cost for high-end equipment is typically around 5% of the capital costs. In the case of tertiary care hospitals, most of the high-end diagnostic and surgical equipment are imported. Equipment costs vary across hospitals, depending on the ailment type the hospital specialises in.

Players with available land bank in top metro cities have an inherent advantage

The biggest capital costs incurred by hospitals while expanding / entering into top cities are in procuring lands in these cities. Players with available land bank in top cities create a barrier for other players to enter a particular market. Apart from cost of land, availability of land in top cities is also a huge factor. For example, availability of land in Mumbai for a large multi-speciality hospital is scarce and would cost huge capital. Hence, players with available land bank in Mumbai would have an inherent advantage to expand into the market.

Doctor engagement model is crucial in managing the hospital's brand perception and profitability

Raw material and employee costs account for the largest proportion of cost for a hospital, together comprising more than 50% of the hospital's overall operating cost. Major hospital players also incur considerable capital expenditure in maintaining and upgrading existing facilities. Some hospital players enter into vendor agreements, particularly with imported equipment for specialty-based services, to mitigate price fluctuation risk.

The key model adopted for doctor engagement are:

- **Doctors on payroll:** In this model, the doctors are employed full-time by the hospital, receiving a fixed salary, benefits, and perks. This model provides predictability and job security, allowing doctors to focus on patient care without worrying about the business aspects. The model aligns doctor engagement with organisational goals, fostering a sense of teamwork and shared responsibility.
- **Doctors visiting on consulting basis:** This model involves independent practitioners who visit the hospital on a part-time basis, paid on a fee-for-service or consultation basis. This arrangement offers flexibility and autonomy, enabling doctors to manage their time and patient load effectively. With no fixed schedule or employment contract, they enjoy freedom in their practice, but also bear the risks of unpredictable income and no benefits for job security. This model suits doctors who value independence and variety in their work.

Raw material costs/ consumables: Typically, raw material costs (including drugs, medical consumables, diagnostic consumables and other items, such as linen, etc.) account for 20-30% of overall operating costs for a hospital. Raw material costs can be managed through effective inventory management and effective sourcing of raw materials that are lower priced. Tier-I hospitals generally spend about 20-22% on raw material/consumables versus more than 23-25% by that of a tier-II hospital on account of greater footfalls, higher IPD admissions and heavy discounts on consumables through distributers.

As a % of operating income	Tier – I	Tier – II
Raw material cost/consumables	20-22%	23-25%

Source: CRISIL MI&A

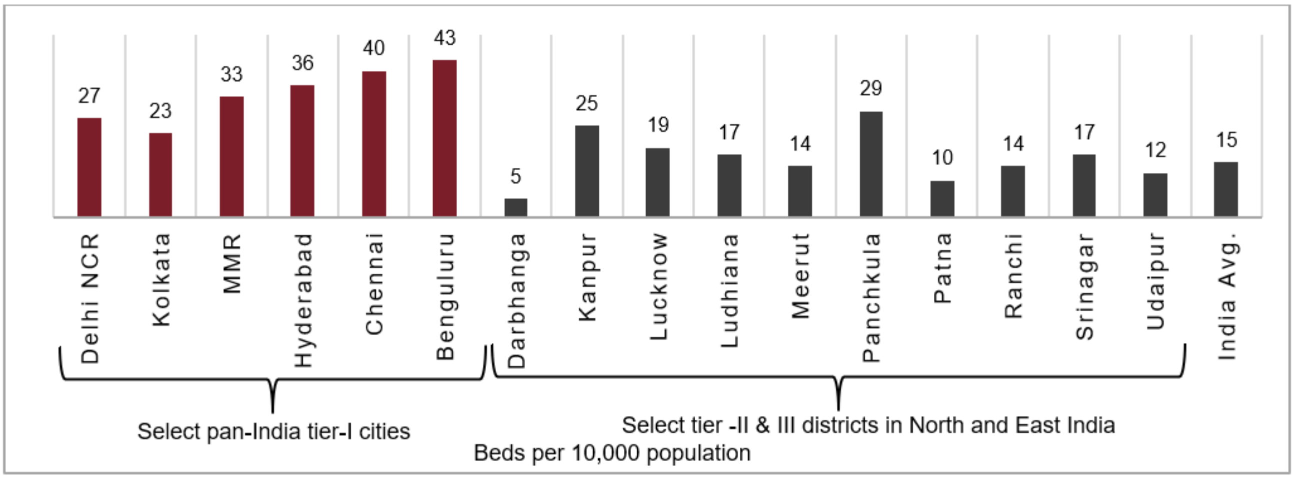
Employee costs: These costs account for 25-30% of the overall operating costs. While salaries are fixed costs, consultants' fees can be linked to operations, making it a variable expense. The bed-to-staff ratio also varies from 1:3 to 1:5, with multi-specialty and super-specialty hospitals having a higher ratio. The employee cost of a hospital is also dependent on its doctor-engagement model. Tier-II hospitals generally spend higher percentage of their costs on wages and salaries versus tier-I hospital. Employing reputed doctors on the payroll (especially for new facilities) also increases employee costs. At times, to reduce doctor costs, hospitals keep a percentage of doctors on their payroll while others are engaged for consultations or on a case-by-case basis.

As a % of operating income	Tier – I	Tier – II
Raw material cost/consumables	20-22%	23-25%

Source: CRISIL MI&A

Hospital bed densities of select cities / districts in North and East India

Bed density across select North-Indian cities and districts



Note: The first six cities represent the metro cities, hence highlighted in a different colour.

**For Darbhanga, Kanpur, Lucknow, Ludhiana, Meerut, Panchkula, Patna, Ranchi, Srinagar and Udaipur, the chart represents the bed density for the entire district.*

Based on city category classification followed by 7th Pay Commission, Tier I – X cities (top 8 cities), tier II – Y cities (next 88 cities), while the rest will fall under Tier -III - Z cities

Source: CRISIL MI&A, State and district healthcare websites

Delhi NCR, Kolkata and Mumbai Metropolitan regions are highly populous and have a bed density of 27, 23 and 33 respectively. An important facet to consider, while estimating the healthcare infrastructure adequacy in a selected city, is to take into account the availability of healthcare infrastructure in the neighbouring cities/states. Given that the selected cities are key cities with a well-developed hospital infrastructure, they tend to attract patients not only from other cities and towns within the state, but also from the neighbouring states. While this creates an additional burden on the healthcare infrastructure of these cities, it also clearly indicates the willingness of people from nearby tier 1 and 2 cities to travel in order to access quality healthcare facilities. In tier 1 cities like Bengaluru, the bed density is higher than Delhi NCR, Kolkata, Mumbai, Hyderabad and Chennai because of presence of big hospital chains with large bed capacities. Another indication of this trend is the expansion of large chain hospitals to tier II cities.

Among the select districts under consideration, Panchkula fares better than the other districts with 29 beds per 10,000 population which is even more than tier 1 cities like Delhi-NCR and Kolkata which have a bed density of 27 and 23 respectively. The reason for Panchkula's high bed density is that it attracts patients from nearby districts like Sonipat, Ambala, Chandigarh and Mohali. Kanpur has a bed density of 25 which can be seen to be at par with tier 1 cities like Delhi-NCR and Kolkata. Cities like Darbhanga, Patna, Udaipur, Meerut and Ranchi have bed density of 5, 10, 12, 14 and 14 respectively which is lower than India's bed density of ~15 highlighting under penetration and scope for growth.

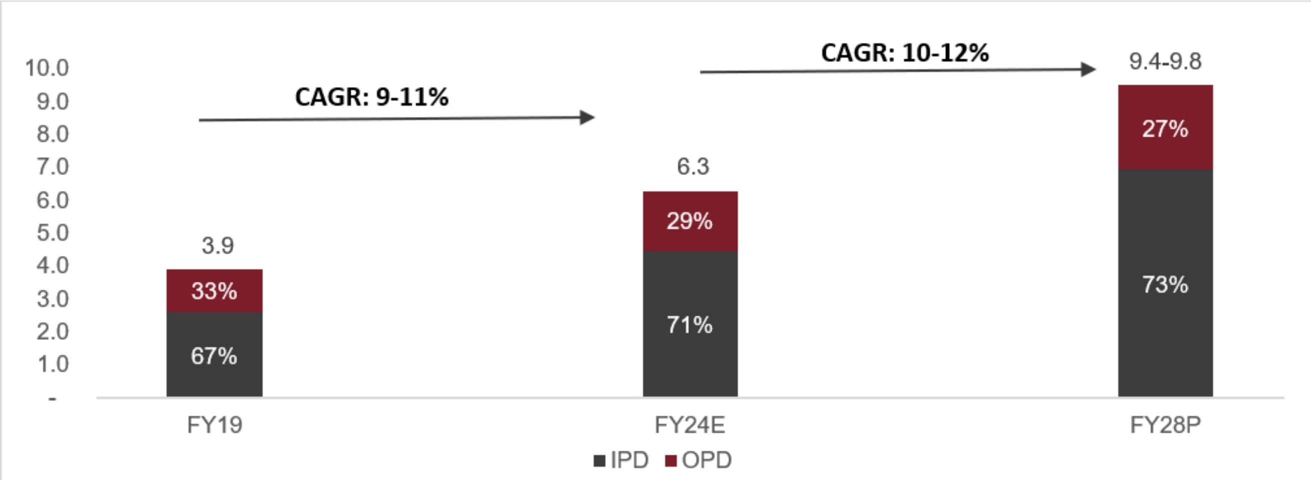
ASSESSMENT OF THE HEALTHCARE DELIVERY INDUSTRY IN INDIA AND SELECT STATES IN NORTH INDIA

Review of overall healthcare delivery market in India

Healthcare delivery industry estimated to grow to ~₹ 9.4-9.8 trillion by Fiscal 2028

CRISIL MI&A estimates the Indian healthcare delivery market to have reached ~ ₹ 6.3 trillion in value terms by end of Fiscal 2024, with growth being contributed by continuation of regular treatments, surgeries and in-patient department ("**IPD**") including average revenue per occupied bed ("**ARPOB**") expansion for the sector. Growing and high realization medical tourism will contribute more to the industry. Within the overall healthcare delivery market, the IPD is expected to account for nearly ~71% (in value terms), while the balance is to be catered by the out-patient department ("**OPD**"). Though in terms of volumes, OPD volumes outweigh IPD volumes, with the latter contributing the bulk of the revenues to healthcare facilities.

Healthcare delivery market in India, Fiscal 2019-28P (₹ Trillion)



Note: IPD indicates inpatient department at government and private hospitals; while OPD indicates outpatient department at private, government hospitals and private clinics

Source: CRISIL MI&A

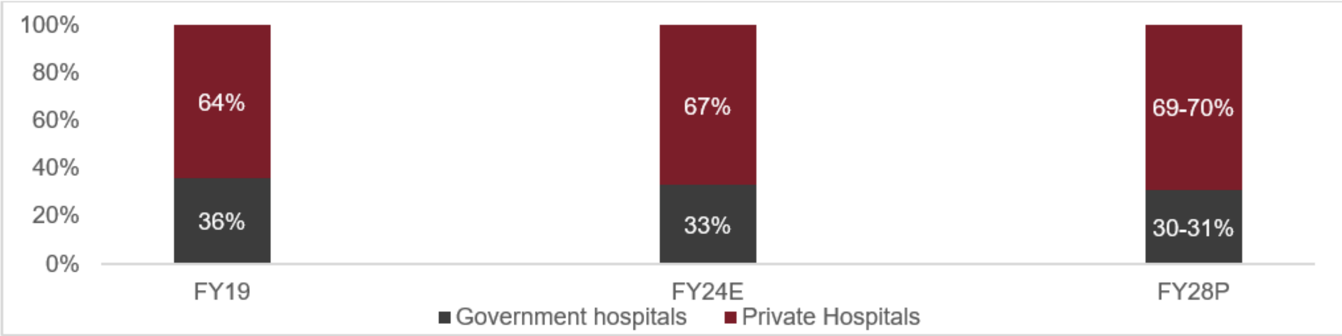
With long term structural factors supporting growth, renewed impetus from PMJAY and government focus shifting onto the healthcare sector, healthcare delivery market is expected to grow at 10-12% CAGR and reach ₹ 9.4-9.8 trillion by Fiscal 2028.

The other contributors to the demand are more structural in nature, like, increase in lifestyle-related ailments, increasing medical tourism, rising incomes and changing demography.

In India, healthcare services are provided by the government and private players, and these entities provide both IPD and OPD services. However, the provision of healthcare services in India is skewed towards the private players (both for IPD and OPD). This is mainly due to the lack of healthcare spending by the government and high burden on the existing state health infrastructure. The share of treatments (in value terms) by the private players is expected to increase from 64% in Fiscal 2019 to nearly ~69% in Fiscal 2027.

The increasing share of treatments by private hospitals is mainly because of the expansion plans undertaken by the private players and the quality they provide in terms of infrastructure, equipment and treatments.

Segmentation of healthcare delivery market in India, Fiscal 2019-28P (in value terms)



Source: CRISIL MI&A

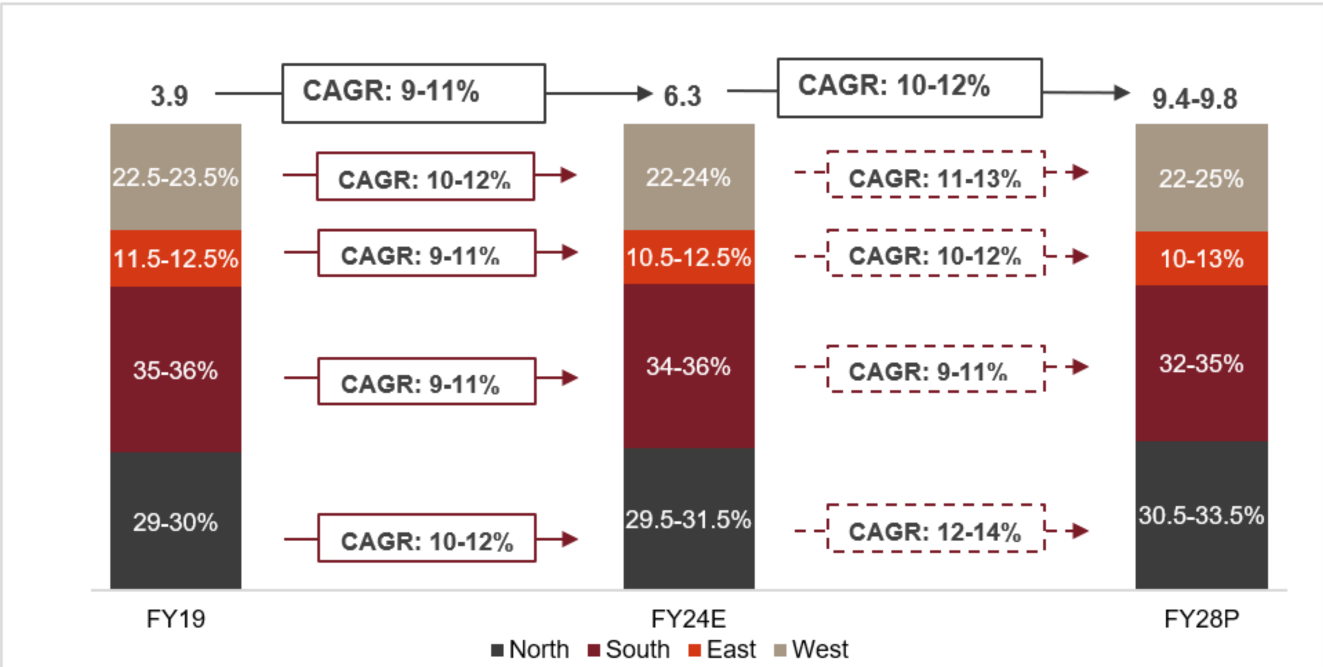
The additional potential demand to be unleashed by the PMJAY scheme (launched nearly five years back) can also be largely catered only by the private participation since government facilities are already over-burdened, and hence going forward, major share of treatments would be inclined more towards the private sector.

Review of Region wise healthcare delivery market in India

North region is expected to grow the fastest among all regions between Fiscal 2024 and Fiscal 2028

From Fiscal 2019 to Fiscal 2024, the market share of regions has more or less remained the same. Only the North region is estimated to have increased its share slightly from 29-30% in Fiscal 2019 to 29.5-31.5% in Fiscal 2024. CRISIL MI&A estimates that the North region will account for approximately a third of India's healthcare delivery market by Fiscal 2028. The share of North region is expected to increase from 29.5-31.5% in Fiscal 2024 to 30.5-33.5%. Expansion plans of organised players in North, Increasing bed density, rising awareness, disease burden are expected to contribute to this faster growth in the North region. During the same period, South region is expected to see a slight decrease in its share from 34-36% to 32-35% given the maturity of the market in the region.

Region-wise healthcare delivery market share in India, Fiscal 2019-28P (₹ trillion)



Note: West region consists of states like Maharashtra, Goa, Gujarat, Madhya Pradesh, Union territories of Daman, Diu and Dadra Nagar Haveli

East region consists of states like Bihar, Jharkhand, West Bengal, Odisha, Chhattisgarh, Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur, Nagaland, Sikkim and Tripura

North regions consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan

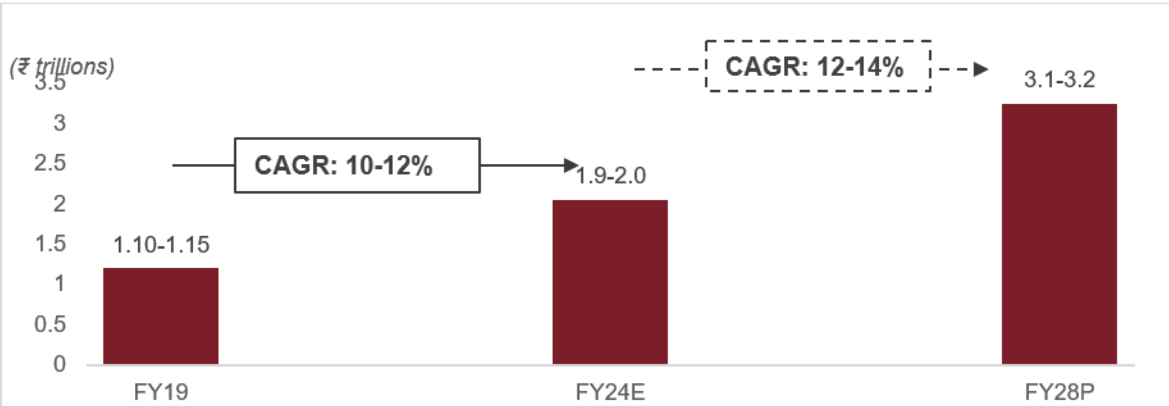
South region consists of Kerala, Telangana, Tamil Nadu, Karnataka, Andhra Pradesh and Union territories of Andaman Nicobar, Puducherry and Lakshadweep

Source: CRISIL MI&A

REVIEW OF HEALTHCARE DELIVERY MARKET IN THE NORTH REGION OF INDIA
North Region of India consists of Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan

North region expected to clock a CAGR of 12-14% to reach ₹ 3.1-3.2 trillion by Fiscal 2028
The healthcare delivery market in the North region is estimated to have reached ₹ 1.9-2.0 trillion in Fiscal 2024 growing at a CAGR of 10-12% from Fiscal 2019 to Fiscal 2024. The region saw expansion of many organised chained players during the period, given the under-penetrated nature of the industry here. The region is further expected to grow at a CAGR of 12-14% to reach ₹ 3.1-3.2 trillion by Fiscal 2028. The presence of large, corporate players in the region is low except for Delhi-NCR. Other reasons such as high population density, growing middle class population in hubs like Gurgaon and Noida, prevalence of lifestyle related diseases like diabetes leading to a higher healthcare spend etc. are expected to contribute to this growth. In addition to this, the north region (15-16 beds per 10,000 population) currently lags behind the south region (26-27 beds per 10,000 population) in terms of bed density, having said that, the Chained players have announced expansion plans in the region which is expected to contribute to the growth in the coming years. The region is therefore expected to cater to a third of India's healthcare delivery market by Fiscal 2028.

North region healthcare delivery market (₹ trillion)



Note: North regions consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan
Source: CRISIL MI&A

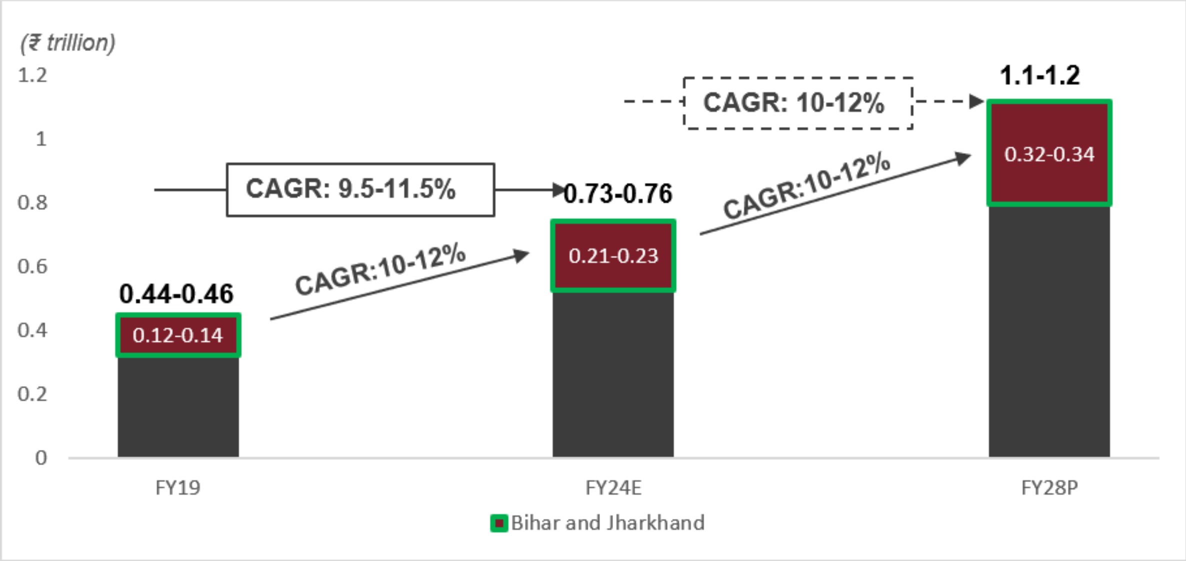
REVIEW OF HEALTHCARE DELIVERY MARKET IN EAST REGION OF INDIA WITH FOCUS ON BIHAR AND JHARKHAND
East region consists of states like Bihar, Jharkhand, West Bengal, Odisha, Chhattisgarh, Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur, Nagaland, Sikkim and Tripura

East region market to grow at 10-12% CAGR to reach ₹ 1.1-1.2 trillion by Fiscal 2028

The healthcare delivery market in the Eastern region grew from ₹0.44-0.46 trillion to ₹ 0.73-0.76 trillion from Fiscal 2019 to Fiscal 2024.Further it is expected to grow from the current levels of ₹0.44-0.46 trillion to ₹ 1.1-1.2 trillion by Fiscal 2028, at a CAGR of 10-12%. Current lower penetration of healthcare, increasing private investments in the recent past and increasing focus of government schemes in the region are expected to be the key growth drivers in the region.

Bihar and Jharkhand healthcare delivery market to grow at 10-12% CAGR from Fiscal 2024 to Fiscal 2028 to reach ₹ 0.32-0.34 trillion

The healthcare delivery market of Bihar and Jharkhand grew at a CAGR of 10-12% from Fiscal 2019 to Fiscal 2024 to reach ₹ 0.21-0.23 trillion. The two states are estimated to carry the same momentum and grow at the same rate till Fiscal 2028 to reach a market size of ₹ 0.32-0.34 trillion. The main reason for growth in both these states are factors such as new healthcare infrastructure, increasing awareness and adoption of healthcare service, government initiatives, coupled with the large population of these states and the rising prevalence of chronic diseases driving demand for better healthcare facilities and services
East India healthcare delivery market with focus on Bihar and Jharkhand (₹ trillion)



Note: [green-outlined box] shows the combined market of Bihar and Jharkhand

East region consists of states like Bihar, Jharkhand, West Bengal, Odisha, Chhattisgarh, Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur, Nagaland, Sikkim and Tripura

Source: CRISIL MI&A

Key growth drivers of healthcare delivery industry

A combination of economic and demographic factors is expected to drive healthcare demand in India. CRISIL MI&A believes the PMJAY scheme launched by the government would also support these drivers.

Source: CRISIL MI&A

Source: CRISIL MI&A

Some of the key growth drivers are detailed below

Government policies to improve healthcare coverage

The healthcare budget has seen increases on-year. Between Fiscal 2011 and Fiscal 2025, the budget for the MoHFW clocked a CAGR of ~10%. In recent years, the utilisation rate has been 100% or above, as has been the case since Fiscal 2016. This, too, is a strong growth driver for the industry and particularly the PPP initiative from government so as to achieve the government's goal of providing healthcare services to all.

With the intention of providing affordable healthcare, the Pradhan Mantri Jan Arogya Yogya (PMJAY) was launched on 23rd September, 2018. The scheme primarily has three objectives -

Strengthening of physical health infrastructure: Sub-centres

Upgradation of 1.5 lakh 'Health and Wellness' centres (1,54,305 centres have been made operational as of Dec 2022) to provide comprehensive healthcare, including coverage of non-communicable diseases and maternal and child health services. These centres would also provide essential medicines and diagnostic services free of cost. Inclusion of new ailments under the ambit of the scheme would go a long way in ensuring focus on preventive care as opposed to only curative care. A strong referral network is vital in providing a continuum of care.

Strengthening of physical health infrastructure: Government hospitals

Provision of ₹ 5 lakh assured healthcare coverage to each family who is eligible, selected on the basis of inclusion under the Socio Economic Caste Census ("**SECC**") list. Nearly 10.74 crore families will be covered under the scheme. All existing central and state health insurance schemes will be subsumed under Ayushman Bharat. However, the model of implementation of the scheme (via insurance company, trust or mixed model) is left to the prerogative of the states.

However, healthcare delivery at affordable prices would require shift of focus towards capitalising on the volumes (with nearly 50 crore new people coming under a healthcare scheme) rather than on value (via margins).

The government has started an initiative of National Digital Health Mission (Ayushman Bharat Digital Mission) on lines of the proposed National Health Stack ("**NHS**"), a shared digital framework for both private and public hospitals, it is expected to digitize all health records and keep track of all details concerning healthcare enterprises in the country. The central government has taken the initiative to launch a unique Health ID for all citizens under its National Digital Health Mission ("**NDHM**") or Ayushman Bharat Digital Mission, which can be used to access a digital repository of personal health-related information. The ID or ABHA - Ayushman Bharat Health Account number is 14 digits long, and the account can be created using basic details such as a mobile number or Aadhaar number. This account provides details such as tests conducted, doctor's prognosis, and medicines taken.

The scheme is well intentioned and holds huge potential for the healthcare delivery and allied industries but the mechanism for quality control and monitoring along with raising resources for implementation will be a key monitorable

Medical tourism in India

Medical value travel, which is also referred to as 'medical tourism', has gained momentum over the years and India is fast emerging as a major tourist destination, owing to the relatively low cost of surgery and critical care, along with the presence of technologically advanced hospitals with specialized doctors and facilities, such as e-medical visa.

Neighboring countries (like Bangladesh – which sees the highest footfall of medical tourists to India and some parts of Nepal and Bhutan) come to India as they don't have quality care in their countries. Eastern India is also a more accessible region for these neighboring countries. Medical tourism is not just driven by cheaper prices. Kolkata and Northeast cities such as Agartala in Tripura are well placed to capture volumes from adjoining markets such as Bangladesh, also given cultural similarities which is a key driver for Kolkata attracting medical tourists from Bangladesh. 69% of medical tourists who visited India in 2022, were from Bangladesh. This was followed by Iraq, who made up 6% of medical tourists, while Yemen and Oman accounted for 3% and 2% of medical tourists respectively. Maldives accounted for almost 2% medical tourists in 2022.

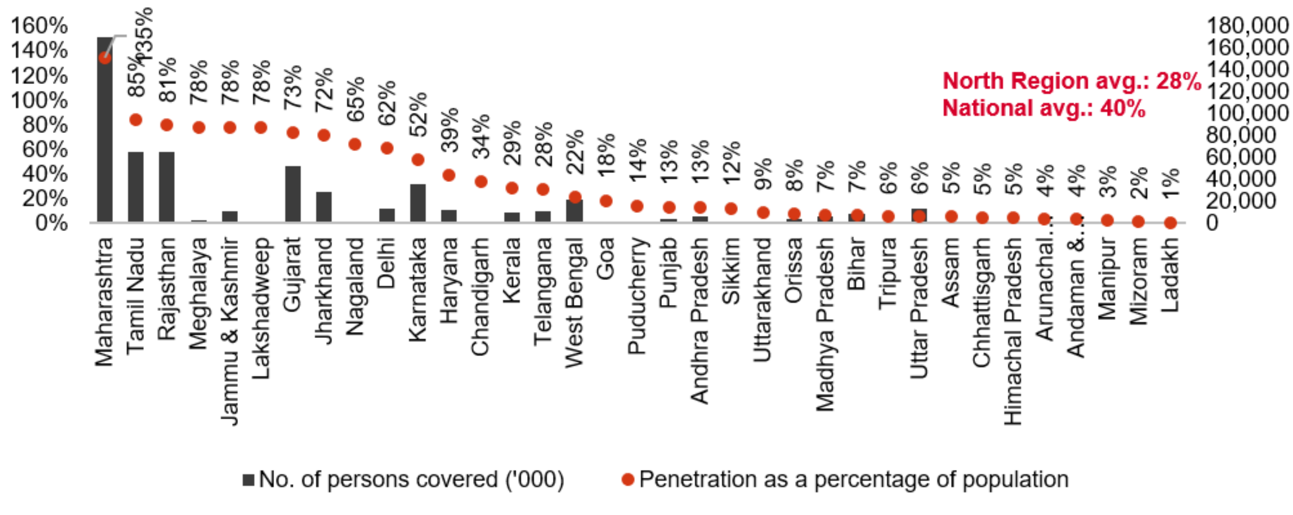
As per the Ministry of tourism, countries like Singapore, Malaysia and Thailand also offer medical care facilities to foreigners but what differentiates India apart from state-of-the-art infrastructure with reputed healthcare professionals is traditional healthcare therapies like Ayurveda and Yoga combined with allopathic treatments providing holistic wellness.

According to the latest data available with the Ministry of Tourism, of the total foreign tourist arrivals in India, the proportion of medical tourists has grown from 2.2% (0.11 million tourists) in 2009 to 6.4% (0.70 million tourists) in 2019. However, the number of medical tourists fell sharply in 2020(0.18 million tourists) because of international travel restrictions due to Covid-19. The number of medical tourists has recovered well to 0.63 million tourists in 2023 (January-December 2023) growing at a CAGR of 52% from Fiscal 2020 to Fiscal 2023. The government has constituted a National Medical and Wellness Tourism Board along with provision of financial assistance to the tune of ₹ 1.7 million to medical tourism service providers under market development assistance (MDA) scheme during the last four fiscal years to develop medical tourism in India as of July 2022. The government had estimated medical tourism to be worth 9 billion USD by 2020 garnering 20% of the global share, up from the 3 billion USD in 2015, however we might have fallen short of this figure in the year 2020 owing to travel restrictions put in place due to Covid-19 pandemic.

Growing health insurance penetration to propel demand

Maharashtra leads the other states in terms of penetration of health insurance in Fiscal 2023. The state has a penetration rate of 135% which is followed by Tamil Nadu and Rajasthan at 85% and 81% respectively. India average for health insurance penetration stood at 40% while the north region average was at 28%.

State-wise penetration and number of persons covered under health insurance (select states) Fiscal 2023



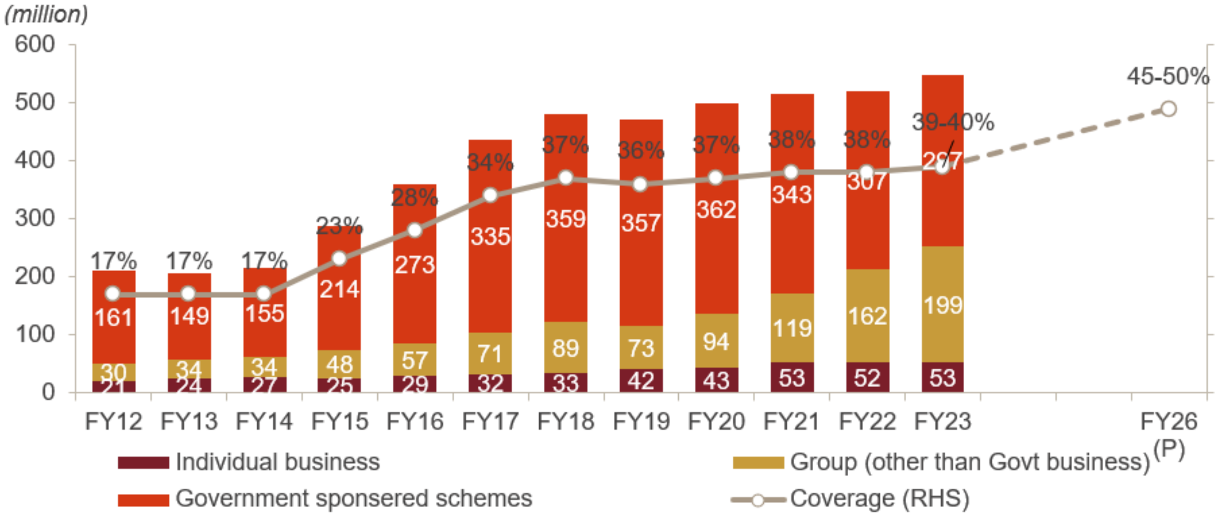
Note: Estimated 2023 population compared with Fiscal 2023 health insurance coverage data

North regions consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan

Source: Handbook on Indian insurance statistics Fiscals 2022-23, UIDAI, CRISIL MI&A

Low health-insurance penetration is one of the major impediments to growth of the healthcare delivery industry in India, as affordability of quality healthcare facilities by the lower income groups continues to remain an issue. As per the Insurance Regulatory and Development Authority of India ("**IRDAI**"), nearly 550 million people have health insurance coverage in India (as of 2022-23), as against 288 million (in 2014-15), but despite this robust growth the penetration in Fiscal 2023 stood at only ~39%. Having said that, the penetration is expected to increase to 45-50% by Fiscal 2026.

Population-wise distribution of various insurance businesses



Source: Insurance Regulatory & Development Authority of India report 22-23, CRISIL MI&A

CRISIL MI&A believes that while low penetration is a key concern, it also presents a huge opportunity for the growth of healthcare delivery industry in India. And with the PMJAY scheme, the insurance coverage in the country is expected to increase considerably.

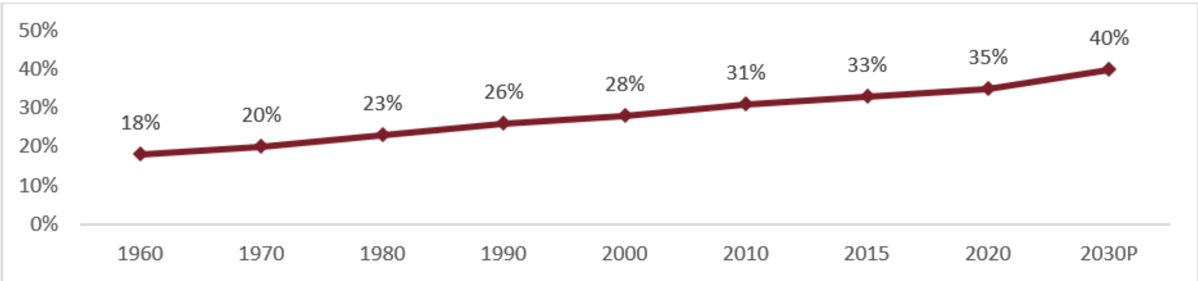
Furthermore, with health insurance coverage in India set to increase, hospitalization rates are likely to go up. In addition, health check-ups, which form a mandatory part of health insurance coverage, are also expected to increase, boosting the demand for a robust healthcare delivery platform.

Increasing health awareness to boost hospitalisation rate

Majority of the healthcare enterprises in India are more concentrated in urban areas. With increasing urbanization (migration of population from rural to urban areas), awareness amongst the general populace regarding presence and availability of healthcare services for both preventive and curative care would increase.

CRISIL, therefore, believes that hospitalisation rate for in-patient treatment as well as walk-in out-patients will improve with increased urbanization and increasing literacy.

Trend: Urban population in India as percentage of total population



Source: UN World Urbanisation Prospects: The 2018 revision, CRISIL MI&A

Rising income levels to make quality healthcare services more affordable

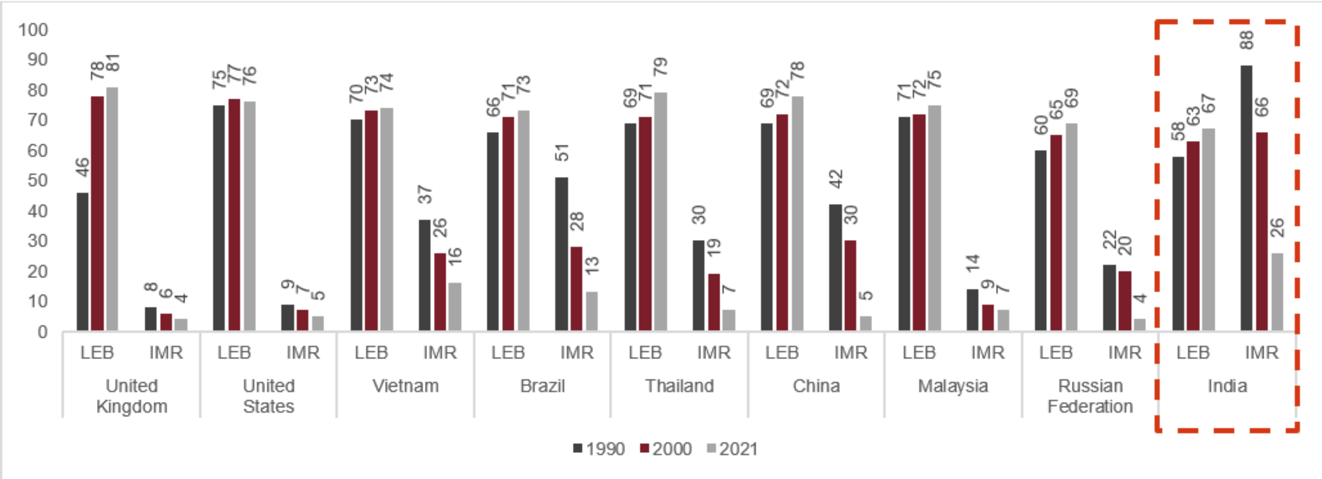
Even though healthcare is considered a non-discretionary expense, considering that an estimated 83% of households in India had an annual income of less than ₹ 2 lakh in 2011-12, affordability of quality healthcare facilities remains a major constraint.

Growth in household incomes, and consequently, disposable incomes, is, therefore, critical to the overall growth in demand for healthcare delivery services in India. The share of households falling in the income bracket above ₹ 2 lakhs is expected to go up to 35% in 2021-22 from 23% in 2016-17, providing potential target segment (with more paying capacity) for hospitals.

With life expectancy improving and changing demographic profile, healthcare services are a must

With improving life expectancy, the demographic of the country is also witnessing a change. As of 2011, nearly 8% of the Indian population was of 60 years or more, and this is expected to surge to 12.5% by 2026. However, the availability of a documented knowledge base concerning the healthcare needs of the elderly (aged 60 years or more) continues to remain a challenge. Nevertheless, the higher vulnerability of this age group to health-related issues is an accepted fact.

Life expectancy (at birth) and infant mortality rate: India vs others

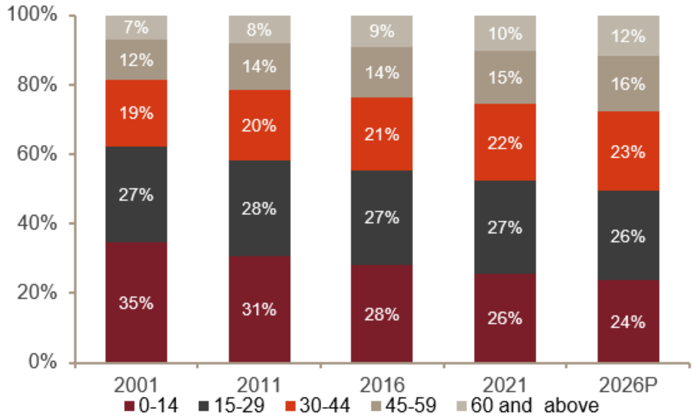


Note: LEB – life expectancy at birth; IMR – infant mortality rate (probability of dying by age one year per 1000 live births)

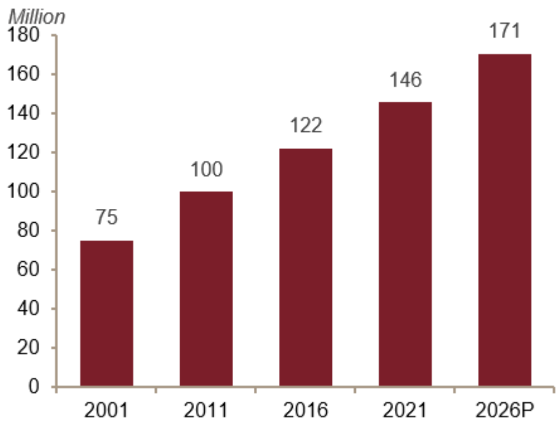
Source: World Bank, CRISIL MI&A

According to the Report on Status of Elderly in Select States of India, 2011, published by the United Nations Population Fund ("**UNFPA**") in November 2012, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases were commonplace among the elderly, with ~66% of the respective population reporting at least one of these. According to the Report on Status of Elderly in Select States of India, 2011, published by the UNFPA in November 2012, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases were commonplace among the elderly, with ~66% of the respective population reporting at least one of these. In terms of gender-based tendencies, while men are more likely to suffer from heart, renal and skin diseases, women showed higher tendencies of contracting arthritis, hypertension, and osteoporosis.

Break-up of India's population by age



India's population of 60 and above years

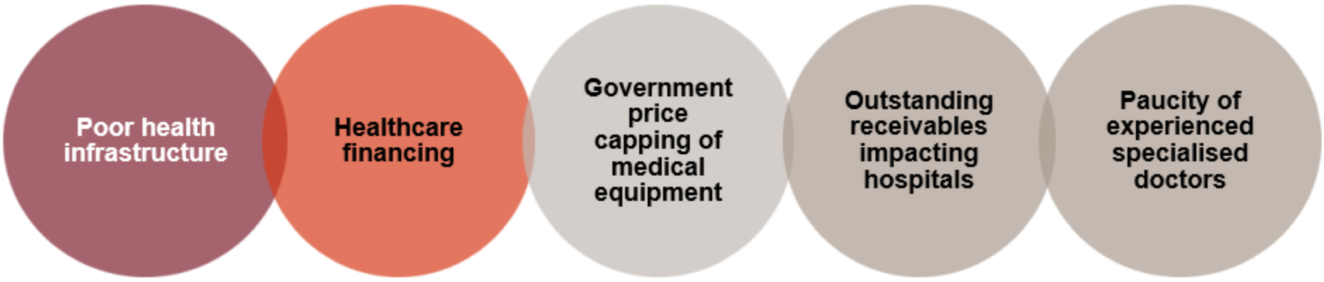


P: Projected

Source: World Population Prospects 2022, Department of Economic and Social Affairs Population Division, CRISIL MI&A

Key challenges for the healthcare delivery industry

The potential demand and opportunities in healthcare in India aside, many challenges exist, mainly: inadequate health infrastructure and unequal quality of services provided based on affordability and healthcare financing.



Some of the key challenges are detailed below

Government price capping of medical equipment and treatments

The government has restricted price capping to four devices – cardiac stents, drug-eluting stents, knee implants and intra-uterine devices. However, the National Pharmaceutical Pricing Authority ("**NPPA**") is proposing to bring in capping of trade margins instead of extending the list of devices under the National List of Essential Medicines.

Even state governments have been resorting to measures to curb profiteering by hospitals. The Delhi government had, earlier this year, proposed norms for restricting hospitals and nursing homes from marking up prices of consumables and medicines from their procurement prices, to limit their profits.

Price capping on cardiac stents introduced in February 2017, and on knee-implants, in August 2017 was a deterrent for the industry, which is majorly run by the private sector. However, players have since been able to come back to normalcy after taking a hit on operating margins initially, through price rationalisation via bundle pricing. The NPPA has further extended the capping of prices of knee implants, ranging from ₹ 54,000 to ₹ 1,14,000, for one more year.

Post implementation of price caps on stents and implants, the government has identified 23 medical devices to put price controls on.

In February 2024, the Supreme Court of India has directed the central government to find ways to fix price bands for all medical treatments offered by hospitals in India. During a Public Interest Litigation ("**PIL**") hearing this year, the Apex court highlighted the high procedure rates and large variations in the procedure prices for healthcare treatments in India. The Supreme court directed the Union government to report back on the subject within 6 weeks or the court would impose medicate rates for health care procedure charged under the Central Government Health Scheme ("**CGHS**") as an interim measure.

Outstanding receivables affecting fiscal profile of hospitals

The financial profile of many hospitals empanelled under state schemes became weak due to rising outstanding receivables from the government (state and Centre) for providing treatments to beneficiaries under health insurance schemes. However, this challenge is expected to be dealt with on priority under the PMJAY, by fixing a particular timeline for reimbursements of claims.

Key actionable areas

While the healthcare delivery sector in India faces several teething issues currently, it also presents immense opportunities for the players involved.

This potential is further augmented with information and communication technology ("**ICT**")-enabled services gaining widespread popularity – CRISIL MI&A expects internet subscriber base to increase to ~1,070-1,100 million by Fiscal 2025; while the wireless subscriber base (mobile phone users) is expected to increase to 1,200-1,250 million by Fiscal 2025. Not only do these technologies increase the reach of healthcare facilities to hitherto remote locations, they also help players achieve better efficiencies.

Data from the healthcare space is growing at a steady pace and this has driven hospitals to adopt AI-based patient intelligence systems. These are expected to improve the operating metrics of the hospitals and drive timely detection of diseases.

Shortfall in bed capacity: Major opportunity for healthcare delivery players

India needs to increase its bed capacity to reach the global median by almost 2.1 million beds. With the population growing at almost 1% annually, India is expected to have more than 1.5 billion people by 2030.

Compounding the bed shortfall, dearth of healthcare personnel (physicians and nursing personnel) continues to be immense. India had ~1.3 million doctors as of 2020. The physician count needs to be almost doubled to meet the global median. According to the national health profile ("**NHP**") 2022, the average population served by an allopathic doctor is ~1,100 and there are nearly 1.3 million doctors registered with the Medical Council of India ("**MCI**") as of 2020.Currently, there are only 648 medical colleges offering a total of about 98,013 MBBS seats as per NHP 2022, producing nearly 7 doctors ("**MBBS**") per lakh of population being added annually.

The shortage of nursing personnel (nurses and midwives) is also critical (18 nurses per 10,000 population in India vs. 40 nurses per 10,000 population globally). As per the NHP 2022, there are 2,474,319 RNs and RMs, 982,932 auxiliary nurse midwives and 57,122 lady health visitors serving in the country as on December 31, 2021. With respect to nursing institutes, there are 9,250 nursing institutions producing 3.5 lakh nurses annually as on December 31, 2021.

Diversification into different format / areas to increase reach and efficiency

Despite the challenges present in the healthcare delivery system in India, innovations and newer business models are being explored. The main objective of these innovations are to increase efficiencies through optimum resource utilisation and widen the reach of healthcare services. Though different business models might being applied depending on the location and services to be provided, the PMJAY is expected to lead to the adoption of new business models focusing on volume-driven, affordable healthcare.

Single speciality healthcare units

Single-specialty healthcare units are those that treat patients with specific medical conditions, with the need of specific medical/surgical procedures. A single-specialty healthcare unit can be a hospital, clinic, or care centre. The advantage of these units is that, by focusing on providing care in a single segment, they can increase efficiencies as well as create a niche in the target segments. Nowadays, birthing centres are among the fastest growing single specialty centre. Specific regulatory headwinds, however, can affect the margins of these business units.

Day-care centres

The objective of day-care centres is to reduce the need for overnight hospitalisation. In this type of setup, a patient is allowed to go home on the same day after being treated. These centres have also given rise to the concept of outpatient surgeries.

While this model is very popular in the eye care segment, other segments such as arthroscopic, general, cosmetic, and dental surgery have also been using this as a popular care delivery model. The advantage of the day-care centre model is that patients can save on bed/room rentals associated with overnight hospitalisation. The healthcare units, on the other hand, can have a streamlined setup with optimum equipment, staff and infrastructure, which helps bring down operational costs.

End-of-life/geriatric care centres

The objective of end-of-life care centres or hospices and palliative care centres is to provide care and support to patients, who are suffering from terminal illness with a life expectancy of six months or less. Hospice and palliative care focus more on pain management and symptom relief rather than continuing with curative treatment. These centres are designed to provide patients a comfortable life during their remaining days and cover physical, social, emotional, and spiritual aspects apart from the medical treatment. Such type of care can be delivered onsite, where special facilities are set up, in the hospital premises, or at the patient's home.

Palliative care is delivered with the help of an inter-disciplinary team which may consist of the patient's physician, hospice doctor, a case manager, registered nurses, counsellor, a dietician, therapist, pharmacologist, social workers, and various trained volunteers. Depending upon the patient's ailment and medical condition, the team prepares a customised care programme which comprises services such as nursing care, social services, physician services and trained volunteer support.

Home healthcare

The primary objective of home healthcare services is to provide quality health care at the patient's premises. In India, these services are still in the nascent stages. CRISIL MI&A believes that with increasing geriatric population, institution of families and increasing disease burden causing a strain on conventional health delivery systems, home healthcare will be a preferred alternative.

The revenue from ICU beds decreases as weeks pass by and, hence, reducing the strain (both on hospitals and patients) can be explored through home healthcare. Patients can avail of ICU care at home at nearly a fifth of the prices of hospital care. Hospitals can also benefit by this model not just through reduced overcrowding, but also prevention of associated hospital acquired infections.

The services currently offered are: post-intensive care, rehabilitative care and services of skilled/unskilled nurses. But areas such as home therapeutic care for infusion and respiratory therapy, dialysis and convenience centred teleconsultation, have more potential for growth. Apollo HomeCare (by AHEL) & Max@Home (by MHIL) are home care services provided by two largest hospital chain operators in the country.

Inorganic growth in the industry to help penetration in tier 2 and 3 locations

The Indian healthcare delivery system has seen consolidation in recent years. A highly competitive industry, coupled with tightening of healthcare regulations, has made it difficult for smaller players in the industry to stay profitable. Larger hospital brands typically have stronger financial discipline and negotiating power with suppliers, better ability to attract medical talent, and greater capital and administrative resources to meet these needs over standalone hospitals. Many of the established players in the healthcare delivery industry follow inorganic growth to expand into the geographies where they have limited presence.

Rise in demand for health infrastructure, modern technologies and multi-disciplinary healthcare have been some of the key driving factors for consolidation in the industry. Investments by private equity ("**PE**") players is also gaining traction. Majority of the PE deals in the industry in the past 2-3 years have been towards hospital portfolio consolidation, also enabling formation of regional clusters that provide base for further expansion and consolidation. Recently, Manipal Health acquired 100% stake in Columbia Asia hospitals, strengthening its presence in southern India. Temasek Holdings in April 2023 acquired additional 41% stake in Manipal hospitals for USD ~2 billion, bringing its total shareholding in the hospital chain to 59%. Jupiter Hospital Projects Pvt. Ltd. ("**JHPPL**"), a subsidiary of Jupiter Life Line Hospitals Ltd, acquired the business operations of Vishesh Diagnostics Private Limited ("**VDPL**") for its hospital located at Ring Road, Indore with a capacity of 200 beds in November 2020. The healthcare sector in India has attracted private equity investments worth USD ~8 billion in the last five years, making the sector one of the most preferred by investors.

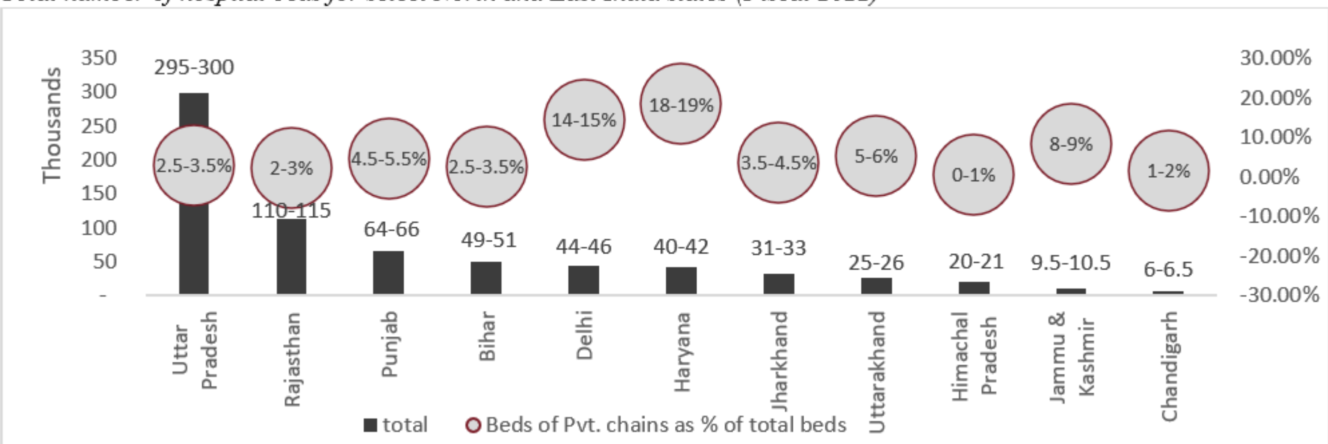
Healthcare infrastructure across micro-markets in North India and East India

Uttar Pradesh has the highest hospital beds availability among the select states under consideration

Uttar Pradesh had the highest number of hospital beds at 295,000 - 300,000 among the states considered in Fiscal 2022, given it has the highest population among all states. It was followed by Rajasthan at 110,000-115,000. In terms of beds of private chains (any hospital having two or more centres / hospitals are defined as chains), Haryana and Delhi have the highest presence among the states considered with 18-19% of total beds belonging to private chains in Haryana, while Delhi has 14-15% of its beds belonging to private chains.

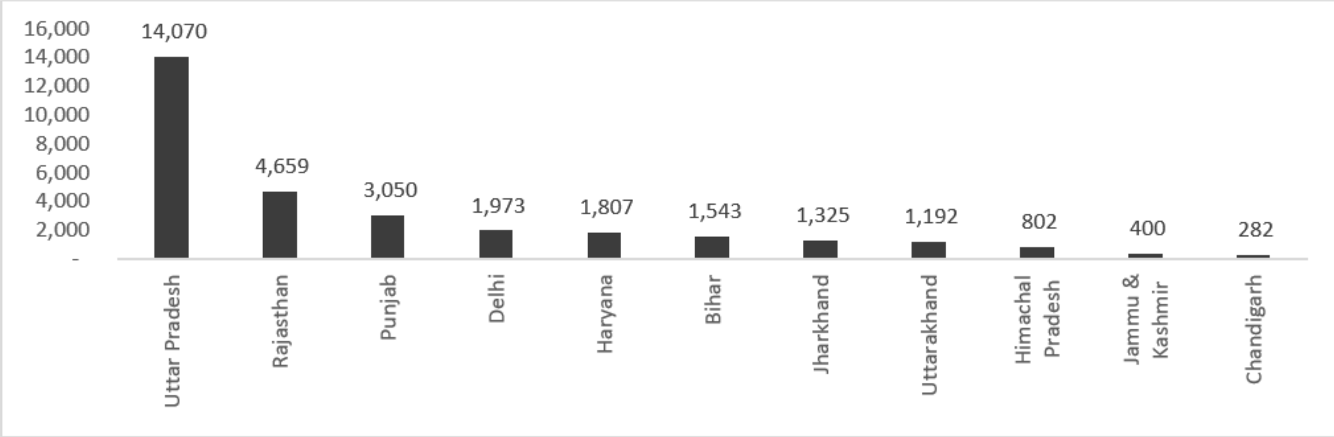
The North region comprising of states like Uttar Pradesh, Rajasthan, Punjab, Delhi, Haryana, Uttarakhand, Himachal Pradesh, Jammu & Kashmir and Chandigarh and select eastern states of Bihar and Jharkhand have a combined population of ~592 million as of Fiscal 2022. This combined region has ~7,50,000-7,60,000 hospital beds as of Fiscal 2022. As per National Health Policy ("**NHP**") 2017, 2 beds per 1,000 population or 20 beds per 10,000 population is recommended. As per this recommendation, the combined bed in this region should be ~11,84,714 hospital beds

Total number of hospital beds for select North and East India states (Fiscal 2022)



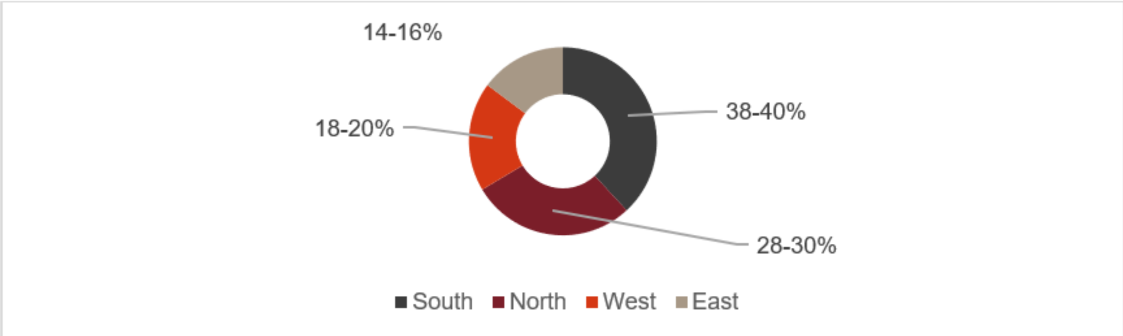
Note: The above graph show the total number of beds in private and government hospitals
For Jammu & Kashmir, the total figure includes the government hospital beds in Ladakh,
Source: CRISIL MI&A

Number of ICU beds for select North and East India states (Fiscal 2020)



Source: CRISIL MI&A

Region-wise distribution of total hospital beds in India (Fiscal 2022)

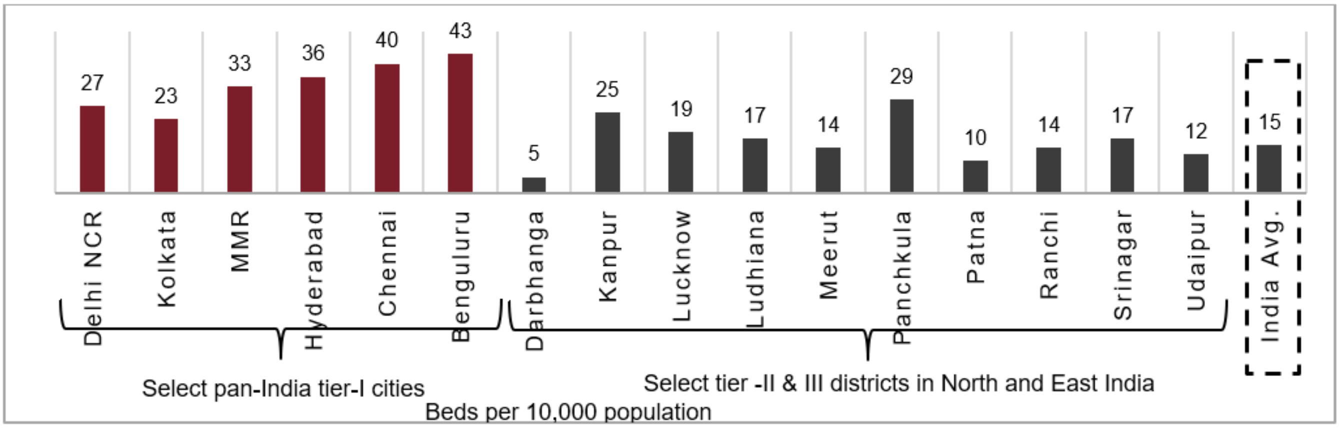


Note: The above graph show the total number of beds in private and government hospitals

West region consists of states like Maharashtra, Goa, Gujarat, Madhya Pradesh, Union territories of Daman, Diu and Dadra Nagar Haveli. East region consists of states like Bihar, Jharkhand, West Bengal, Odisha, Chhattisgarh, Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur, Nagaland, Sikkim and Tripura. North regions consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan. South region consists of Kerala, Telangana, Tamil Nadu, Karnataka, Andhra Pradesh and Union territories of Andaman Nicobar, Puducherry and Lakshadweep

Source: CRISIL MI&A

*Estimated bed density across select North-Indian cities**



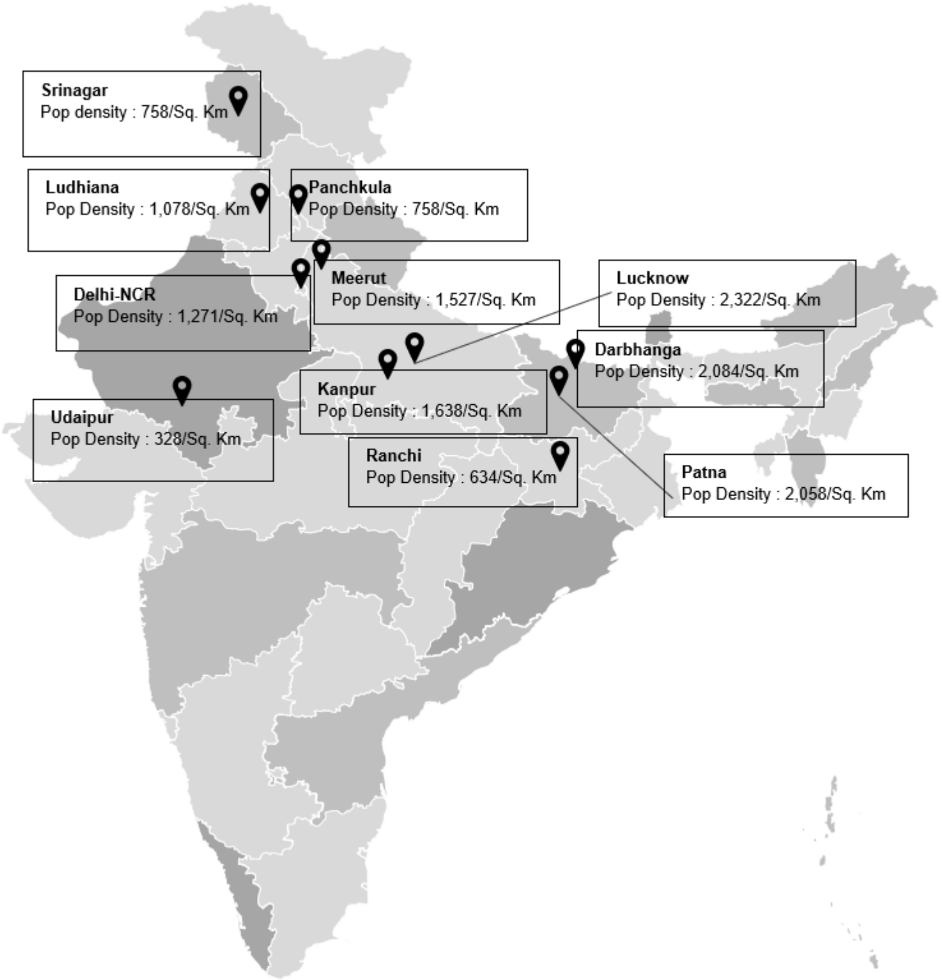
Note: The first six cities represent the metro cities, hence highlighted in a different colour.

**For Darbhanga, Kanpur, Lucknow, Ludhiana, Meerut, Panchkula, Patna, Ranchi, Srinagar and Udaipur, the chart represents the bed density for the entire district*

Based on city category classification followed by 7th Pay Commission, Tier I – X cities (top 8 cities), tier II – Y cities (next 88 cities), while the rest will fall under Tier -III - Z cities

Source: CRISIL MI&A, State and district healthcare websites as assessed in May 2024

Estimated population and population density of select districts



Note: Pop density denotes population density in terms of number of people per square kilometre in the above map

Source: CRISIL MI&A

Darbhanga

Patient Pool:

Darbhanga district has an estimated population of 4.75 million and a population density of 2,084 people per sq. km. Darbhanga is surrounded by districts such as Samastipur district in the south and Muzaffarpur district in the west which have an estimated population of 5.43 million and 6.3 million respectively. While on the North it is surrounded by Madhubani district which has a population of 5.7 million.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Darbhanga

Medical College	Estimated Intake per year
Darbhanga Medical College and Hospital	100&
SK Medical College, Muzaffarpur	275%

Note: & MBBS intake

% Total Intake across specialisations and courses

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Darbhanga has a total of ~48 number of hospitals. As per NHP 2017, 2 beds per 1,000 population is recommended. As per this, the recommended beds for Darbhanga is ~9,500 hospital beds and it currently has ~2,400 hospital beds. The district currently has an estimated bed density of 5 per 10,000 population. Darbhanga Medical college and Hospital, a 1,030-bedded hospital providing specialities in Cardiology, Pulmonology, Neurology, Orthopaedics etc, Paras Global Hospital, a 100-bedded hospital providing specialities such as Neurosurgery, Gastroenterology, ENT, Ophthalmology etc., Swami Vivekananda Cancer Aspatal & Multispeciality centre, a 100-bedded hospital having specialities in Oncology, Radiology, Orthopaedics etc and SR Memorial hospital, a 100-bedded hospital having specialities in Gastroenterology, Cardiology, Urology, Paediatric etc. are some of the key hospitals in Darbhanga.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Darbhanga Medical College and Hospital	1,030	Government	1946
Paras Global Hospital, Darbhanga	100	Private	2016
Swami Vivekanand Cancer Aspatal & Multispeciality Centre	100	Private	2018
SR Memorial Hospital	100	Private	NA

** No. of beds as per data published on their website accessed in the month of May 2024; NA stands for not available*

Source: Hospital Websites, CRISIL MI&A

Delhi NCR

Patient Pool:

The Delhi NCR region has an estimated population of ~70-75 million and a population density of 1,271 people per sq. km.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Delhi-NCR

Medical College	Estimated intake per year
AIIMS, Delhi	125&
Vardhman Mahavir Medical College and Safdarjung Hospital	150&
lady hardinge medical college	200&
Maulana Azad Medical College	250&

Note: & MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Delhi NCR has a total of ~2,170 hospitals. As per NHP 2017, The recommended beds for Delhi NCR is ~1,40,000 hospital beds while it currently has ~1,63,000 hospital beds. Delhi NCR has an estimated bed density of 27 per 10,000 population. AIIMS Delhi, a 3,194-bedded hospital offering specialities in Orthopaedics, Paediatrics, Nephrology, Rheumatology Etc., Medanta-The Medicity a 1,391-bedded hospital offering specialities in cardiac care, Gastrosciences, Neurosciences, Orthopaedics Etc., Yatharth Hospitals, having hospitals in Noida, Noida Extension, Greater Noida and Faridabad with combined beds of 1,300 and providing specialities in Nephrology, Urology, Gastroenterology etc. across its 4 hospitals in Delhi NCR, Max Super Speciality Hospital, Shalimar Bhag and Max Super Speciality Hospital, Saket having combined beds of 923 beds and offering specialities in Oncology, Cardiology, Nephrology etc, Paras Hospital, a 250 bedded hospital offering specialities in Dentistry, ENT, Gastroenterology etc., Artemis Hospital having specialities in Cardiology, Dentistry, Dermatology, ENT etc., and Fortis Memorial Research Institute, offering specialities in Oncology, Transplants, Urology etc., are some of the key hospitals in the Delhi-NCR region.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of ownership	Year of establishment
AIIMS, Delhi	3,194	Government	1956
Medanta-The Medicity, Gurugram	1,391	Private	2009
Yatharth Hospitals, Greater Noida	400	Private	2010
Yatharth Hospitals, Noida	250	Private	2013
Yatharth Hospital, Noida Extension	450	Private	2019
Yatharth Hospital, Faridabad	200	Private	2024#
Max Super Speciality Hospital, Shalimar Bhag	402	Private	2011
Max Super Speciality Hospital, Saket	521	Private	2006^
Paras Hospital, Gurugram	250	Private	2006
Artemis Hospital, Gurugram	550+	Private	2007
Fortis Memorial Research Institute, Gurgaon	500+	Private	2012

** No. of beds as per data published on their website accessed in the month of May 2024*

& Total beds across 2 hospitals of Max Hospitals in Saket and Delhi

 # Year of acquisition

^ Established Max Super Specialty Hospital in Saket, New Delhi

For Yatharth Hospitals and Max Hospitals, The estimated number of beds is as reported by the company in its Q4Fiscal 2024 Investor presentation

Source: Hospital Websites, CRISIL MI&A

Kanpur

Patient Pool:

Kanpur district has an estimated population of 5.16 million, with a population density of 1,638 people per sq. km. Kanpur is surrounded by districts such as Ramabai Nagar on the West and Unnao on the East which have an estimated population of 2.08 million and 3.6 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Kanpur

Medical College	Estimated intake per year
Rama Medical College, Kanpur	150[&]
GSVM Medical College	250[&]
Naraina Medical College & Research Centre	150[&]

Note: & MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Kanpur, the most populous district of Uttar Pradesh, has ~151 number of total hospitals. As per NHP 2017, The recommended beds for Kanpur is ~10,320 hospital beds and the district currently has ~12,700 hospital beds. The district has an estimated bed density of 25 beds per 10,000 population. Rama Hospital & Research Centre, Regency Hospitals, Krishna Super Speciality Hospital and Apollo Spectra Hospital are the key hospitals in Kanpur. Rama Hospital & Research centre is an 800+ bedded hospital having specialities in Cardiology, Oncology, Endocrinology, Gastroenterology, Urology etc., Regency Hospitals have 497 beds across its 5 hospitals in Kanpur and provides specialties such as Oncology, Cardiology, Endocrinology, Gastroenterology etc. Krishna Super Speciality Hospital is a 232-bedded hospital having specialities in Neurology, Oncology, Plastic Surgery, Gastroenterology etc. Apollo Spectra Hospital is a 59- bedded hospital in Kanpur having specialities in ENT, General Medicine, Gynaecology etc.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of ownership	Year of establishment
Rama Hospital & Research Centre	800+	Private	2001
Regency Hospital**	497	Private	1995[$]
Krishna Super Specialty Hospital	232	Private	2011
Apollo Spectra Hospital	59	Private	NA

** No. of beds as per data published on their website accessed in the month of May 2024*

*** No of beds at each of the five hospitals of Regency Kanpur have been summed up to arrive at the total number*

[$] Established Regency Hospital, Kanpur- Tower 1; NA stands for not available

Source: Hospital Websites, CRISIL MI&A

Lucknow

Patient Pool:

Lucknow has an estimated population of 5.87 million with a population density of 2,322 people per sq.km. Lucknow is surrounded by districts such as Barabanki district on the East, on the West by Unnao and Hardoi districts, on the South by Raebareli district and in the North by Sitapur district. These districts have an estimated population of which have an estimated population of 4.02 million, 3.6 million, 4.98 million, 4.08 million and 5.63 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Lucknow

Medical College	Estimated intake per year
King George Medical University	250&
Era's Lucknow Medica College & Hospital	150&
Dr. Ram Manohar Lohia Institute of Medical Sciences, Lucknow	200&

Note: & MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Lucknow has a total of ~293 hospitals which has ~11,000 hospital beds in total. As per NHP 2017, The recommended beds for Lucknow is ~11,740 beds. Lucknow district has an estimated hospital bed density of 19 beds per 10,000 population. Medanta Super Speciality Hospital, which is a 900-bedded hospital catering to specialities such as Cardiac care, Cancer care, Neurosciences, ENT, Paediatric care etc., Apollomedics Super Speciality Hospital, a 330-bedded hospital providing specialities in Orthopaedics, Kidney care, Gastrosciences, cancer care etc., Chandan Hospital, which is a 300-Bedded hospital having specialities in Orthopaedics, Gastroenterology, Gynaecology, Paediatrics etc., Sahara Hospital, a 299-bedded hospital offering specialities in Radiology, Pulmonology, Nephrology, Neurosurgery Etc, and Regency Super Speciality Hospital, a 75-bedded hospital which specialises in Nephrology, Kidney Transplant, Urology, Gastroenterology etc. are some of the key hospitals in the district

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Medanta Super Speciality Hospital	900	Private	2019
Apollomedics Super Speciality Hospital	330	Private	2019
Chandan Hospital	300	Private	NA
Sahara Hospital	299	Private	2009
Regency Super Speciality Hospital	75	Private	2020

** No. of beds as per data published on their website accessed in the month of May 2024; NA stands for not available*

Source: Hospital Websites, CRISIL MI&A

Ludhiana

Patient Pool:

The estimated population of the Ludhiana district is 4.06 million with a population density of 1,078 people per sq. km. Ludhiana is surrounded by districts such as Patiala district in the South, Rupnagar district on the east Moga district on the west etc, These districts have an estimated population of 2.29 million, 0.75 million and 1.11 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Ludhiana

Medical College	Estimated intake per year
Dayanand Medical College & Hospital (DMC&H)	100&
Christian Medical College	100&

Note: & MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Ludhiana has a total of ~189 hospitals and ~7,000 hospitals beds. As per NHP 2017, The recommended beds for Ludhiana is ~8,120 hospital beds. The district has an estimated hospital bed density of 17 beds per 10,000 population. Dayanand Medical College & Hospital (DMC&H), Christian Medical College, SPS Hospital and Fortis hospitals are some of the key hospitals in the district. DMC&H is a 1,625-bedded hospital providing specialities in ENT, Psychiatry, Obstetrics, Orthopaedics, Paediatrics etc. Christian Medical college is a 775-bedded hospital having specialities in Paediatrics, Gynaecology, Orthopaedics, Ophthalmology Etc. SPS Hospital is a 280-bedded hospital having Cardiology, Neurology, Orthopaedics, Endocrinology Etc as some of its specialities. Fortis Hospital is a 259- bedded hospital in Ludhiana providing specialities in Cardiology, Orthopaedics & joint Replacement, Oncology, Urology Etc.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Dayanand Medical College & Hospital (DMC&H)	1,625	Private	1964
Christian Medical College	775	Private	1894
SPS Hospital	280	Private	2005
Fortis Hospital	259	Private	2013

** No. of beds as per data published on their website accessed in the month of May 2024*

Source: Hospital Websites, CRISIL MI&A

Meerut

Patient Pool:

Meerut district has an estimated population of 3.98 million with a population density of 1,527 people per sq. km. The district is surrounded by districts such as Muzaffarnagar district on the North and Ghaziabad, Bulandshahr, Gautam Budh Nagar district on the South. These districts have an estimated population of 4.89 million, 6.87 million, 4.25 million and 2.32 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Meerut

Medical College	Estimated intake per year
Lala Lajpat Rai Memorial Medical College, Meerut	100&
Subharti Medical College	200&
Sri Ram Ayurvedic Medical College and Hospital	60^

Note: & MBBS intake

^ BAMS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Meerut District has a total of ~165 hospitals. As per NHP 2017, The recommended beds for Meerut district is ~7,960 hospital beds while it currently has ~5,600 hospital beds. The district has an estimated hospital bed density of 14 beds per 10,000 population. Chhatrapati Shivaji Subharti Hospital, KMC Hospital & Research centre, Anand Hospital and Lokpriya Hospital are some of the key hospitals in the district. Chhatrapati Shivaji Subharti Hospital is a 938- bedded hospital providing specialities in general medicine, general surgery, Dermatology, Paediatrics, Ophthalmology etc. KMC Hospital & Research centre is 550-bedded hospital in Meerut having specialities in Laparoscopic surgery, Neurosurgery, Cardiology, Urology, Obstetrics and Gynaecology etc. Anand Hospital is a 300-bedded hospital with internal medicine, General surgery, paediatrics, Gynaecology etc. as some of its specialities. Lokpriya Hospital is a195-bedded hospital having specialities in Gastroenterology, Neonatal, Paediatrics, Neurology, Physiotherapy etc.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Chhatrapati Shivaji Subharti Hospital	938	NA	NA
KMC Hospital & Research Centre	550	Private	1998
Anand Hospital	300	NA	2007&
Lokpriya Hospital	195	Private	1990

** No. of beds as per data published on their website accessed in the month of May 2024*

& Incorporated; NA stands for not available

Source: Hospital Websites, CRISIL MI&A

Panchkula

Patient Pool:

Panchkula district has an estimated population of 0.68 million with a population density of 758 people per sq.km. Panchkula district is surrounded by districts such as Patiala and Chandigarh on the West and Ambala district on the East. These districts have and estimated population of 2.29 million, 1.36 million and 1.26 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Panchkula

Medical College	Estimated intake per year
BRS Dental College and General Hospital, Panchkula	60*
Government Medical College & Hospital, Chandigarh	100&

*Note: * BDS intake*

& MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Panchkula has a total of ~58 hospitals and ~2,000 hospital beds. As per NHP 2017, The recommended beds for Panchkula is ~1,360 hospital beds. The district currently has an estimated hospital bed density of 29 beds per 10,000 population. Paras Hospital, a 250-bedded hospital in Panchkula having specialities in Dentistry, Dermatology, ENT, Gastroenterology, Neurosurgery etc., Alchemist Hospital, a 186-bedded hospital providing specialities in Cardiac sciences, Orthopaedics, Renal Diseases, Pulmonary sciences etc and Amcare Super Speciality Hospital, a 110-bedded hospital in Panchkula having specialities such as Cardiology, ENT, Ophthalmology, Internal Medicine, Nephrology etc., are some of the key hospitals in the district.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Paras Hospital, Panchkula	250	Private	2019
Alchemist Hospital	186	Private	1994
Amcare Super Speciality Hospital	110	Private	2007

** No. of beds as per data published on their website accessed in the month of May 2024*

Source: Hospital Websites, CRISIL MI&A

Patna

Patient Pool:

Patna district has an estimated population of 6.58 million, with a population density of 2,058 people per sq. km. Some of the district that surround Patna are Samatipur, Begusarai, Nalanda etc., these districts have an estimated population of 5.43 million, 3.81 million and 3.53 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Patna

Medical College	Estimated intake per year
Patna Medical College and Hospital	200&
AIIMS Patna	125&
Indira Gandhi Institute Of Medical Sciences	120&

Note: & MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Patna district has ~245 number of total hospitals. As per NHP 2017, The recommended beds for Patna is ~13,160 hospital beds while it currently has ~6,300 hospital beds. The district has an estimated hospital bed density of 10 beds per 10,000 population. Patna Medical College and Hospital, Jay Prabha Medanta Super Speciality Hospital, Paras HMRI Hospital, Jagdish Memorial Hospital, Ford Hospital & Research Centre and Sahyog Hospital are the key hospitals in the district. Patna Medical College and Hospital is a 1675-bedded hospital in Patna which specialises in general medicine, Paediatrics, Psychiatry, general surgery, Gynaecology etc., Jay Prabha Medanta Super Speciality Hospital is a 500+ bedded Hospital having specialities in Cardiac care, Neurosciences, Cancer care, Gastrosciences, Renal care etc., Paras HMRI Hospital, a 350-bedded multispecialty tertiary care hospital provides specialties such as oncology, cardiology, neurology, orthopaedics, nephrology, emergency care to name a few. Jagdish Memorial Hospital is a 150-bedded hospital specialising in Internal Medicine, Cardiology, nephrology, Paediatrics, Plastic Surgery etc., Ford Hospital is a 105 bedded multi-specialty hospital providing specialties such as advanced critical care, bariatric surgery, cardiology, endocrinology, ENT, gastroenterology, laparoscopy to name a few and Sahyog Hospital is a 100-bedded hospital providing specialities in General Medicines, Cardiology, Neurology, Physiotherapy, Orthopaedics, ENT etc.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Patna Medical College and Hospital	1,675	Government	1925
Jay Prabha Medanta Super Speciality Hospital	500+	Private	2021
Paras HMRI Hospital	350	Private	2013
Jagdish Memorial Hospital	150	Private	2010
Ford Hospital and Research Centre	105	Private	2008
Sahyog Hospital	100	Private	1991

** No. of beds as per data published on their website accessed in the month of May 2024*

Source: Hospital Websites, CRISIL MI&A

Ranchi

Patient Pool:

Ranchi district has an estimated population of 3.23 million, with a population density of 634 people per sq. km. Ranchi is surrounded by Ramgarh district in the North, Khunti in the South and Lohardaga district in the West. These districts have an estimated population of 1.08 million, 0.66 million and 0.59 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Ranchi

Medical College	Estimated intake per year
Rajendra Institute of Medical Sciences	180&
Bharathi college of Nursing, Ranchi	40^

Note: & MBBS intake

^ BSc Nursing intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Ranchi has a total of ~100 hospitals. As per NHP 2017, The recommended beds for Ranchi is ~6,460 hospital beds while it currently has ~4,500 hospital beds. The district has an estimated hospital bed density of 14 beds per 10,000 population. Rajendra Institute of Medical Sciences, Paras Hospital, Bhagwan Mahavir Medica Super Speciality Hospital, Medanta Hospital and Raj Hospital are some of the key hospitals in Ranchi. Rajendra Institute of Medical Sciences is a Government Hospital with 2,170 beds. The Hospital provides specialities in Ophthalmology, Anaesthesiology, Neurosurgery, Radiology, Paediatrics, Physiotherapy etc. Paras Hospital in Ranchi is a 300-bedded hospital having specialities in Internal Medicine, Cardiology, Nephrology, Urology, Dentistry, Critical Care etc. Bhagwan Mahavir Medica Super Speciality Hospital is a 300 bedded hospital in Ranchi and has specialties such as cardiology, neurology, orthopaedics, gynaecology, critical care, emergency, internal medicine, and general surgery. Medanta Hospital is a 200+ bedded hospital having specialities in Cardiac care, Renal Care, Neurosciences, Gastrosciences, Orthopaedics etc., Aesthetic & reconstructive surgery, cardiac sciences, dental care, dermatology, ENT, neurosciences, and oncology are some of the key specialties of Raj Hospitals which consists of more than 100 beds.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Rajendra Institute of Medical Sciences	2,170	Government	1960
Paras Hospital, Ranchi	300	Private	2019
Bhagwan Mahavir Medica Super Speciality Hospital, Ranchi	300	Private	2014
Medanta Hospital, Ranchi	200+	Private	2015
Raj Hospitals	100+	Private	1991

** No. of beds as per data published on their website accessed in the month of May 2024*

Source: Hospital Websites, CRISIL MI&A

Srinagar

Patient Pool:

Srinagar district has an estimated population of 1.5 million with a population density of 758 people per sq. km. Some of Srinagar's neighbouring districts are Kargil, Pulwama and Budgam which have an estimated population of 0.17 million, 0.72 million and 0.95 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Srinagar

Medical College	Estimated intake per year
Sher-i-Kashmir Institute of Medical Sciences	125&
Government Medical College, Srinagar	180&
Kidney College of Nursing, Srinagar	50^

Note: & MBBS intake

^BSc Nursing intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Srinagar has a total of ~34 hospitals which adds up to a total of ~3,000 hospital beds. As per NHP 2017, The recommended beds for Srinagar is ~3,000 beds. Srinagar district has an estimated hospital bed density of 17 beds per 10,000 population. Sher-i-Kashmir Institute of Medical Sciences, SMHS Hospital, Paras Hospital and Ujala Cygnus Super Speciality Hospital are the key hospitals in Srinagar. Sher-i-Kashmir Institute of Medical Sciences has around 1,200 hospital beds catering to specialities such as Plastic surgery, General Surgery, Neurosurgery, Urology, neurology etc., SMHS Hospital is a 750-bedded hospital which has specialities like ENT. Dermatology, Ophthalmology, Obstetrics, Gynaecology, Orthopaedics etc., Paras Hospital is a 261-bedded hospital specialising in Neurosciences, Cardiac Sciences, Renal Sciences, Cancer care etc. Ujala Cygnus Super Speciality Hospital is a 120-bedded hospital having specialities in Oncology, Cardiology, Orthopaedics, Urology, Gynaecology, General Surgery, Paediatrics etc.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Sher-i-Kashmir Institute of Medical Sciences	~1,200	Government	1982
SMHS Hospital	750	Government	1948
Paras Hospital, Srinagar	261	Private	2023
Ujala Cygnus Super Speciality Hospital	120	Private	2022^

** No. of beds as per data published on their website accessed in the month of May 2024;*

^Inaugurated

Source: Hospital Websites, CRISIL MI&A

Udaipur

Patient Pool:

Udaipur has a population of 3.85 million with a population density of 328 people per sq. km. Udaipur is surrounded by some of the districts like Chittorgarh and Pratapgarh on the East, Rajsamand on the North and Dungarpur district on the South. These districts have an estimated population of 1.8 million, 3.8 million, 1.36 million and 1.76 million respectively.

Medical Colleges (An indication of supply of medical talent):

Key Medical Colleges in Udaipur

Medical College	Estimated intake per year
Geetanjali Medical College & Hospital, Udaipur	250[&]
Pacific Medical College & Hospital	150[&]
American Institute of Medical Sciences, Udaipur	150[&]

Note: & MBBS intake

Source: College Websites, CRISIL MI&A

Supply of healthcare facilities:

Udaipur has a total of ~76 hospitals which adds up to a combined bed capacity of ~4,700 hospital beds. As per NHP 2017, The recommended beds for Udaipur is ~7,700 hospital beds. The district currently has a bed density of 12 beds per 10,000 population. Geetanjali medical College & Hospital, a 1,420-bedded hospital specialised in Psychiatry, General Medicine, Pulmonary medicine, Dentistry, Orthopaedics etc., GBH American Hospital, a 725-bedded hospital specialised in Cardiology, Neurology, ENT, Orthopaedics, Urology, Neurosurgery etc., Paras JK Hospital, a 260-bedded hospital in Udaipur which has Endocrinology, Gastroenterology, Internal Medicine, Nephrology, Neurology etc. as some of its specialisation and Dr Chaudhary Hospital and Medical Research Centre, a 150-bed hospital which is specialised in Neurology, Surgery, Orthopaedics, Gynaecology, Dermatology etc are some of the key hospitals in Udaipur.

Key Hospitals

Key hospitals	Estimated number of beds*	Type of Ownership	Year of establishment
Geetanjali Medical College & Hospital, Udaipur	1,420	Private	2008
GBH American Hospital	725	Private	2006
Paras JK Hospital, Udaipur	260	Private	2019
Dr Chaudhary Hospital and Medical Research Centre	150	Private	2005

** No. of beds as per data published on their website accessed in the month of May 2024*

Source: Hospital Websites, CRISIL MI&A

COMPETITIVE MAPPING OF KEY PLAYERS IN THE INDIAN HEALTHCARE DELIVERY MARKET

Comparative analysis of players in the healthcare delivery sector

In this section, CRISIL MI&A has compared the key players in the healthcare delivery industry. Data in this section has been obtained from publicly available sources, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites, as relevant. Financial numbers have been reclassified as per CRISIL standards unless otherwise stated

For this assessment, we have considered the following key players: Apollo Hospitals Enterprise Limited ("**AGHL**"), Fortis Healthcare Ltd.("**FHL**"), Global Health Ltd.(Brand Name: Medanta) ("**GHL**"), Jupiter Lifeline Hospitals Ltd. ("**JLHL**"), Krishna Institute of Medical Sciences ("**KIMS**"), Max Healthcare institute Ltd. ("**MHIL**"), Narayana Hrudalaya Ltd. ("**NHL**"), Yatharth Hospital and Trauma Care Services Limited ("**YHTC**"), Paras Healthcare Ltd. ("PHL"), Blue Sapphire Healthcares Pvt. Ltd ("**BSHPL**"), Ivy Health and Life Sciences Pvt. Ltd ("**IHLPL**"), Kailash Healthcare Ltd ("**KHL**"), and Regency Hospital Ltd ("**RHL**").

Company	Year of Incorporation	Geographic Presence
Key Listed Hospital Companies		
Apollo Hospitals Enterprise Limited	1988	Pan India
Fortis Healthcare Ltd	1996	Pan India
Global Health Ltd	2004	Pan India
Jupiter Lifeline Hospitals Ltd	2007	West India
Krishna Institute of Medical Sciences Limited	1973	South India
Max Healthcare Group	2001	North and West India
Narayana Health Limited	2000	Pan India
Yatharth Hospital and Trauma Care Services Limited	2008	North India
Key Unlisted Hospital Companies		
Paras Healthcare Ltd.	1987	North India
Blue Sapphire Healthcares Pvt. Ltd	2007	North and east India
Ivy Health and Life Sciences Pvt. Ltd	2008	North India
Kailash Healthcare Ltd	1993	North India
Regency Hospital Ltd	1987	North India

Source: Company annual reports, investor presentations, CRISIL MI&A

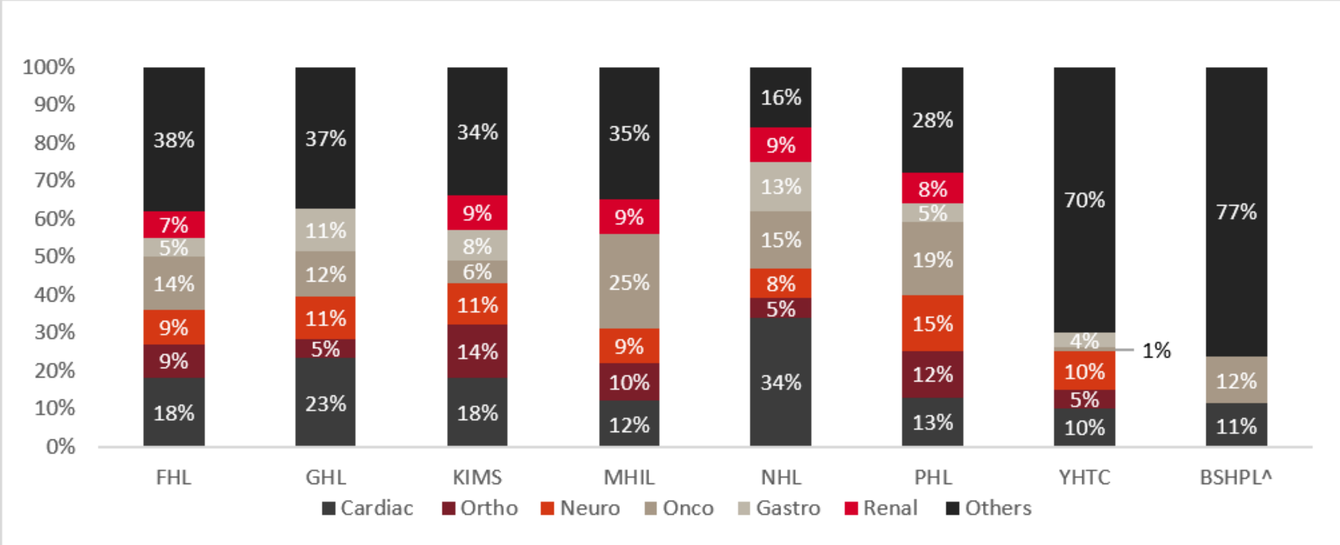
Key specialties undertaken by major players

Player	Key specialties undertaken
AHEL	Multi-national hospital chain covering cardiology, cosmetology, dermatology, orthopaedics, diabetes, gastroenterology, haematology, infertility, nephrology, neurology, oncology, paediatrics, pulmonology, radiology, rheumatology, urology, etc.
FHL	Multi-speciality chain covering cardiology, cosmetology, dermatology, orthopaedics, diabetes, gastroenterology, haematology, infertility, nephrology, neurology, oncology, paediatrics, pulmonology, radiology, rheumatology, urology, etc.
GHL	Multi-specialty covering cardiology, digestive & hepatobiliary sciences, neurology, urology, transplants & regenerative medicine, oncology, orthopaedics, anaesthesia, etc.
JLHL	Multi-speciality covering bariatric surgery, cardiac surgery, cardiology, dermatology, gastroenterology, internal medicine. Nephrology, neurology, neurosurgery, oncology, ophthalmology, orthopaedics, paediatrics, urology, etc.
KIMS	Multi-specialty including cardiac sciences, neurosciences, renal sciences, bariatric surgery, oncology, paediatric, ophthalmology, cosmetics, dental, intensive, and critical care, diabetes, preventive care, gynaecology, IVF, etc.
MHIL	Multi-speciality covering oncology, cardiology, neurology, gastroenterology, hepatology endocrinology, orthopaedics, urology, dermatology, dental, eye care, Infertility, IVF, Mental health, nutrition, diabetes, gynaecology, paediatric, etc.
NHL	Multi-speciality covering oncology, neurology, neurosurgery, nephrology, urology, gastroenterology, paediatrics, obstetrics & gynaecology, transplants etc.
PHL	Multi-speciality covering cardiology, Ear Nose Throat, gastroenterology, internal medicine, nephrology, neurology, neurosurgery, obstetrics and gynaecology, orthopaedics, urology, etc.
YHTC	Multi-specialty covering cardiology, orthopaedics, neurology, renal sciences, trauma & critical care, oncology, laparoscopic & bariatric surgery, cosmetic & reconstructive surgery, rheumatology, dermatology, ophthalmology, etc.
BSHPL	Multi-Speciality covering pulmonary medicine, Ear Nose Throat, Rheumatology, endocrinology, psychiatry, ophthalmology, internal medicine, dental, dermatology, physiotherapy etc
IHLPL	Multi-Speciality covering interventional cardiology, oncology, neurology, ophthalmology, nephrology, gastroenterology, dental, psychiatry, paediatrics, Ear Nose Throat, pulmonology, endocrinology, plastic surgery, general medicine etc
KHL	Multi-Speciality covering cardiology, dental, dermatology, dietetics, endocrinology, gastro sciences, general surgery, haematology, neonatology, nephrology, neurology, neurosurgery, oncology, orthopaedics etc.
RHL	Multi-Speciality covering cardiology, cancer care, endocrinology, gastroenterology, gynaecology, internal medicine, neurology, neurology, nephrology, ophthalmology, orthopaedics, paediatrics, pulmonology, etc

Note: Above list is not exhaustive and represents a few key specialties undertaken by respective players

Source: Company annual reports, company websites , investor presentations, CRISIL MI&A

Speciality-wise revenue break-up of key players as of Fiscal 2024



Note: The numbers for all the companies except BSHPL are as reported by the respective companies in their investor presentations

^ For Blue Sapphire Healthcares Pvt. Ltd. (BSHPL), Fiscal 2023 numbers from credit rating dated September 1, 2023 has been used.

The percentage values are rounded off to the nearest decimal place, hence may not add up to 100%

For Apollo Hospital Enterprise Ltd. and Jupiter Lifeline Hospital Ltd. the data for Fiscal 2024 is not available

For Fortis Healthcare Ltd., the company reported speciality mix of Pulmonology, Gynaecology, Other IPD, OPD, Other operating revenue has been included in Others

For Global Health Ltd., the company reported speciality mix of Heart has been considered under Cardiac, Digestive has been considered under Gastro, Cancer has been considered under Onco and Internal Medicine, Liver & Billiary Sciences and Urology has been included in Others

For Krishna Institute of Medical Sciences, the company reported speciality mix of Gastric sciences has been considered under gastro, and Organ transplant, Mother & child has been included in Others

For Max Healthcare Institute Ltd., the company reported speciality mix of Pulmonology, Obstetrics, Gynaecology & Paediatrics, Internal Medicine, MAS & General surgery, Liver & Biliary Sciences have been included in Others.

For Narayana Hrudalaya Ltd., the company reported speciality mix of Cardiac Sciences has been included under Cardiac, Medicine and GI Sciences has been included under Gastro

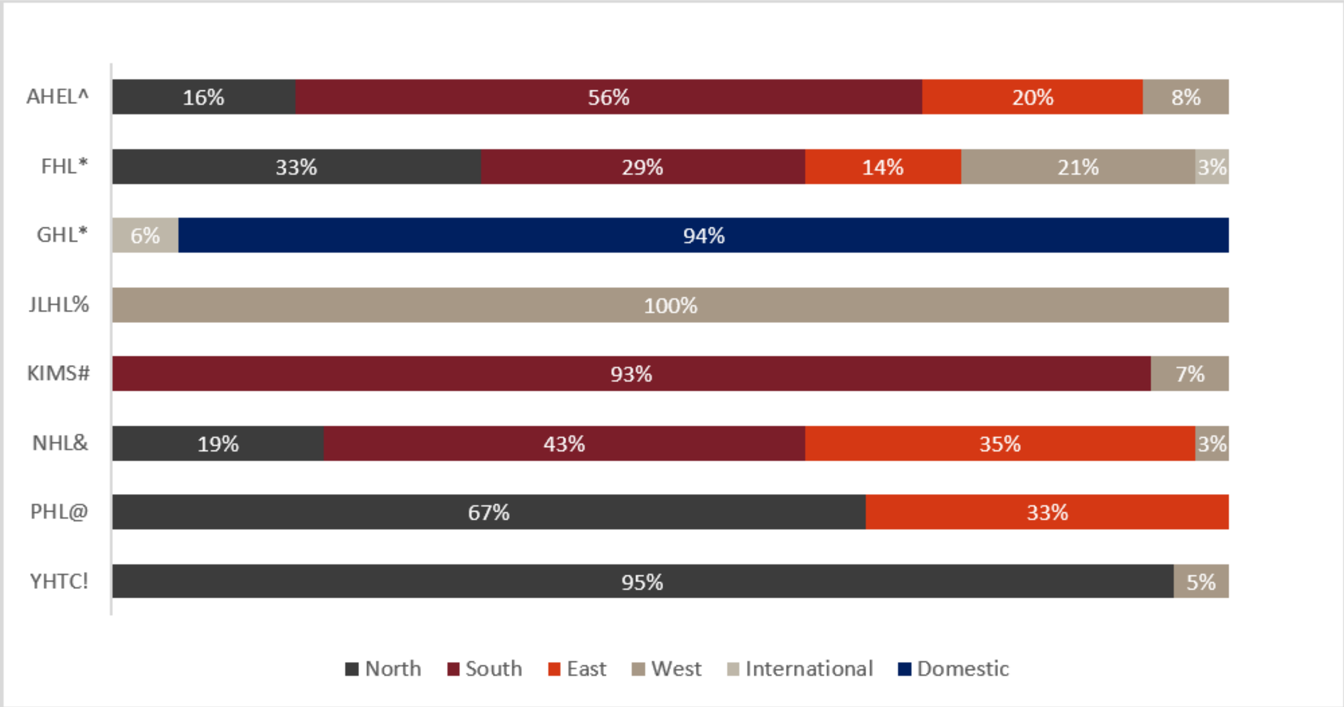
For Paras Healthcare Ltd., the company reported speciality mix of Cardiac Surgery has been included under Cardiac, Neuro sciences has been included under Neuro, Gastro Sciences has been included under Gastro, Orthopaedics and joint replacement has been considered under Ortho, Oncology under Onco and Pulmonology, Gynaecology, Paediatrics and Internal Medicine, has been included in Others

For Yatharth Hospital and Trauma Care Services Ltd., the company reported speciality mix of Cardiology has been include under Cardiac, Orthopaedics, Spine & Rheumatology has been included under Ortho, Neurosciences has been included under Neuro and Pulmonology, Paediatrics, Gynaecology, Internal Medicine, General Surgery, Nephrology & Urology has been included in Others

For BSHPL, Others include Internal Medicine which contributed 10.78% to Fiscal 2023 revenue

Source: Investor Presentation, CRISIL MI&A

Geographical revenue mix of key players as of Fiscal 2024



Note:

West region consists of states like Maharashtra, Goa, Gujarat, Madhya Pradesh, Union territories of Daman, Diu and Dadra Nagar Haveli

East region consists of states like Bihar, Jharkhand, West Bengal, Odisha, Chhattisgarh, Arunachal Pradesh, Assam, Mizoram, Meghalaya, Manipur, Nagaland, Sikkim and Tripura

North regions consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan

South region consists of Kerala, Telangana, Tamil Nadu, Karnataka, Andhra Pradesh and Union territories of Andaman Nicobar, Puducherry and Lakshadweep

^ For AHEL, Geographical revenue contribution of TN region, AP-Telangana region and Karnataka region has been considered under South

** For FHL,GHL, Geographical revenue mix is as defined by the company*

% For JLHL, all 3 hospitals of the company are in Maharashtra, hence all of its revenue has been considered under West

#For KIMS, Cluster Total revenue of Andhra Pradesh and Telangana has been considered under South and Cluster total revenue of Maharashtra has been considered under West

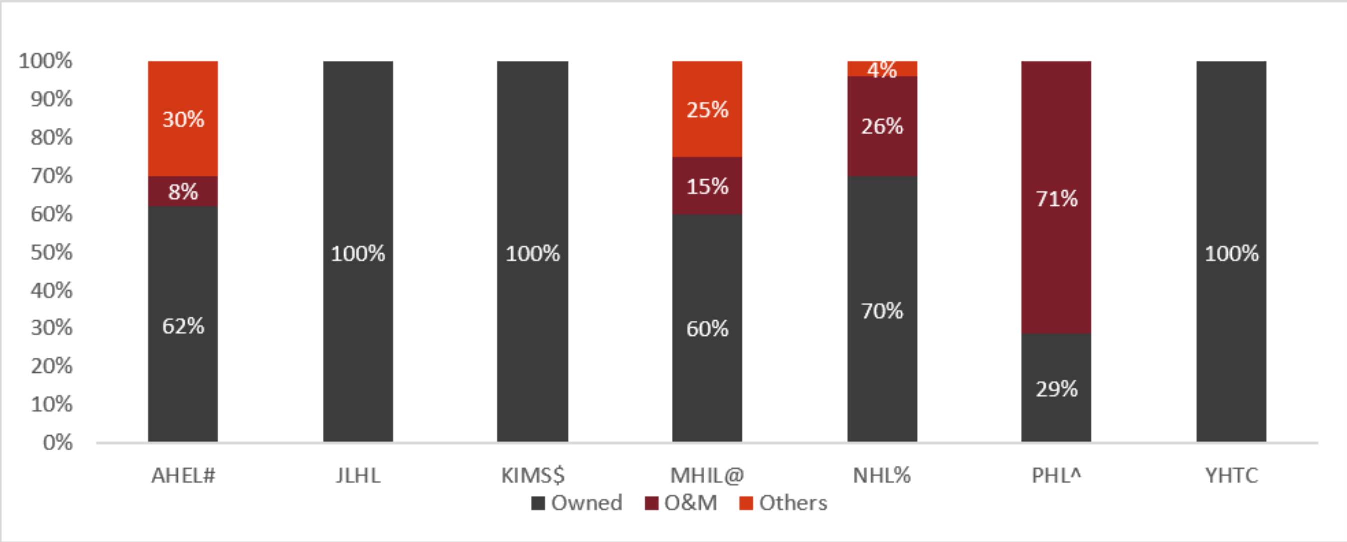
& For NHL, Southern Peripheral + Bangalore revenue has been considered under South and Kolkata + Eastern Peripheral revenue has been considered under East, Northern a Western geographical revenue mix is as defined by the company

@ For PHL, The revenue from Paras Hospital, Gurugram, Paras Hospital, Panchkula, Paras Hospital, Udaipur and Paras Hospital, Srinagar has been considered under the North region and revenue from Paras HMRI Hospital, Patna, Paras Global Hospital, Darbhanga and Paras HEC Hospital, Ranchi has been considered under East.

! For YHTC, The revenue mix of Greater Noida, Noida Extension and Noida are considered under North and Jhansi-Orchha has been considered under West

Source: Investor presentation, CRISIL MI&A

Mode of operation of key players in terms of hospitals as of Fiscal 2024



Note:

*# For AHEL, Hospitals under Apollo Health and Life Style Ltd. ("**AHLL**") has been considered under others*

$ For KIMS, all hospitals for which it has a shareholding of above 50% have been considered owned

@ For MHIL, Others consists of partner healthcare facilities

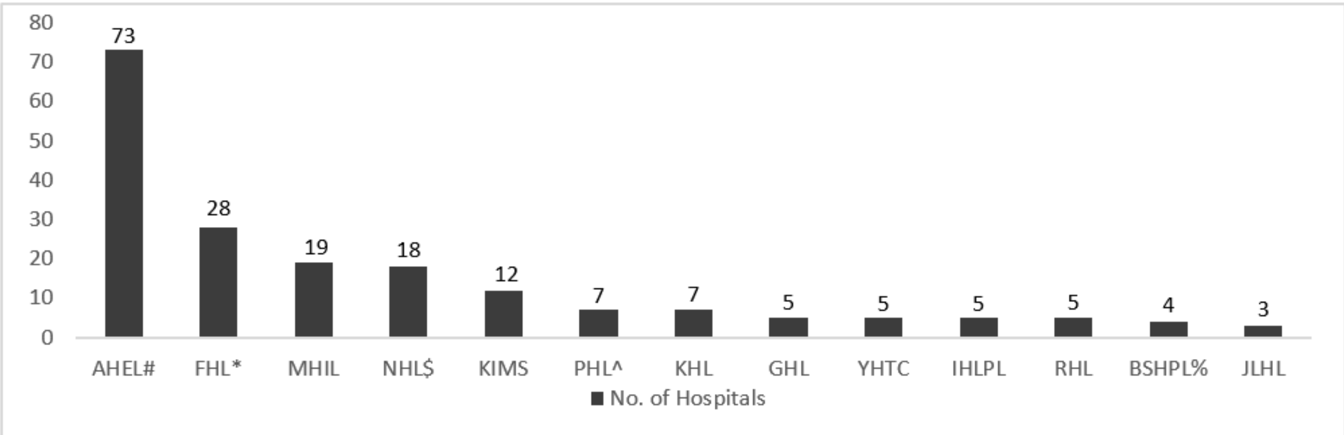
% For NHL, O&M consists of operated hospitals where NHL operates the hospitals on rental/revenue sharing basis and owns the P&L responsibility.

For NHL, Others consists of heart centres and other ancillary business which Includes Clinics, heart centres, dialysis centres etc.

^ For PHL, Revenue sharing model hospitals and Public-Private Partnership model hospitals have been considered under O&M

Key operational parameters of major hospital players

Total number of hospitals (Fiscal 2024)



Note: The numbers include only owned and managed hospitals in India; primary healthcare centers and clinics are not considered.

 # For AHEL, The total number of hospitals includes hospitals of Apollo Hospitals Enterprise Ltd (Hospitals) and Apollo Health and Life Style Ltd. (Retail Healthcare Format)

** For FHL, The total number of hospitals includes the Manesar facility which is yet to be operationalised*

$ For NHL, The total number of hospitals is excluding 3 - Heart Centre, 17 – Clinics & Dialysis Centre and 1 hospital in Cayman Islands

^ For PHL, As of June 2024, the company has 8 hospitals which includes Paras Yash Kothari Hospital, Kanpur that started operations in April 2024

% For BSHPL, the company's website mentions 5 hospitals but as of 4/7/2024, the company has only 4 operational hospitals

Source: Investor Presentation, CRISIL MI&A

Total ICU beds of key players (Fiscal 2024)

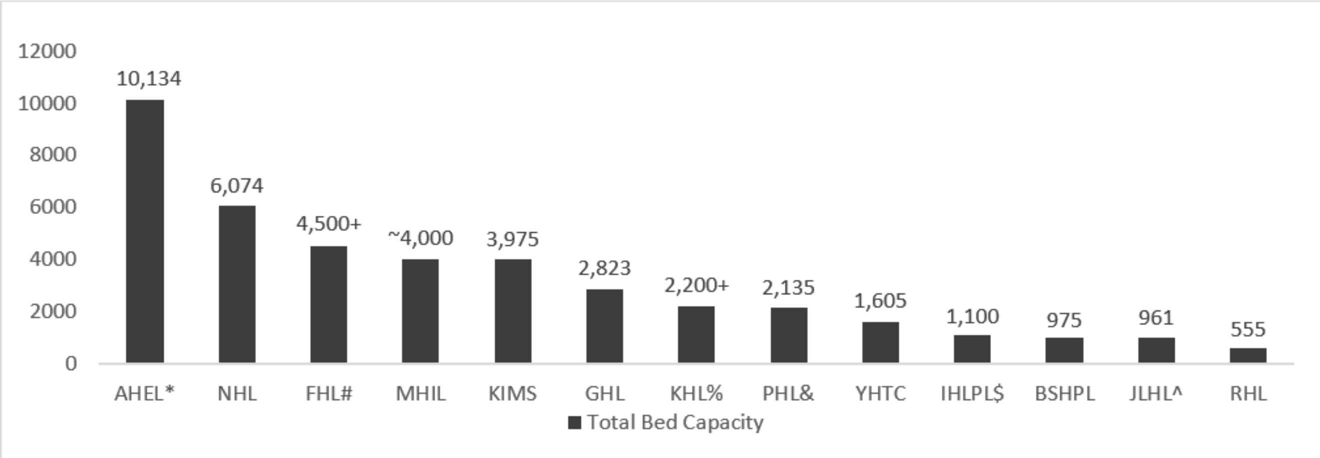
Company (Fiscal 2024)	ICU beds
GHL	664
PHL	425
YHTC	455
KHL*	500

Note: Other peers do not report total ICU beds, hence have been excluded in the above table

** For KHL, the number is as reported by the company on its website assessed in July 2024*

Source: Investor Presentation, CRISIL MI&A

Total bed capacity (Fiscal 2024)



Note:

For BSHPL, IHLPL, RHL and KHL, the numbers are as reported in the Company's website accessed in the July 2024. For rest of the companies, the numbers are as reported by the respective companies in their Q4 Fiscal 2024 investor presentations

** For AHEL, total bed capacity include beds of Apollo Hospitals Enterprise Ltd. And Apollo Health and Life Style Ltd. (Retail Healthcare Formats)*

#For FHL, beds shown in above chart are operational beds from owned and managed hospitals

^ For JLHL, Total bed capacity includes census beds (bed available for mid-night occupancy such as ICUs, wards etc.) and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds etc.)

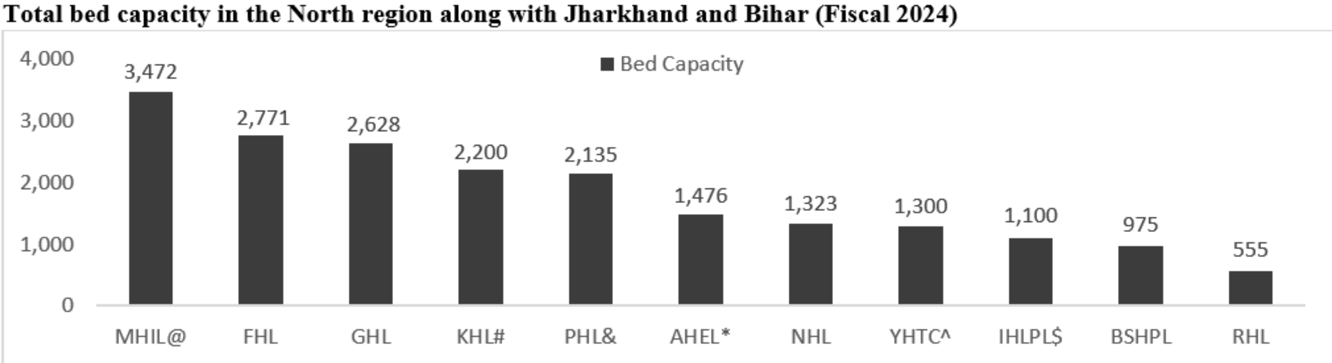
% For KHL, bed capacity is as reported by the company on its website accessed in July 2024

& For PHL, Total bed capacity is as of June 2024

$ For IHLPL, the company reports having close to 1,100 beds across facilities on its website

Source: Investor Presentation, CRISIL MI&A

Total bed capacity in the North region along with Jharkhand and Bihar (Fiscal 2024)



Note: North region consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan

** For AHEL, as defined by the company in its investor presentation, the total beds in the north region across its 12 hospitals is 1,656 beds which includes the bed capacity of Apollo Hospital, Indore. As CRISIL does not include Madhya Pradesh in the North* *region and considers North region to consist of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan. The bed capacity of Apollo Hospital, Indore (180 beds, as reported by the company on its website) is deducted from 1,656 to arrive at bed capacity in the North region which is 1,476 beds*

@ For MHIL, Bed capacity of Nagpur and Mumbai Hospitals are deducted from the total bed capacity to arrive at Bed capacity in the North region

& For PHL, Total bed capacity is as of June 2024

^ For Yatharth Hospital and Trauma Care Services Ltd., the company's hospital at Jhansi-Orchha-Gwalior has been considered under Madhya Pradesh, hence the Hospital's bed capacity has not been included under the North region

 # For KHL, The number is as reported by the company on its website accessed in July 2024

$ For IHLPL, the company reports having close to 1,100 beds across facilities on its website

For BSHPL, IHLPL, RHL and KHL, the numbers are as reported in the Company's website accessed in the July 2024

JLHL and KIMS have been excluded from the above table as they do not have any presence in this region

Source: Investor Presentation, Company website, CRISIL MI&A

State-wise presence of hospitals of key players in the North region and select states of East region

Company	Jammu and Kashmir	Rajasthan	Uttar Pradesh	Delhi	Haryana	Uttarakhand	Punjab	Jharkhand	Bihar
AHEL$	-	-	2	1	-	-	-	-	-
FHL	-	1	2	6	3	-	4	-	-
GHL	-	-	1	-	1	-	-	1	1
JLHL	-	-	-	-	-	-	-	-	-
KIMS	-	-	-	-	-	-	-	-	-
MHIL	-	-	2	7	1	1	2	-	-
NHL	1	1	-	1	1	-	-	1	-
PHL*	1	1	1	-	2	-	-	1	2
YHTC	-	-	4	-	1	-	-	-	-
BSHPL^	-	-	1	-	1	-	-	1	1
IHLPL	-	-	-	-	-	-	5	-	-
KHL	-	-	5	1	-	1	-	-	-
RHL	-	-	5	-	-	-	-	-	-

Note: North region consists of states like Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan.

$ For AHEL, Presence of hospitals in the north region and select states of east region is as reported by the company on its websites assessed in July 2024. Indore hospital considered in north region on the website has not been considered in the above table due to difference in our definition of north region. The presence of Apollo Spectra hospitals across these states has not been considered in the above table.

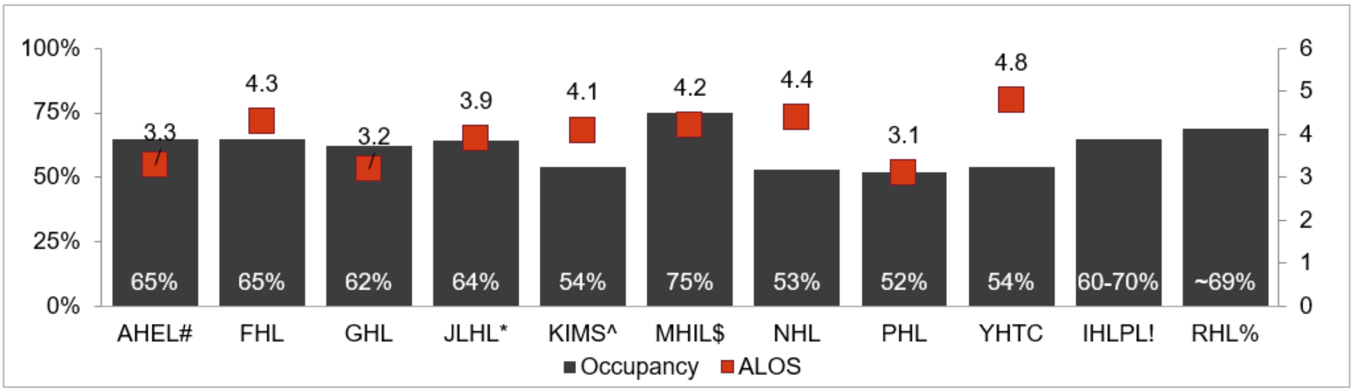
% For BSHPL, the company's website mentions 5 hospitals but as of 4/7/2024, the company has only 4 operational hospitals

** For PHL, As of June 2024, the company has 8 hospitals which includes Paras Hospital, Kanpur that started operations in April 2024*

The data is as per the company's website accessed in June 2024

Source: Investor Presentation, Company website, CRISIL MI&A

Occupancy rate and ALOS for Fiscal 2024



Note: Occupancy rate and ALOS is as reported for all the companies except NHL for which Occupancy Rate is calculated using ALOS, Operational beds and IP footfalls .

The numbers have been rounded off to the nearest decimal place

** For JLHL, Average occupancy rate is calculated as census occupied bed days (i.e. midnight census of occupied census beds during the period) divided by available census bed days (i.e. census bed capacity multiplied by the applicable days in the relevant period)*

For JLHL, ALOS is the average length of stay of patients in a specific period, calculated as census occupied bed days (i.e. midnight census of occupied census beds during the period) divided by inpatient volume.

^ For KIMS, Occupancy rate is mentioned as % to bed capacity

 # Inpatient ALOS Days

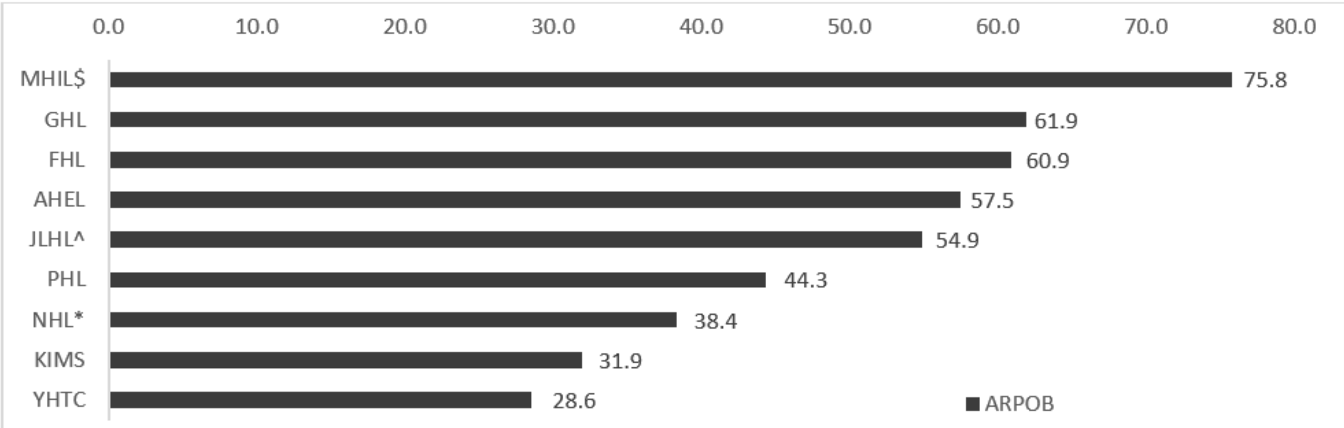
$ For MHIL, ALOS is calculated for discharged IP patients

*! For Ivy Health and Lifesciences Pvt. Ltd. ("**IHLPL**"), OR data is from credit rating dated November 9, 2023. ALOS is not available*

% For RHL, 9MFiscal 2024 OR is considered from credit rating dated March 4, 2024. ALOS is not available

Source: Investor Presentation, Credit Rating, CRISIL MI&A

Average revenue per occupied bed ("ARPOB") for Fiscal 2024 (₹ '000)



Note: ARPOB in '000 per occupied bed per day

ARPOB is as reported for all the companies except NHL

** For NHL, Total ARPOB for Fiscal 2024 is given as 1.4 crore which is divided by 365 to arrive at the above figure*

^ For JLHL, ARPOB is calculated as income from hospital services divided by census occupied bed days (i.e. midnight census of occupied census beds during the period)

$ For Max Healthcare Institute Ltd., ARPOB calculated as gross revenue/total OBD; Gross revenue excludes revenue from Max Lab operations & includes revenue from Max Hospital Nagpur & Max Hospital Lucknow during relevant periods

Data for BSHP, IHLPL, KHL and RHL was not available

Source: Investor Presentation, CRISIL MI&A

Select operational parameters of key players (Fiscal 2024)

Key operational parameters (FY24)	Inpatient Volume	Outpatient Volume	Inpatient Revenue (Rs. Million)	Outpatient Revenue (Rs. Million)	Operational beds
AHEL	5,69,988	19,22,696[1]	87,045	21,304	9,369[15]
FHL	NA	NA	50,590[3]	8,262[3]	4,500+[2]
GHL	1,55,915	26,83,293	28,138[4]	5,360[4]	2,823
JLHL	49,100[5]	8,31,200[6]	8,604	1,994	961[7]
KIMS	1,91,167	15,87,997	NA	NA	3,503
MHIL	2,31,625[8]	25,05,000[9]	NA	NA	~4,000[10]
NHL	2,36,000[11]	25,41,000[12]	29,099[13]	10,672[13]	5,332
PHL	81,047	5,69,139[14]	9,225	1,642	1,332
YHTC	49,000	3,27,000	5,886	819	1,605

Note: NA: Not Available

1 For Apollo Hospitals Enterprise Ltd. (AHEL), Outpatient volume represents new registrations only.

2 Operational Beds consists of owned beds and managed beds

3 For Fortis Healthcare Ltd. (FHL), Inpatient Revenue and Outpatient Revenue is calculated by using the speciality mix and the gross revenue from hospital business as reported by the company

4 For Global Health Ltd. (GHL), Inpatient Revenue and Outpatient Revenue is calculated by using the IPD/OPD revenue breakdown and total revenue reported by the company

5 For Jupiter Life Line Hospitals (JLHL), Inpatient volume refers to the total number of inpatient discharge in a specific period irrespective of admission date

6 For Jupiter Life Line Hospitals (JLHL), Out-patient volume refers to the total number of Out-patient bills generated in a specific period.

7 For Jupiter Life Line Hospitals (JLHL), Operational beds includes census beds (bed available for mid-night occupancy such as intensive care units ("ICUs"), wards etc.) and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds etc.)

8 For Max healthcare institute Ltd. (MHIL), Inpatient Volume is calculated basis number of patients discharged.

9 For Max healthcare institute Ltd. (MHIL), Outpatient volume refers to outpatient consults

10 For Max healthcare institute Ltd. (MHIL), Operational beds indicates current capacity of beds

11 For Narayana Hrudalaya Ltd. (NHL), Inpatient volume refers to IP footfalls which corresponds to discharges

12 For Narayana Hrudalaya Ltd. (NHL), Outpatient volume refers to OP footfalls which includes day-care business

13 For Narayana Hrudalaya Ltd. (NHL), Inpatient revenues and Outpatient revenues are calculated using average revenue per patient (IP/OP) and IP/OP footfalls

14 For Paras Healthcare Ltd. (PHL), Outpatient Volume refers to OPD consults

15 For Apollo Hospitals Enterprise Ltd. (AHEL), Operational beds of Apollo Hospitals Enterprise Ltd.(Hospitals) and Apollo Health and Life Style Ltd.(Retail Healthcare Formats) are considered

Source: Investor Presentation, CRISIL MI&A

Capex planned by key players

Company Name	Planned capex in terms of no. of beds	Planned beds as a percentage of existing bed capacity
AHEL	2,860	28.22%
FHL	~2,200	48.89%
GHL	1,250*	44.28%
JLHL	1,300	108.88%
KIMS	1,835	46.16%
MHIL	4,150	103.75%
NHL	1,000	16.46%
PHL	1,050	49.18%
YHTC	NA	NA

Note: Capex plan is for next 4-6 fiscals and includes potential expansion of the existing facilities and setting up of new facilities.

Source: Investor Presentation, Concall Transcripts, CRISIL MI&A

Key financial parameters of major hospital players

Revenue from Operations

Revenue from Operations (Rs Million)	FY22	FY23	FY24	YoY Growth (FY22-FY23)	YoY Growth (FY23-24)	CAGR (FY22-24)
AHEL	1,46,769.00	1,66,265.00	1,90,592.00	13.28%	14.63%	13.96%
FHL	56,567.21	62,240.00	68,929.20	10.03%	10.75%	10.39%
GHL	21,771.56	27,123.51	32,751.11	24.58%	20.75%	22.65%
JLHL	7,371.44	9,029.63	10,954.82	22.49%	21.32%	21.91%
KIMS	16,637.55	22,018.48	24,981.44	32.34%	13.46%	22.54%
MHIL**	52,180.00	59,040.00	68,490.00	13.15%	16.01%	14.57%
NHL	37,081.70	45,427.51	50,182.49	22.51%	10.47%	16.33%
PHL	7,799.24	9,179.20	11,290.39	17.69%	23.00%	20.32%
YHTC	4,018.71	5,224.89	6,705.47	30.01%	28.34%	29.17%
BSHPL	4,092.46	4,239.64	NA	3.60%	NA	NA
IHLPL	3,659.11	NA	NA	NA	NA	NA
KHL	5,484.65	5,709.44	NA	4.10%	NA	NA
RHL	3,680.66	4,292.35	NA	16.62%	NA	NA

Note: NA: Not Available

All values have been considered on a consolidated basis

*** For MHIL, Total operating income for the whole group is considered from the investor presentation*

Values are as per CRISIL MI&A standards and may not match company reported numbers

Source: Annual reports, Investor presentations, CRISIL MI&A

Total Income

Total Income (Rs. Million)	FY22	FY23	FY24	YoY Growth (FY22-FY23)	YoY Growth (FY23-24)	CAGR (FY22-24)
AHEL	1,47,216.00	1,66,284.00	1,91,835.00	12.95%	15.37%	14.15%
FHL	57,364.71	63,295.81	69,406.80	10.34%	9.65%	10.00%
GHL	21,981.87	27,485.46	33,497.75	25.04%	21.87%	23.45%
JLHL	7,371.44	9,029.63	10,954.82	22.49%	21.32%	21.91%
KIMS	16,763.54	22,157.07	25,109.29	32.17%	13.32%	22.39%
MHIL	NA	NA	NA	NA	NA	NA
NHL	37,044.35	45,674.80	50,934.38	23.30%	11.52%	17.26%
PHL	7,931.72	9,360.53	11,510.23	18.01%	22.97%	20.46%
YHTC	4,025.86	5,231.00	6,861.57	29.93%	31.17%	30.55%
BSHPL	4,130.43	4,284.16	NA	3.72%	NA	NA
IHLPL	3,693.85	NA	NA	NA	NA	NA
KHL	5,540.95	5,749.03	NA	3.76%	NA	NA
RHL	3,736.90	4,328.71	NA	15.84%	NA	NA

Note: NA: Not Available;

All values have been considered on a consolidated basis

For MHIL, total income is NA as the company does not report total income at a group level in its investor presentation

Values are as per CRISIL MI&A standards and may not match company reported numbers

Total Income = Revenue from operations + Non-operating income

Source: Annual reports, Investor presentations, CRISIL MI&A

Operating profit before depreciation, interest, and tax (OPBDIT)

OPBDIT (Rs Million)	FY22	FY23	FY24	CAGR (FY22-24)
AHEL	22,040.00	20,789.00	23,907.00	4.15%
FHL	10,081.36	10,345.00	12,676.40	12.13%
GHL	4,721.65	6,393.99	8,283.89	32.46%
JLHL	1,582.16	2,122.94	2,641.38	29.21%
KIMS	5,287.19	6,081.81	6,404.26	10.06%
MHIL**	13,900.00	16,360.00	19,070.00	17.13%
NHL	6,842.79	10,122.16	11,523.59	29.77%
PHL	1,152.68	1,226.29	1,190.43	1.62%
YHTC	1,129.10	1,373.56	1,799.39	26.24%
BSHPL	476.51	323.12	NA	NA
IHLPL	955.22	NA	NA	NA
KHL	907.42	989.41	NA	NA
RHL	778.43	895.13	NA	NA

Note: NA: Not Available
All values have been considered on a consolidated basis
Values are as per CRISIL MI&A standards and may not match company reported numbers
*** For MHIL, Operating EBITDA from the investor presentation is considered in the above table*
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items
Source: Annual reports, Investor presentations, CRISIL MI&A

Earnings before interest, tax, depreciation, and amortisation (EBITDA)

EBITDA (Rs. Million)	FY22	FY23	FY24	YoY Growth (FY22-FY23)	YoY Growth (FY23-24)	CAGR (FY22-24)
AHEL	22,487.00	20,808.00	25,150.00	-7.47%	20.87%	5.76%
FHL	10,878.86	11,400.82	13,154.00	4.80%	15.38%	9.96%
GHL	4,931.97	6,755.94	9,030.53	36.98%	33.67%	35.32%
JLHL	1,582.16	2,122.94	2,641.38	34.18%	24.42%	29.21%
KIMS	5,413.18	6,220.40	6,532.11	14.91%	5.01%	9.85%
MHIL**	13,900.00	16,360.00	19,070.00	17.70%	16.56%	17.13%
NHL	6,805.44	10,369.45	12,275.48	52.37%	18.38%	34.30%
PHL	826.52	876.14	1,544.11	6.00%	76.24%	36.68%
YHTC	1,136.25	1,379.67	1,955.49	21.42%	41.74%	31.19%
BSHPL	514.49	367.63	NA	-28.54%	NA	NA
IHLPL	989.96	NA	NA	NA	NA	NA
KHL	963.72	1,029.00	NA	6.77%	NA	NA
RHL	834.67	931.49	NA	11.60%	NA	NA

Note: NA: Not Available, NM: Not Meaningful
All values have been considered on a consolidated basis
*** For MHIL, Operating EBITDA from the investor presentation is considered in the above table*
Values are as per CRISIL MI&A standards and may not match company reported numbers
EBITDA = OPBDIT + non-operating income
Source: Annual reports, Investor presentations, CRISIL MI&A

Profit Before Tax (PBT)

Profit Before Tax (Rs. Million)	FY22	FY23	FY24	CAGR (FY22-24)
AHEL	15,854.00	10,939.00	13,805.00	-6.69%
FHL	9,877.87	8,136.80	8,579.70	-6.80%
GHL	2,805.57	4,492.90	6,258.64	49.36%
JLHL	874.43	1,330.31	1,952.63	49.43%
KIMS	4,581.16	4,849.07	4,562.14	-0.21%
MHIL**	9,790.00	12,980.00	15,940.00	27.60%
NHL	4,297.78	7,515.77	8,885.28	43.79%
PHL	30.51	-270.53	66.30	47.41%
YHTC	613.08	864.12	1,563.44	59.69%
BSHPL	-50.72	-255.99	NA	NA
IHLPL	478.02	NA	NA	NA
KHL	586.44	645.43	NA	NA
RHL	381.54	456.05	NA	NA

Note: NA: Not Available, NM: Not Meaningful
All values have been considered on a consolidated basis
*** For MHIL, PBT for the whole group is considered from the investor presentation*
Source: Annual reports, Investor presentations, CRISIL MI&A

Profit After Tax (PAT)

PAT (Rs Million)	FY22	FY23	FY24	CAGR (FY22-24)
AHEL	11,084.00	8,443.00	9,350.00	-8.15%
FHL	7,899.45	6,329.84	6,452.20	-9.62%
GHL	1,961.98	3,260.79	4,780.60	56.10%
JLHL	511.28	729.05	1,766.12	85.86%
KIMS	3,437.95	3,658.13	3,360.07	-1.14%
MHIL**	8,370.00	10,840.00	12,780.00	23.57%
NHL	3,421.20	6,065.66	7,896.24	51.92%
PHL	-148.08	-427.92	-153.31	NM
YHTC	441.66	657.65	1,144.75	60.99%
BSHPL	-69.84	-257.33	NA	NA
IHLPL	286.53	NA	NA	NA
KHL	467.72	480.65	NA	NA
RHL	286.00	313.93	NA	NA

Note: NA: Not Available, NM: Not Meaningful
All values have been considered on a consolidated basis
*** For MHIL, PAT for the whole group is considered from the investor presentation*
Source: Annual reports, Investor presentations, CRISIL MI&A

OPBDIT Margin

OPBDIT Margin (%)	FY22	FY23	FY24
AHEL	15.02	12.50	12.54
FHL	17.82	16.62	18.39
GHL	21.69	23.57	25.29
JLHL	21.46	23.51	24.11
KIMS	31.78	27.62	25.64
MHIL**	26.60	27.70	27.80
NHL	18.45	22.28	22.96
PHL	14.78	13.36	10.54
YHTC	28.10	26.29	26.83
BSHPL	11.64	7.62	NA
IHLPL	26.11	NA	NA
KHL	16.54	17.33	NA
RHL	21.15	20.85	NA

Note: NA: Not Available

All values have been considered on a consolidated basis

*** For MHIL, Operating EBITDA margin is considered as OPBDIT margin as reported by the company in its Q4FY24 investor presentation*

Values are as per CRISIL MI&A standards and may not match company reported numbers

Operating margin = OPBDIT / Operating Income

Source: Annual reports, Investor presentations, CRISIL MI&A

EBITDA Margin

EBITDA Margin (%)	FY22	FY23	FY24
AHEL	15.32	12.51	13.20
FHL	19.23	18.32	19.08
GHL	22.65	24.91	27.57
JLHL	21.46	23.51	24.11
KIMS	32.54	28.25	26.15
MHIL**	26.60	27.70	27.80
NHL	18.35	22.83	24.46
PHL	10.60	9.54	13.68
YHTC	28.27	26.41	29.16
BSHPL	12.57	8.67	NA
IHLPL	27.05	NA	NA
KHL	17.57	18.02	NA
RHL	22.68	21.70	NA

Note: NA: Not Available

All values have been considered on a consolidated basis

*** For MHIL, EBITDA margin is considered for the whole group as reported by the company in its Q4FY24 investor presentation*

Values are as per CRISIL MI&A standards and may not match company reported numbers

EBITDA margin =EBITDA / Operating Income

Source: Annual reports, Investor presentations, CRISIL MI&A

PAT Margin

PAT Margin (%)	FY22	FY23	FY24
AHEL	7.53	5.08	4.87
FHL	13.77	10.00	9.30
GHL	8.93	11.86	14.27
JLHL	6.94	8.07	16.12
KIMS	20.51	16.51	13.38
MHIL**	16.00	18.40	18.70
NHL	9.24	13.28	15.50
PHL	-1.87	-4.57	-1.33
YHTC	10.97	12.57	16.68
BSHPL	-1.69	-6.01	NA
IHLPL	7.76	NA	NA
KHL	8.44	8.36	NA
RHL	7.65	7.25	NA

Note: NA: Not Available
All values have been considered on a consolidated basis
*** For MHIL, PAT margin is considered for the whole group as reported by the company in its Q4FY24 investor presentation*
Values are as per CRISIL MI&A standards and may not match company reported numbers
PAT margin = PAT / Total Income
Source: Annual reports, Investor presentations, CRISIL MI&A

Return on Equity / Return on Net Worth

ROE / RoNW (%)	FY22	FY23	FY24
AHEL	24.17	16.44	16.11
FHL	28.86	20.87	17.27
GHL	13.89	16.17	17.96
JLHL	19.17	22.41	23.09
KIMS	33.37	25.70	20.53
MHIL	66.41	66.43	41.69
NHL	28.71	37.56	35.22
PHL	-	-	-
YHTC	56.88	62.04	24.06
BSHPL	-40.77	-447.48	NA
IHLPL	19.78	NA	NA
KHL	26.65	21.83	NA
RHL	17.77	16.46	NA

Note: NA: Not Available
All values have been considered on a consolidated basis
Values are as per CRISIL MI&A standards and may not match company reported numbers
ROE / RoNW= PAT/ Average tangible net worth
Tangible Networth = Total paid up equity share capital + Gross Reserves + Goodwill - Intangible Assets
Source: Annual reports, Investor presentations, CRISIL MI&A

Asset Turnover Ratio

Asset Turnover Ratio	Fiscal 2022	Fiscal 2023	Fiscal 2024
AHEL	1.50	1.54	1.58
FHL	0.91	0.98	1.02
GHL	1.15	1.02	1.08
JLHL	0.87	0.97	1.12
KIMS	1.45	1.47	1.14
MHIL	1.64	1.72	1.55
NHL	1.29	1.46	1.41
PHL	1.34	1.14	1.02
YHTC	1.08	1.24	1.32
BSHPL	0.95	0.84	NA
IHLPL	0.81	NA	NA
KHL	1.27	1.23	NA
RHL	0.93	1.07	NA

Note: NA: Not Available

All values have been considered on a consolidated basis

Values are as per CRISIL MI&A standards and may not match company reported numbers

Asset turnover ratio = Operating income/Average gross block

Source: Annual reports, Investor presentations, CRISIL MI&A

Return on Capital Employed ("RoCE")

ROCE (%)	FY22	FY23	FY24
AHEL	25.47	17.80	19.95
FHL	29.70	24.15	21.47
GHL	18.35	18.87	21.40
JLHL	17.29	20.82	21.74
KIMS	37.04	28.76	20.64
MHIL	35.50	40.04	36.82
NHL	28.05	35.80	28.93
PHL	-	-	-
YHTC	28.08	30.32	25.90
BSHPL	5.83	1.90	NA
IHLPL	24.01	NA	NA
KHL	20.86	21.37	NA
RHL	14.49	15.29	NA

Note: NA: Not Available

All values have been considered on a consolidated basis

Values are as per CRISIL MI&A standards and may not match company reported numbers

RoCE = Profit before interest and tax (PBIT)/ (Average total debt + average tangible networth + average deferred tax liability)

Source: Annual reports, Investor presentations, CRISIL MI&A

Capital Employed

Capital Employed (Rs. Million)	FY22	FY23	FY24
AHEL	94,279.00	101,944.00	119,439.00
FHL	38,098.02	45,156.50	52,154.20
GHL	26,908.75	35,380.91	36,647.53
JLHL^	8,153.87	8,687.69	11,703.56
KIMS	15,853.54	22,394.24	30,902.72
MHIL	26,683.50	33,747.40	46,393.20
NHL	21,537.84	28,149.56	43,027.02
PHL	5,338.15	7,802.19	12,568.24
YHTC	3,333.57	3,960.90	8,890.26
BSHPL^	3,641.41	3,545.21	NA
IHLPL	3,744.40	NA	NA
KHL^	3,400.09	3,500.74	NA
RHL	4,942.26	4,467.39	NA

Note: NA: Not Available
All values have been considered on a consolidated basis
^ for JLHL, BSHPL, and KHL, capital employed is calculated excluding lease liabilities as these companies have not reported this number
Values are as per CRISIL MI&A standards and may not match company reported numbers
Capital Employed = Total Debt + Tangible Networth + Deferred tax liability + Lease liabilities
Tangible Networth = Total paid up equity share capital + Gross Reserves + Goodwill - Intangible Assets

Source: Annual reports, Investor presentations, CRISIL MI&A

Key Costs as percentage of Operating Income for key players (FY24)

FY24	Material Cost as % of Operating Income	Employee Cost as % of Operating Income	Other Expenses as % of Operating Income
AHEL	51.45%	13.08%	22.92%
FHL	23.48%	16.24%	41.88%
GHL	23.19%	22.44%	29.08%
JLHL	17.30%	17.34%	41.25%
KIMS	21.23%	16.91%	36.23%
MHIL*	23.87%^	19.99%**	28.30%***
NHL	21.40%	20.01%	35.62%
PHL	26.28%	14.81%	48.36%
YHTC	19.88%	17.45%	35.83%

Note:

All values have been considered on a consolidated basis

BSHPL, IHLPL, KHL and RHL have not been included in the above table as their FY24 financials is not available

Values are as per CRISIL MI&A standards and may not match company reported numbers

Material Costs include Material costs, Traded Goods Purchased, Accretion: Decretion to stocks

Other Expenses include Rent, Repair and Maintenance, Travelling Conveyance, Printing and Stationary, Legal Professional Charges, Advertising Promotional Expenses, Power, Fuel and water expense, Security expense, Outsourced medical services Etc.

For MHIL, All the expenses and Total operating income have been considered for the whole group with values taken from the Q4FY24 investor presentation

^ For MHIL, Pharmacy, drugs, consumables & other direct costs from the Q4FY24 investor presentation has been considered as material cost

***For MHIL, Employee benefit expense from the Q4FY24 investor presentation has been considered as employee cost which Includes non-clinical doctors on retainership & movement in OCI for actuarial valuation impact but excludes ESOP expenses.*

**** For MHIL, Other expense include cost of admitting doctors, net provision for doubtful debts & excludes movement in fair value of contingent consideration and amortisation of contract assets, which is reflected below operating EBITDA*

Source: Annual reports, Investor presentations, CRISIL MI&A

Retainers and Consultants / professional fee of key players (Fiscal 2024)

FY24	Retainers and Consultants fee (Rs. Million)
AHEL	NA
FHL*	14,595.10
GHL$	4,270.28
JLHL^	2,713.58
KIMS	NA
MHIL%	11,168.90
NHL#	8,847.01
PHL$	2,939.84
YHTC	NA

Note: NA: Not Available
BSHPL, IHLPL, KHL and RHL have not been included in the above table as their FY24 financials is not available
** For FHL, Professional charges to doctors is considered in the above table*
^ For JLHL, Professional fees is considered in the above table
% For MHIL, Professional and consultancy fees is considered in the above table
 # For NHL, Professional fees to doctors is considered in the above table
$For GHL and PHL, retainers and consultants fee is considered in the above table
Source: Quarterly financial statement, CRISIL MI&A

Note: NA: Not Available
BSHPL, IHLPL, KHL and RHL have not been included in the above table as their Fiscal 2024 financials is not available
** For FHL, Professional charges to doctors is considered in the above table*
^ For JLHL, Professional fees is considered in the above table
% For MHIL, Professional and consultancy fees is considered in the above table
 # For NHL, Professional fees to doctors is considered in the above table
$For GHL and PHL, retainers and consultants fee is considered in the above table
Source: Quarterly financial statement, CRISIL MI&A

Debt to equity ratio (Fiscal 2024)

FY24	Debt to equity Ratio
AHEL	0.51
FHL	0.22
GHL	0.14
JLHL	0.00
KIMS	0.61
MHIL	0.41
NHL	0.55
PHL	1.65
YHTC	0.10

Note:
BSHPL, IHLPL, KHL and RHL have not been included in the above table as their FY24 financials is not available
All values have been considered on a consolidated basis
Values are as per CRISIL MI&A standards and may not match company reported numbers
Debt to equity ratio = Total Debt / Tangible Networth
Tangible Networth = Total paid up equity share capital + Gross Reserves + Goodwill - Intangible Assets
Source: Annual reports, Investor presentations, CRISIL MI&A

Capex per bed of key players (Fiscal 2024) (₹ Millions)

FY24	Gross Block (Capex) / Bed*
AHEL^	12.80
FHL@	15.83
GHL	11.41
JLHL	8.39
KIMS	6.57
MHIL%	10.57
NHL	6.31
PHL	5.84
YHTC	3.64

Note:

The average capex/ bed of the above considered players is Rs.10.17 million

BSHPL, IHLPL, KHL and RHL have not been included in the above table as their FY24 financials is not available

** Total bed Capacity has been considered*

Bed Capacity numbers are as reported by the company in its Q4FY24 investor presentation

^ For Apollo Hospitals Enterprise Ltd.(AHEL), bed capacity include beds of Apollo Hospitals Enterprise Ltd. And Apollo Health and Life Style Ltd. (Retail Healthcare Formats)

@ For Fortis Healthcare Ltd (FHL), total operational beds include beds from owned and managed hospitals

% For Max Healthcare Institute Ltd. (MHIL), Current Capacity of beds is taken as total operational beds

Capex per bed = Gross Block / Bed capacity

Source: Annual reports, Investor presentations, CRISIL MI&A

Other Key parameters of key players (Fiscal 2024)

FY24	Book Value (NAV per share) (Rs.)	Face Value/ Share	Earnings Per Share- Basic* (Rs.)	Earnings Per Share- Diluted* (Rs.)
AHEL	429.24	5	62.50	62.50
FHL	52.30	10	7.93	7.93
GHL	108.01	2	17.80	17.80
JLHL	177.93	10	28.65	28.65
KIMS	215.00	10	38.75	38.75
MHIL	29.07	10	10.89	10.84
NHL	128.90	10	38.86	38.86
PHL	-	1	-1.57	-1.57
YHTC	94.89	10	14.46	14.46

Note: All values are considered on a consolidated basis

BSHPL, IHLPL, KHL and RHL have not been included in the above table as their FY24 financials is not available

** Earnings per share (Basic/Diluted) is not restated as per CRISIL classifications and is as reported by the companies in its quarterly/annual results*

Book Value = (Tangible Networth) / ((Total paid up equity share capital / Face value per share))

Tangible Networth = Total paid up equity share capital+ Gross Reserves + Goodwill - Intangible Assets

Key Observations

- Among the peers considered, PHL has the fifth largest bed capacity in North India, Bihar and Jharkhand combined with an aggregate of 2,135 beds, as of March 31, 2024.
- PHL reported the lowest ALOS of 3.1 in Fiscal 2024 among the peers considered for which data is available.
- PHL had a capex / bed of ₹ 5.84 million / bed as of March 31, 2024, which is the second lowest among the peers considered for which data is available.
- Among the peers considered, Paras Hospital, Gurgaon was the first corporate hospital entrant in Gurgaon in 2006.
- Paras Hospital Panchkula is the only hospital in Panchkula which has Radiotherapy centre licensed by Atomic Energy Regulatory Board as of September 2023.
- Paras HMRI Hospital, Patna was the first corporate hospital in Bihar to have a cancer treatment centre licensed by the Atomic Energy regulatory board.
- PHL reported the second highest year-on-year growth of 23.00% in revenue from operations among the peers considered, where its revenue from operations increased from ₹ 9,179.20 in Fiscal 2023 to ₹ 11,290.39 in Fiscal 2024.
- PHL has presence in 6 out of the 9 states considered in terms of hospitals in the North Region along with Jharkhand and Bihar which is the highest among the peers under consideration.
- Paras Hospital, Srinagar is the largest private hospital in Srinagar in terms of bed capacity with 200 beds as of March 2024.
- Paras Hospital, Kanpur is the largest private (for profit) / private (non-trust based) hospital in Kanpur in terms of bed capacity with 435 beds as of June 2024.
- As per NABH portal accessed in June 2024, Paras HMRI Hospital, Patna was the first hospital in Bihar to receive NABH accreditation in 2016.
- As per NABH portal accessed in June 2024, Paras Hospital, Gurgaon was the first hospital in Haryana to receive NABH accreditation in 2009.
- As per NABH portal accessed in June 2024, Paras Hospital, Udaipur was the third hospital in Udaipur to receive NABH accreditation in 2021.

OUR BUSINESS

To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", "Management's Discussions and Analysis of Financial Condition and Results of Operations" and "Restated Consolidated Financial Information" on pages 26, 130, 334 and 272, respectively, as well as the financial and other information contained in this Draft Red Herring Prospectus.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties and other factors, many of which are beyond our control and may affect our business, financial condition or results of operations. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward-Looking Statements", on page 24 of this Draft Red Herring Prospectus.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of Healthcare delivery sector India with a focus on North India" dated July 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL M&IA, who were appointed by our Company pursuant to an engagement letter dated April 8, 2024, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.parashospitals.com/investors from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "Material Contracts and Documents for Inspection – B. Material Documents" on page 516. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. For more information, see "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid by us for such a purpose" on page 50.*

In evaluating our business, we consider and use certain key performance indicators that are presented herein as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for our financial statements, and other financial and operational information included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools. Further, these key performance indicators may differ from similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to our financial statements or as an indicator of our operating performance, liquidity, profitability or results of operations.

Unless otherwise stated, or the context otherwise requires, the restated consolidated financial information used in this section is derived from our Restated Consolidated Financial Information. Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year.

Overview

We are the fifth largest healthcare provider in terms of bed capacity in North India, Bihar and Jharkhand among our Peers, with an aggregate of 2,135 beds, as of March 31, 2024. (*Source: CRISIL Report)* We have eight hospitals that we operate under the "Paras Health" brand, which are spread across five states and one union territory in North India – Gurugram and Panchkula in Haryana; Patna and Darbhanga in Bihar; Kanpur, Uttar Pradesh; Udaipur, Rajasthan; Ranchi, Jharkhand; and Srinagar in the union territory of Jammu and Kashmir. Our core focus is on providing specialized tertiary medical care in Tier 2 and 3 cities, while seeking to strike a balance between providing quality healthcare services and affordability. We offer several clinical specialties across our hospitals including cardiac sciences, oncology, neuro sciences, gastro sciences and orthopedics and joint replacement. We have established centres of excellence across our hospitals, where we provide clinical specialties and these centres have been instrumental in launching new programs including organ transplant programs. Our extensive 18 years of experience in the healthcare industry in North India has helped us develop a strong understanding of the region's market dynamics. This, along with our flexible operating model have enabled us to build an asset light business with strong unit economics.

We established our first hospital in Gurugram, Haryana in 2006 with 200 beds and a vision to provide affordable, accessible and quality healthcare services in North India and serve our patients with compassion. Since then, we have consistently identified attractive opportunities in the healthcare industry, set up our hospitals and focused on ramping up our operations. Over the years, we have successfully identified underserved markets with large catchment areas and high demand for healthcare services, a lack of good hospitals in the region as well as proximity to medical colleges to source quality medical professionals. As a result of our knowledge of the North India market and focus on identifying and entering markets early, we have had a first mover advantage in regions where our hospitals have been setup - our hospital in Gurugram was the first corporate hospital entrant among our Peers in 2006 in the city and our hospital in Srinagar is the largest private hospital in the city in terms of bed capacity with 200 beds. *(Source: CRISIL Report)* Our hospitals have also received various accreditations - our Gurugram hospital was the first hospital in Haryana to receive accreditations from the National Accreditation Board for Hospitals and Healthcare Providers ("**NABH**") in 2009, our Patna hospital was the first hospital in Bihar to receive NABH accreditation in 2016 and our Udaipur hospital was the third hospital in Udaipur to receive NABH accreditation in 2021. *(Source: CRISIL Report)*

We have increased our bed capacity from 1,250 beds as of March 31, 2022 to 2,135 beds as of March 31, 2024 and we currently have a committed pipeline of hospital expansion in Gurugram and Ludhiana, which has been approved by our Board of Directors. In Gurugram, we are setting up another hospital through a long-term lease arrangement and we intend to launch this hospital in Fiscal 2027 with 300 beds. In Ludhiana, we are also setting up a hospital through a long-term lease arrangement and intend to launch it in Fiscal 2028 with up to 500 beds. We expect that these expansion plans would increase our bed capacity from 2,135 as of March 31, 2024 to 2,935 by March 31, 2029.

We have invested in creating an information technology ecosystem to enhance patient and clinical experience as well as business and operational efficiency through process automation to address the requirements of our stakeholders. We have adopted new technologies and implemented an omni-channel patient experience through our patient mobile application, patient portal, website and a popular messaging based platform, digitizing the entire patient onboarding process enabling them to digitally book their in-person or video consultations with doctors and to access their medical records through these channels. We have also implemented a computerized physician order entry system/Electronic Health Record ("**EHR**") platform coupled with a doctor mobile application, which offers user-friendly interface, portability and efficient record management. Our applications are implemented with a cloud first approach, bringing in scalability and agility for our operations. We have procured medical equipment from global suppliers to enhance the quality of our services and are focused on deploying new technologies, machines and treatments to provide affordable and superior quality healthcare services to our patients.

Our founder and Managing Director, Dr. Dharminder Kumar Nagar, is a seasoned healthcare leader currently chairing the regional committee on healthcare at Confederation of Indian Industry (CII) – Northern Region Council. Our Board of Directors include a combination of management executives and independent members who bring in significant business expertise. We are led by a qualified and an experienced management team and employ competent medical talent to support our operations. As of March 31, 2024, we had a medical team of 1,091 doctors and 1,509 nurses. We have skilled clinicians at our hospitals who are experienced and well recognized in their fields having won several awards and accolades. In July 2017, Commelina Ltd (an affiliate of Creador, global private equity firm) acquired a stake in our Company.

Over the last three fiscals, we have consistently demonstrated strong growth in our performance on account of an increase in number of patients across our hospitals. The table below provides certain details of our financial and operating metrics during the last three Fiscals:

Particulars	As of/for the year ended March 31,		
	2024	2023	2022
Total bed capacity (count) (1)	2,135	1,500	1,250
Number of operational beds (count) (2)	1,332	1,102	978
Number of ICU beds (count) (3)	425	356	266
Bed Occupancy Rate (%)4)	52.34%	56.35%	54.41%

Particulars	As of/for the year ended March 31,		
	2024	**2023**	**2022**
Average revenue per occupied bed ("ARPOB") (₹ million) (5)	44,345.37	40,464.33	40,100.03
Average length of stay ("ALOS") (in days) (6)	3.14	3.22	3.55
In-patient volume – discharged patients (count) (7)	81,047.00	70,393.00	54,709.00
In-patient revenue(8) (₹ million)	9,225.33	7,509.86	6,323.61
Out-patient volume – consultations (count) (9)	569,139.00	442,758.00	365,952.00
Out-patient revenue (₹ million) (10)	1,641.97	1,348.45	1,190.23
Revenue from Operations (₹ million) (11)	11,290.39	9,179.20	7,799.24
Total Income (₹ million) (12)	11,510.23	9,360.53	7,931.72
Profit / (loss) before tax (₹ million) (13)	66.30	(270.53)	30.51
Loss for the year (₹ million) (14)	(153.31)	(427.92)	(148.08)
EBITDA (₹ million) (15)	1,544.11	876.14	826.52
EBITDA Margin(16) (%)	13.68%	9.54%	10.60%
RoE (%) (17)	(8.32)	(82.92)	(18.37)
RoCE (%) (18)	5.86%	2.84%	6.48%
Capital expenditure per total bed capacity(19) (₹ million)	5.84	6.49	5.07
Debt to Equity (times) (20)	1.65	16.20	2.96
Number of Hospitals (count) (21)	8	6	6
Revenue Growth Rate (%) (22)	23.00%	17.69%	28.93%
Increase in EBITDA (%) (23)	76.24%	6.00%	59.23%
Capital Employed (₹ million) (24)	12,568.24	7,802.19	5,338.15
Tier 2 city mix (%) (25)	62.35%	61.33%	61.35%
Net profit ratio (%) (26)	(1.33)%	(4.57)%	(1.87)%
Number of surgeries (count) (27)	30,219	27,976	21,687

Note:

(1) *Total bed capacity is as at end of relevant fiscal and denotes the number of beds for which the civil structure has been planned for.*

(2) *Number of operational beds includes census beds (bed available for mid-night occupancy such as intensive care units ("**ICUs**") and wards and non-census beds (all other bed available other than census beds, such as day-care beds, casualty beds).*

(3) *Number of ICU beds represents the total intensive care unit beds operational as of the end of the respective fiscal.*

(4) *Bed occupancy rate is calculated by dividing the total number of occupied beds by the total number of operational beds.*

(5) *ARPOB is calculated as revenue from sale of services - healthcare divided by number of occupied bed days in the respective fiscal.*

(6) *ALOS is calculated as average number of days spent by admitted in-patients.*

(7) *In-patient volume – discharged patients refers to the total number of patients who have been admitted to a healthcare facility for treatment and subsequently discharged.*

(8) *In-patient revenue refers to the income generated from patients who are admitted to the hospital for at least one overnight stay.*

(9) *Out-patient volume – consultations refers to the total number of outpatient visits for consultations within a specific period.*

(10) *Out-patient revenue includes revenue earned from services provided to patients who visit the hospital or clinic for treatment but do not require an overnight stay.*

(11) *Revenue from operations includes revenue from services of Healthcare (i.e., earned through in patient department and out-patient department) , sale of product through pharmacy and other operating income.*

[12] *Total income includes revenue from operations and other income.*
[13] *Profit / (loss) before tax refers to the profit generated by us before accounting for taxes.*
[14] *Profit/loss for the year the Company earned after accounting for taxes.*
[15] *EBITDA is calculated as profit or loss before tax for the year plus finance costs, depreciation and amortization expense and exceptional items.*
[16] *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*
[17] *RoE is calculated as loss after tax attributable to owners of our Company divided by average equity. Average equity is the average of opening and closing total equity for a fiscal year.*
[18] *RoCE is calculated as a percentage of EBIT (i.e. Loss for the year plus Tax expense and finance costs) divided by capital employed*
[19] *Capacity expenditure per total bed is calculated by dividing the gross block of assets (including right to use of assets) of each hospital by the total bed capacity of such hospital as of the end of the respective fiscal.*
[20] *Debt to equity is calculated as total of non-current and current borrowings divided by tangible net worth. Tangible net worth is calculated as total equity less intangible assets and goodwill.*
[21] *Number of hospitals refer to total number of hospitals operated by the company at the end of fiscal year.*
[22] *The revenue growth rate is a financial metric that measures the increase (or decrease) our revenue over a specific period.*
[23] *Increase in EBITDA is a financial metric that measures the increase (or decrease) in our EBITDA over a specific period.*
[24] *Capital employed is calculated as tangible net worth (wherein tangible net worth is calculated as total equity less intangible assets and goodwill)plus deferred tax liabilities, lease liabilities and total borrowings.*
[25] *Tier 2 city mix represents the percentage of revenue generated from operations from all our hospitals except our Gurugram hospital.*
[26] *Net profit ratio is calculated as loss for the year divided by total income.*
[27] *Number of surgeries represents the sum total of all types of surgeries performed in a particular year at all hospitals.*

For a reconciliation of Non-GAAP measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures" on page 348.

Our Competitive Strengths

One of the largest healthcare providers in the underserved markets of North India with a first mover advantage

We are the fifth largest healthcare provider in terms of bed capacity in North India, Bihar and Jharkhand among our Peers, with an aggregate of 2,135 beds, as of March 31, 2024. (*Source: CRISIL Report)* We established our first hospital in Gurugram, Haryana in 2006 with a vision to provide affordable, accessible and quality healthcare services in North India and serve our patients with compassion. Over the years, we have successfully identified underserved markets with large catchment areas, high demand for healthcare services and a lack of good facilities. We set up our hospitals in such regions of North India and then focused on ramping up our operations. As of March 31, 2024, we have eight hospitals in five states and one union territory in India – Gurugram and Panchkula in Haryana; Patna and Darbhanga in Bihar; Kanpur, Uttar Pradesh; Udaipur, Rajasthan; Ranchi, Jharkhand; and Srinagar in the union territory of Jammu and Kashmir. Our presence in various cities in North India, Bihar and Jharkhand provides a hedge against the risks associated with any particular city while benefitting from the competitive advantages of each location. We have consistently identified attractive opportunities, have had a first mover advantage and our hospitals have the following distinguishing features:

- *Paras Hospitals Gurugram*: First corporate hospital entrant among our Peers in Gurugram; *(Source: CRISIL Report)*

- *Paras Hospital, Panchkula*: Is the only hospital in the city which has a radiotherapy centre licensed by the Atomic Energy Regulatory Board as of September 2023; *(Source: CRISIL Report)*

- *Paras HMRI Hospital, Patna*: First corporate hospital in Bihar to have a cancer treatment centre licensed by the Atomic Energy Regulatory Board; *(Source: CRISIL Report)* and

- *Paras Hospitals, Srinagar*: Is the largest private hospital in Srinagar in terms of bed capacity with 200 beds. *(Source: CRISIL Report)*

We have gradually expanded our presence in underserved markets and increased the number of beds from 200 beds as of June 2006 to 2,135 beds as of March 31, 2024, as set forth below:

Particulars	Location							
	Gurugram	**Patna**	**Darbhanga**	**Panchkula**	**Udaipur**	**Ranchi**	**Srinagar**	**Kanpur**
Commencement of operations	June 2006	July 2013	March 2016	November 2018	October 2019	September 2019	June 2023	April 2024[1]
Total bed capacity	300*	350	100	250	200	300	200	435
Number of ICU beds	80	80	27	74	44	59	61	119
Sq. ft. per bed	710	757	457	783	825	590	890	977
Estimated bed density (per 10,000 population)[2]	27	10	5	29	12	14	17	25

[1]*Our Kanpur hospital was ready for operations as of March 31, 2024 and started generating revenue April 2024 onwards.*
[2]*Source: CRISIL Report. Bed density for Gurugram is that of Delhi NCR and for other cities represents the bed density of the entire district.*
**Total bed capacity at the time of commencement of operations was 200 and as of March 31, 2024 total bed capacity was 300.*

In addition, our hospitals have received various accreditations with our hospital in Gurugram being the first hospital in Haryana to receive the NABH accreditations in 2009, our hospital in Patna was the first hospital in Bihar to receive NABH accreditation in 2016 and our hospital in Udaipur was the third hospital in the city to receive NABH accreditation in 2021. *(Source: CRISIL Report)* For details of all the accreditations of our hospitals, see "*-Business Operations – Accreditations*" on page 216.

According to the CRISIL Report, the National Health Policy, 2017 ("**NHP**") recommends 20 hospital beds per 10,000 population and several cities in which we are present are underserved in terms of number of beds. The Indian healthcare delivery market is estimated to have grown from ₹ 3.9 trillion in Fiscal 2019 and have reached approximately ₹ 6.3 trillion in value terms by the end of Fiscal 2024 with the growth being contributed by continuation of regular treatments, surgeries and in-patient department including average revenue per occupied bed expansion for the sector. With long-term structural factors supporting growth, renewed impetus from the Pradhan Mantri Jan Arogya Yojana and Government focus shifting onto the healthcare sector, the healthcare delivery market is expected to grow at a CAGR of 10% to 12% and reach ₹ 9.4 trillion to ₹ 9.8 trillion by Fiscal 2028. *(Source: CRISIL Report)* We believe that our brand and reputation, economies of scale, optimum sizing of hospitals, efficient management of capital expenditure and geographic coverage position us well to capitalize on the growth opportunities in the healthcare space.

Asset light business model with several initiatives to drive patient access and performance

We believe that everyone should have access to quality healthcare and our operations are geared towards middle and upper middle class communities with a commitment to drive better patient outcomes without financially straining lesser served communities. Our core focus is on providing specialized tertiary medical care in Tier 2 and 3 cities, while seeking to strike a balance between quality healthcare services and affordability. In order to achieve such goal, we have built an asset light business with different operating models that include hospitals owned by us, hospitals we operate on a revenue sharing basis, hospitals taken on a long-term lease and those operated through a public-private partnership arrangement. During the last three fiscals, we have funded our operations and growth initiatives through internal accruals and debt and have increased our bed capacity from 1,250 beds as of March 31, 2022 to 2,135 beds as of March 31, 2024.

The following table sets forth certain details of the operating models of our hospitals as of March 31, 2024:

Location:	Gurugram	Patna	Darbhanga	Panchkula	Udaipur	Ranchi	Srinagar	Kanpur
Operating model	Owned	Revenue share[1]	Revenue share	Revenue share plus partial fixed rent	Fixed rent[2]	Partial fixed rent model	Fixed rent	Fixed rent
Commencement of operations	June 2006	July 2013	March 2016	November 2018	October 2019	September 2019	June 2023	April 2024
Contract tenure	NA	32 years	30 years	30 years	20 years	35 years with an option to renew for 10 years and another 10 years	15 years	30 years with an option to renew for another 10 years

Capital expenditure/ total bed capacity (₹ million)[3]	7.22	3.47	3.42	3.37	5.03	3.53	2.78	4.81

[1]Our Patna hospital was converted from a revenue share model to a partial fixed rent model with effect from April 1, 2024.
[2]Our Udaipur hospital is owned by our subsidiary Plus Medicare Hospitals Private Limited and our Company has leased this property from it.
[3]Capital expenditure/ total bed capacity is calculated by dividing the gross block of assets of each hospital and the capital work-in-progress by the total bed capacity of such hospital as of March 31, 2024.

We have focused on lowering our capital and operating expenditure by undertaking several initiatives to ensure that we are able to provide quality services at affordable rates. These initiatives include having more shared rooms compared to single rooms, reducing the administrative space and having smaller areas for the lobby, offices and auditorium, choosing optimal specification of flooring and reducing wooded flooring, having efficient external features like using more bricks and reflective paint resulting in less heat load thereby reducing air-conditioning costs, having a lean hospital design where the ratio of clinical space to non-clinical space is optimum and keeping non-core services such as laundry and transport as outsourced services. Further, we chose technologies and purchase equipment appropriate for the clinical needs of patients in the area and focus on adding value to most of our patients. As a result, our capital expenditure per bed was ₹ 5.84 million per bed as of March 31, 2024, while the average capital expenditure per bed of our Peers was ₹ 10.17 million. *(Source: CRISIL Report)*

Delivering quality clinical care by attracting and retaining renowned clinicians

We believe that the cornerstone of delivering quality healthcare services lies in the quality of our clinicians and hence we have prioritized attracting and retaining renowned clinicians and other professionals who bring expertise and dedication to patient care. As of March 31, 2024, we had a team of 1,091 doctors and 1,509 nurses. As of the same date, 44.12% of our doctors across our hospitals (excluding Srinagar and Kanpur which commenced operations in 2023 and 2024, respectively) have been associated with us for more than seven years. We have skilled clinicians at our hospitals who are experienced and well recognized in their fields having won several awards and accolades.

Our team of senior doctors include Dr. (Prof.) VS Mehta, chairman-neurosurgery (Padma Shri awarded by the President of India), who has been associated with our Gurugram hospital since its inception in 2006; Dr. John Mukhopadhyay, chairman-orthopedics and Dr. Ahmad Abdul Hai, director – general surgery, both of whom have been associated with our Patna hospital since its inception in 2013; Dr. (Prof.) Alka Kriplani, director and head – minimally invasive gynecology, obstetrics (Padma Shri awarded by the President of India), who has been associated with our Gurugram hospital since 2018; and Dr. MV Padma Srivastava, chairperson – neurology (Padma Shri awarded by the President of India) who has been associated with our Gurugram hospital since 2023.

We deliver advanced clinical care by leveraging technologies such as robotic surgeries, cath labs, neuro interventional suits and nuclear medicine. We have established centres of excellence across our hospitals where we provide multiple clinical specialties and have been instrumental in launching new programs including organ transplant programs including bone marrow and kidney transplants.

We have focused on reducing variability, improving process times, reducing wait time and maximizing resource utilization to achieve clinical excellence. Our team of renowned clinicians and other professionals also enabled us to create and adhere to standardized clinical processes across all our hospitals We follow the DMAIC model across our organization to solve problems that arise in our operations. This methodology consists of five phases, namely, define, measure, analyze, improve, and control. These phases form the pillars of the DMAIC model, allowing us to improve an existing business function to achieve improvement and effectiveness. Each of our hospitals is managed by a facility director supported by multi-functional teams at the hospitals as well as functional heads based at our corporate office. A large amount of autonomy is given to each departmental head to drive their clinical practice providing greater flexibility in operations and freedom in decision making.

Diversified operations across clinical specialties, payor mix and hospitals

We offer a wide range of specialties across our hospitals, providing comprehensive medical treatments and serve as a one-stop solution for the healthcare requirements of our patients. The following table sets forth the specialties offered across our hospitals as of March 31, 2024:

SPECIALTY	GURUGRAM	PATNA	DARBHANGA	PANCHKULA	UDAIPUR	RANCHI	SRINAGAR	KANPUR
Cardiac Sciences								
Cardiology	✓	✓	✓	✓	✓	✓	✓	✓
Cardio Thoracic Vascular Surgery	✓	✓	✗	✓	✗	✓	✓	✓
Neuro Sciences								
Neurology	✓	✓	✓	✓	✓	✓	✓	✓
Neurosurgery	✓	✓	✓	✓	✓	✓	✓	✓
Neuro Intervention	✓	✓	✗	✓	✓	✓	✓	✓
Spine Surgery	✓	✓	✗	✓	✓	✓	✓	✓
Renal Sciences								
Nephrology	✓	✓	✓	✓	✓	✓	✓	✓
Urology	✓	✓	✓	✓	✓	✓	✓	✓
Kidney Transplant	✓	✓	✗	✗	✗	✗	✗	✗
Oncology								
Medical Oncology	✓	✓	✓	✓	✓	✓	✓	✓
Surgical Oncology	✓	✓	✓	✓	✓	✓	✓	✓
Radiation Oncology	✓	✓	✗	✓	✗	✗	✗	✓
Nuclear Medicine	✓	✓	✗	✓	✗	✗	✗	✗
Hemato Oncology & Bone Marrow Transplant	✓	✓	✗	✓	✗	✗	✗	✗
Ortho Oncology	✗	✗	✗	✓	✗	✗	✗	✗
Gastro Sciences								
General & Minimal Access Surgery	✓	✓	✓	✓	✓	✓	✓	✓
Gastroenterology	✓	✓	✓	✓	✓	✓	✓	✓
Gastrointestinal Surgery	✓	✓	✗	✓	✗	✗	✗	✓
Other Specialties								
Pulmonology	✓	✓	✗	✓	✗	✓	✓	✓
Orthopedics & Joint Replacement	✓	✓	✓	✓	✓	✓	✓	✓
Gynecology	✓	✓	✓	✓	✓	✓	✓	✓
Obstetrics	✓	✗	✓	✗	✓	✓	✗	✗
Paediatrics	✓	✓	✓	✓	✓	✓	✓	✓
Internal Medicine	✓	✓	✓	✓	✓	✓	✓	✓
Ear, Nose & Throat (ENT)	✓	✓	✓	✓	✓	✓	✓	✓
Plastic & Reconstructive Surgery	✓	✓	✓	✓	✓	✓	✓	✓
Endocrinology	✓	✓	✓	✓	✓	✗	✓	✗

* *Note: Our Kanpur hospital was ready for operations as of March 31, 2024 and commenced offering these services in a phased manner from April 2024 onwards till the date of this Draft Red Herring Prospectus.*

Our key departments include cardiac sciences, oncology, neuro sciences, gastro sciences, orthopedics including joint replacements and renal sciences and our revenues from these six specialties accounted for 72.34%, 70.94% and 66.06% of our revenue from operations for Fiscals 2024, 2023 and 2022, respectively. We derive our revenues from a diversified set of specialties, which has enabled us to grow our business, while reducing concentration risks associated with our industry. Further, no specialty accounted for more than 20% of our revenue from operations during any of the last three fiscals.

The following table sets forth details of our revenue by specialty across our hospitals for the periods indicated:

Specialty	**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (in ₹ million)	**Percentage of Revenue from Operations**	**Amount (in ₹ million)**	**Amount (in ₹ million)**	**Amount (in ₹ million)**	**Amount (in ₹ million)**
Cardiac sciences	1,494.68	13.24%	1,190.33	12.97%	1,029.55	13.20%
Oncology	2,133.68	18.90%	1,550.35	16.89%	1,103.82	14.15%
Neuro sciences	1,709.37	15.14%	1,333.48	14.53%	1,088.95	13.96%
Gastro sciences	1,389.12	12.30%	1,287.30	14.02%	989.99	12.69%
Orthopedics and joint replacement	577.50	5.11%	440.02	4.79%	372.87	4.78%
Internal medicine	761.10	6.74%	719.70	7.84%	739.87	9.49%
Gynecology	402.40	3.56%	313.78	3.42%	236.76	3.04%
Renal sciences	864.15	7.65%	710.48	7.74%	567.76	7.28%
Pulmonology	461.91	4.09%	425.24	4.63%	590.54	7.57%
Pediatrics	151.54	1.34%	131.92	1.44%	90.14	1.16%
Others	1,344.93	11.91%	1,076.60	11.73%	989.00	12.68%
Total	**11,290.39**	**100.00%**	**9,179.20**	**100.00%**	**7,799.24**	**100.00%**

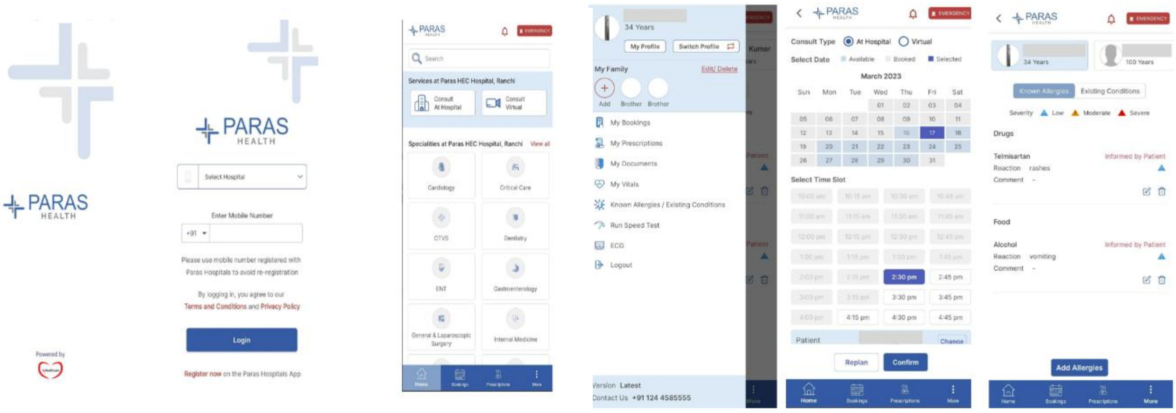
We provide healthcare services to several categories of payors and derive our revenues from a diversified payor mix. We believe that our revenues generated from our self-pay customers who include walk-in customers reflects the strength of our brand and our ability to attract patients across our hospitals. The following table sets forth our revenue split between payor categories for the years indicated:

Revenue from	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of Revenue from Operations (%)	Amount (in ₹ million)	Percentage of Revenue from Operations (%)	Amount (in ₹ million)	Percentage of Revenue from Operations (%)
Self-Pay	4,587.29	40.63%	3,753.03	40.89%	3,586.07	45.98%
Insurance	3,342.66	29.61%	2,691.53	29.32%	2,392.56	30.68%
Government Schemes and PSUs	3,360.44	29.76%	2,734.64	29.79%	1,820.61	23.34%
Total	**11,290.39**	**100.00%**	**9,179.20**	**100.00%**	**7,799.24**	**100.00%**

Robust operating infrastructure across our hospitals including information technology and modern equipment

We have established a robust information technology infrastructure to enhance the quality and affordability of our services and reach more people in need of healthcare. We believe that the combination of technology with range of service reach has enabled us to address the medical needs of our patients effectively. We have invested in adopting new technologies and replacing or upgrading some of our existing infrastructure and have customized our technology platforms to cater to our requirements. Our technology initiatives are focused on enhancing patient experience, clinical experience, and financial and operational efficiencies through process automation:

- *Patient experience:* we have digitized the entire process for patients from exploring our specialties and doctors, management of appointments, patient admission to patient discharge, and conduct video consultations with our doctors. We have implemented our patient mobile application, patient portal, website and a popular messaging based digital delivery platform for patients to receive their e-prescriptions, laboratory reports, radiology reports, invoices and discharge summary. Further, for the continuous tracking and monitoring of a patient's health, our patient application allows capturing of vitals either manually or through integration with other medical devices that measure blood pressure and blood glucose. The readings captured by our registered patients are directly available to clinicians on their platform, thus enabling tracking for our clinicians before future appointments. We have a net promoter score system based patient feedback that helps us improve our services. To reach out to patients proactively and centrally, we have a centralized call center team enabled with a customer relationship management application. This allows our agents to provide a personalized experience to our patients and our hospital information system ("**HIS**") allows them to book patient appointments or other out-patient services, track user requests and solve their other queries.



- *Clinical experience:* we have implemented a website and application version of EHR and a quality management system enabling digitization of medical records. Our EHR platform offers clinicians a speech to text interface to capture prominent patient health details. The EHR is equipped with care protocols specific to each doctor to ensure that doctors spend more time interacting with patients than in typing a prescription. Similarly, for emergency cases, we have implemented clinical pathways which are standard operating procedures. Further, for our in-patient department, our EHR platform offers digitized patient assessments, diagnosis, service or medication orders, vitals charting, intake and output charting, medicine administration record, surgery notes and discharge summaries. This enables a complete digitization, supported with digital trail for each patient's medical records. We have also implemented a doctor mobile application enabling our clinicians to have a complete view of a patient's health remotely including events in 24 hours, critical alerts as in-app notifications, tracking of vitals and medication administration records. This improves a clinician's productivity since they can add and view progress notes through the application and authorize a discharge summary. Our quality management system through quality indicators, helps improve our practices, and create check points for us to focus on minimizing errors.

- *Cost efficiency:* we have implemented centralized and cloud-based applications including HIS and enterprise accounting products at all of our hospitals, making us agile to our growing needs and helping us control our costs for on-premise infrastructure management.

- *Operational efficiency:* we have transitioned our entire email system and data backup solutions to secure cloud-based platforms. This move has also simplified data management, eliminating the need for physical file servers and manual backup restoration. Further, this has provided all of our users with access to a digital data drive, helping to optimize our operations further. In addition, our employees have been provided an employee application to take care of their daily human resource needs including attendance management and leave applications.

In addition, we have procured advanced medical equipment such as cath labs including Biplane Cath Labs, CT scan machines, MRI machines, TrueBeam radiotherapy systems, neuro and ortho navigation systems, O-arm surgical imagining systems, fibroscan, endoscopic ultrasound scans and endobronchial ultrasound scan, positron emission tomography (PET) scan and equipment for robotic surgery from globally reputed suppliers to enhance the quality of our services.

Doctor led professional management team with proven execution capabilities

We are led by a qualified and an experienced management team. Our Promoter and Managing Director, Dr. Dharminder Kumar Nagar, is a healthcare leader currently chairing the regional committee on healthcare at Confederation of Indian Industry – Northern Region Council. Our whole-time director Dr. Kapil Garg has over 21 years of experience in the healthcare sector and leads the strategy and business intelligence operations of our Company. Our Chairman and non-executive director Saurabh Sood is a chartered account with several years of professional experience and our independent director Nakul Anand has over 44 years of experience in the fast-moving consumer goods industry.

Our senior management team comprises our Group Chief Financial Officer, Dilip Bidani who has over 36 years of experience in the finance sector and is a qualified chartered accountant with a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. Our Group Chief Operating Officer Dr. Santy N Sajan has over 25 years of experience in the healthcare and business development sector both, nationally and internationally and holds a graduate certificate in business of medicine and a master of business administration from the Carey Business School, the Johns Hopkins University, USA and a degree of doctor of philosophy from the Catholic University of America, Washington DC, United States of America.

Our Board of Directors, includes a combination of management executives and independent members who bring in significant business expertise. We believe that the combination of our experienced Board of Directors and management team positions us well to capitalize on future growth opportunities. For further details, see "*Our Management – Board of Directors*", "*Our Management – Key Management Personnel*" and "*Our Management – Senior Management Personnel*" on pages 244, 261 and 261, respectively.

Strategies

Continue to expand our network of hospitals in North India

We intend to continue to expand our network of hospitals in North India. According to the CRISIL Report, the healthcare delivery market in the north region (comprising Jammu and Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Delhi, Uttar Pradesh, Chandigarh and Rajasthan) and the states of Bihar and Jharkhand have a combined population of approximately 592 million as of Fiscal 2022. This combined region has approximately 750,000 to 760,000 hospital beds as of Fiscal 2022, while as per the NHP, the number of beds in this region should be approximately 1,184,714. *(Source: CRISIL Report)* Over the years, we have successfully identified underserved markets with large catchment areas and high demand for hospitals in North India and have set up our hospitals in such regions. We intend to continue to expand our network of hospitals in key markets in North India, which we believe have significant growth potential and expect to operate 2,935 beds by March 31, 2029.

We have a well-defined set of parameters that we use to evaluate the market potential of a region before we commence providing healthcare services there. These parameters include the catchment area population, existing hospital bed density (per 1,000 population), medical colleges in the vicinity of approximately 50 kilometres, within vicinity of existing or planned hospitals, availability of doctors, socio-economic status, insurance coverage and district literacy. We have identified several cities and towns including Meerut, Agra, the National Capital Region, Jammu, Varanasi, Lucknow, Prayagraj and Bhopal, which we believe have dense catchment areas and high demand for healthcare services.

We have an established track record of expanding our hospital network. We commenced operations at our Srinagar hospital in 2023 with 200 bed capacity and at Kanpur in 2024 with 435 bed capacity. We aspire to be the largest private healthcare provider in North India in terms of bed capacity and we have a committed pipeline of hospital expansion in Gurugram in Haryana and Ludhiana in Punjab, which has been approved by our Board of Directors. In Gurugram, we are increasing our footprint and setting up another hospital through a long-term lease arrangement and we intend to launch this hospital in Fiscal 2027 with 300 beds. We are setting up our first hospital in Ludhiana through a long-term lease arrangement and intend to launch it in Fiscal 2028 with up to 500 beds. These expansion plans would increase our bed capacity from 2,135 as of March 31, 2024 to 2,935 by March 31, 2029.

Further, we intend to set up our own hospital in Panchkula and have acquired land for this project, which is adjacent to the current hospital that we operate and will provide significant synergies in terms of having a common pool of doctors and other staff and offering similar services. We intend to launch this hospital with 250 beds as and when we decide to expand our capacity.

We may also evaluate inorganic growth opportunities, in keeping with our strategy to grow our network of hospitals. We may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, among other things, they achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits, consolidate our market position and enhance our depth of experience, knowledge-base and know-how. For example, in October 2022, we acquired Plus Medicare Hospitals Private Limited, which owns the land and building of our Udaipur hospital.

Focus on scaling our operations at our newer hospitals

We intend to focus on scaling our operations at our newer hospital to drive growth. We have recently expanded our footprint and set up hospitals in Srinagar in 2023 and in Kanpur in 2024. These hospitals along with our hospitals in Ranchi and Udaipur are in their nascent stages and offer significant room for growth. We intend to ramp up our operations at such hospitals by attracting leading clinicians and introducing new multi-speciality services to attract patients. At our other hospitals that have been operational for longer periods, our growth will be driven by quality clinical services, additional teams of doctors, improved bed utilization by reducing the average length of stay and gradual improvement in payor mix.

Expand into new and high-end clinical programs at our hospitals supported by latest technology

We focus on providing comprehensive clinical care through a multi disciplinary team approach. We have adopted a "patients first" philosophy across our operations and have recently introduced new procedures and treatment methodologies at our hospitals in response to the ever evolving medical landscape. These include the management of acute emergencies including ST-elevation myocardial infraction, stroke, polytrauma and sepsis at all our hospitals. We will continue to evaluate our hospitals where we can introduce new specialties. For example, we have introduced super-specialties such as bone marrow transplant at our Gurugram, Patna and Panchkula hospitals and kidney transplant at our Gurugram and Patna hospitals and will focus on providing such services at our other hospitals as well in the near future. We also introduced deep brain stimulation at our Panchkula hospital and intend to provide such services at our Gurugram hospital along with liver transplant services.

We believe that there is a demand for such new programs and that their introduction will help grow our operations, attract new patients, improve our realizations and profitability, and provide us with competitive advantages in the micro-markets where we are currently present and intend to expand into.

We will continue to explore potential medical technologies and advanced medical equipment to improve the quality of care and success rate of procedures for our patients. We are focused on deploying new technologies, machines and treatments, which will complement our existing infrastructure and provide a superior quality healthcare services to our patients. For example, we have recently entered into an agreement with a leading Japanese medical device manufacturer to supply us with advanced diagnostic and screening machines for our Srinagar hospital. We intend to expand our service offerings through robot assisted surgery to provide minimal invasive surgical procedures.

Continue to attract and retain qualified and experienced clinicians

We will focus on attracting qualified and experienced clinicians to ensure that the healthcare services provided to our patients are of high quality. By establishing quality hospitals, we have been able to attract clinicians who are renowned in their fields and we leverage the expertise of our clinicians across our network of hospitals. We strategically select the location of our hospitals where a quality medical talent pool is available in the vicinity. For example, for our recently launched hospital in Srinagar, we identified that we will be able to attract qualified clinicians considering the presence of such clinicians on account of two government medical colleges in Kashmir. *(Source: CRISIL Report)*

In addition, we will continue to support our existing clinicians by sourcing a wide range of sophisticated medical devices. To strengthen the capabilities of our clinicians, we will continue to invest in training programs ensuring that they enhance their capabilities. We have also provided digital access of leading health publication to all our doctors. Access to such repository of readily available information allows our clinicians to adopt best practices from a global stage. We also focus on academics and offer the Diplomate of National Board ("**DNB**"), which is a post graduate master's degree at our Gurugram and Patna hospitals and have received approvals to launch this degree program at our Panchkula and Udaipur hospitals as well. We cover 14 specialties under the DNB program and can accept 50 students to train across our hospitals each year. As of the date of this Draft Red Herring Prospectus, we have 74 students undergoing training at our hospitals.

Continue to upgrade our digital infrastructure to improve operational efficiencies and patient experience

We have established a robust digital infrastructure for our operations and will continue to upgrade our technology platforms to improve our operational efficiencies and enhance patient accessibility and experience. We believe that by further integrating technology in our healthcare services, we would not only enhance the quality and affordability of our services and patient experience, but also be able to reach more people across different regions who require quality healthcare services. From integrating vital statistics into device applications to creating electronic medical records and multiple digital care touchpoints, we have taken effective steps to encompass curative and preventive care for our patients from not only the hospital but from the comfort of their homes. We intend to invest in new technologies such as artificial intelligence to further collate, analyze and implement data driven operations at all our hospitals; revenue cycle management systems to digitize the insurance approval to claim settlement process and business intelligence to automate various analytical reports, further improving employee productivity.

Improve operating efficiencies and drive profitability

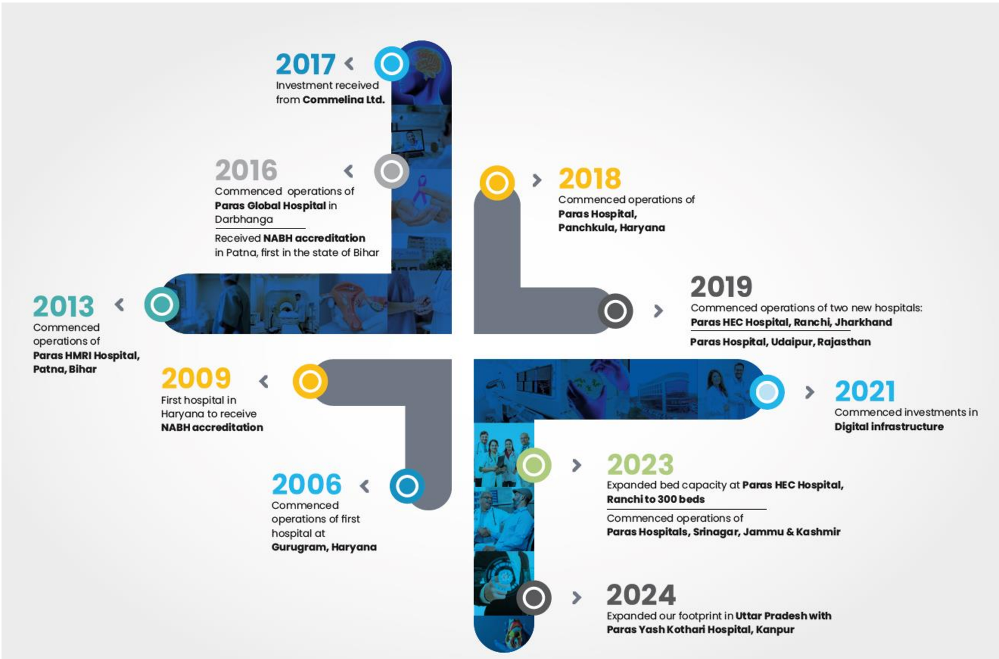
A key component of our growth strategy is to improve our operating efficiencies and drive profitability and we intend to achieve this through several initiatives. We are focussed on improving occupancy rates at our newer hospitals of Srinagar and Kanpur as well as in Ranchi and Udaipur, which are in their nascent stages. We intend to introduce new and high end clinical programs at our hospitals where we believe there is significant demand for such services and that the introduction of such programs will help us attract new patients. We will continue to focus on optimizing our average length of stay by improving our operating efficiency, which includes better communication and collaboration amongst healthcare teams, deployment of protocols for patient early diagnosis and treatment, use of standardized protocols for discharge planning, optimize bed management strategies to minimize delays in admission and discharge using information technology, and hiring of trained and senior medical professionals. We also intend to introduce robot assisted surgery to provide minimal invasive surgical procedures, which we believe will improve the recovery time of patients as compared to conducting traditional procedures.

Further, we consume large quantities of pharmaceutical products and medical consumables at our hospitals.

We intend to focus on optimizing our cost of materials consumed by introducing standardized kits for such products across our hospitals and leveraging economies of scale to reduce our procurement costs. We will also undertake dynamic staffing measures based on occupancy trends at our hospitals to have an optimum number of personnel staffed at each of our hospitals. We believe that such measures will help us expand our operations with lower incremental costs to drive efficiency and profitability. We have developed a drug formulary for all our hospitals and each of them have a Pharmacy Therapeutic Committee, which reviews this periodically and suggests changes which are required for that unit in relation to all new products or clinical programs.

Our History

The following infographic illustrates our journey since 2006 when we established our first hospital in Gurugram, Haryana:



Our Hospitals

We have eight operational hospitals with an aggregate bed capacity of 2,135 beds, as of March 31, 2024 and the following table sets forth the total bed capacity at each of our hospitals as of the dates indicated:

City	March 31, 2024	March 31, 2023	March 31, 2022
Gurugram	300	300	300
Patna	350	350	350
Panchkula	250	250	250
Udaipur	200	200	200
Darbhanga	100	100	100
Ranchi	300	300	50
Srinagar	200	-	-
Kanpur	435	-	-
Total	**2,135**	**1,500**	**1,250**

Note: Our Srinagar hospital commenced operations in June 2023, while our Kanpur hospital started generating revenue April 2024 onwards.

The following table sets forth details of revenue generated from our hospitals on the basis of the number of years that they have been operational:

Hospitals operational for	Revenue for Fiscal			Growth rate between Fiscal 2023 and Fiscal 2024	Growth rate between Fiscal 2022 and Fiscal 2023
	2024 *(₹ million)*	2023 *(₹ million)*	2022 *(₹ million)*		

Over 5 years	9,276.12	8,115.88	7,215.78	14.30%	12.47%
Between 3 and 5 years	1,664.27	1,063.32	583.46	56.52%	82.24%
Total of 6 hospitals	**10,940.39**	**9,179.20**	**7,799.24**	**19.19%**	**17.69%**
Less than 3 years	350.00	-	-	-	-
Revenue from operations	**11,290.39**	**9,179.20**	**7,799.24**	**23.00%**	**17.69%**

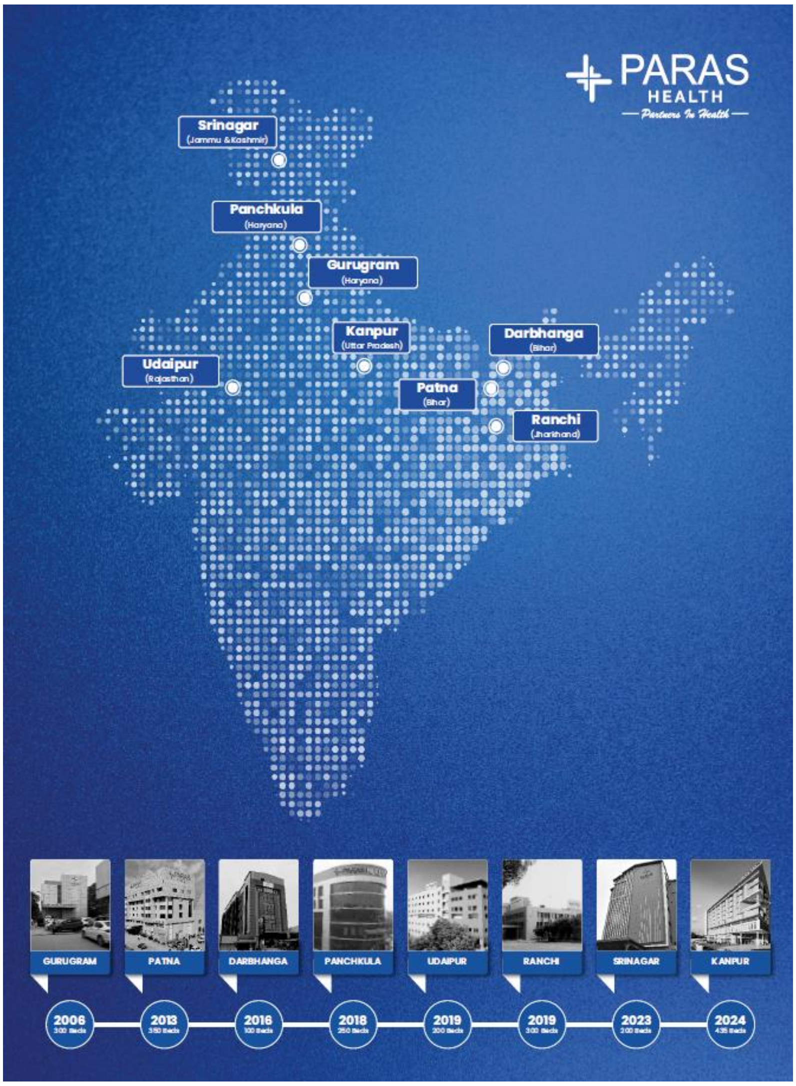
We have four hospitals that have been operational for over five years and the revenue of such hospitals grew by 12.47% between Fiscals 2022 and 2023 and by 14.30% between Fiscals 2023 and 2024. Our hospitals that have been operational for longer periods are continuing to grow steadily despite their maturity and competition in their respective cities. We have two hospitals that have been operational between three to five years and the revenue of such hospitals grew by 82.24% between Fiscals 2022 and 2023 and by 56.52% between Fiscals 2023 and 2024. We believe that these hospitals possess significant growth potential before reaching maturity.

The following table sets forth details of the EBITDA generated from our hospitals on the basis of the number of years that they have been operational:

Hospitals operational for	**EBITDA for Fiscal**			**Growth rate between Fiscal 2023 and Fiscal 2024**	**Growth rate between Fiscal 2022 and Fiscal 2023**
	2024 ***(₹ million)***	**2023** ***(₹ million)***	**2022** ***(₹ million)***		
Over 5 years	1,699.82	1,593.55	1,421.52	6.67%	12.10%
Between 3 and 5 years	78.64	(95.93)	(68.13)	181.97%	(40.80)%
Total of 6 hospitals	1,778.46	1,497.62	1,353.39	18.75%	10.66%
Less than 3 years	(300.89)	(2.31)	-	-	-

The EBITDA of four of our hospitals that have been operational for over five years has grown by 12.10% between Fiscals 2022 and 2023 and by 6.67% between Fiscals 2023 and 2024. Two of our hospitals that have been operational between three to five years have each delivered positive EBITDA in Fiscal 2024 and we believe that such hospitals have not yet reached their potential occupancy levels which would help in achieving operating leverage. Our hospitals that have been operational for less than three years are still in their nascent stages and incurred EBITDA loss of ₹ 300.89 million in Fiscal 2024.

The map below sets forth our geographical presence as of the date of March 31, 2024:



Paras Hospitals Gurugram

We established our first hospital in Gurugram in 2006, which is our flagship hospital providing super-specialty tertiary care and has multi-specialty programs. It was the first corporate hospital entrant among our Peers in the Gurugram micro-market and the first hospital in Haryana to receive NABH accreditation in 2009. *(Source: CRISIL Report)* As of March 31, 2024, it has 300 beds, which include 80 ICU beds.

Paras HMRI Hospital Patna

Paras HMRI Hospital commenced operations in 2013. It is the first corporate hospital in Bihar to have a cancer treatment centre licensed by the Atomic Energy Regulatory Board and was also the first hospital in the state to receive NABH accreditation in 2016. *(Source: CRISIL Report)* We operated this hospital on a revenue share basis until April 1, 2024 when we converted it into a partial fixed rent model. As of March 31, 2024, this hospital has a bed capacity of 350 beds, which includes 80 ICU beds.

Paras Global Hospital Darbhanga

Paras Global Hospital in Darbhanga commenced operations in 2016 and we operate this hospital on a revenue share basis. It has multi-specialty programs and as of March 31, 2024, this hospital has a bed capacity of 100 beds, which includes 27 ICU beds.

Paras Hospitals, Panchkula

Paras Hospitals in Panchkula commenced operations in 2018 and we operate this hospital on a revenue share basis. It is the only hospital in Panchkula which has a radiotherapy centre licensed by the Atomic Energy

Regulatory Board as of September 2023. *(Source: CRISIL Report)* It provides super-specialty tertiary care, has multi-specialty programs and as of March 31, 2024, this hospital has a bed capacity of 250 beds, which includes 74 ICU beds.

Paras Hospitals, Udaipur

Paras Hospitals in Udaipur commenced operations in 2019 and is owned by our Subsidiary, Plus Medicare Hospitals Private Limited. It has multi-specialty programs and as of the date of March 31, 2024, this hospital has a bed capacity of 200 beds, which includes 44 ICU beds. It was the third hospital in Udaipur to receive NABH accreditation in 2021. *(Source: CRISIL Report)*

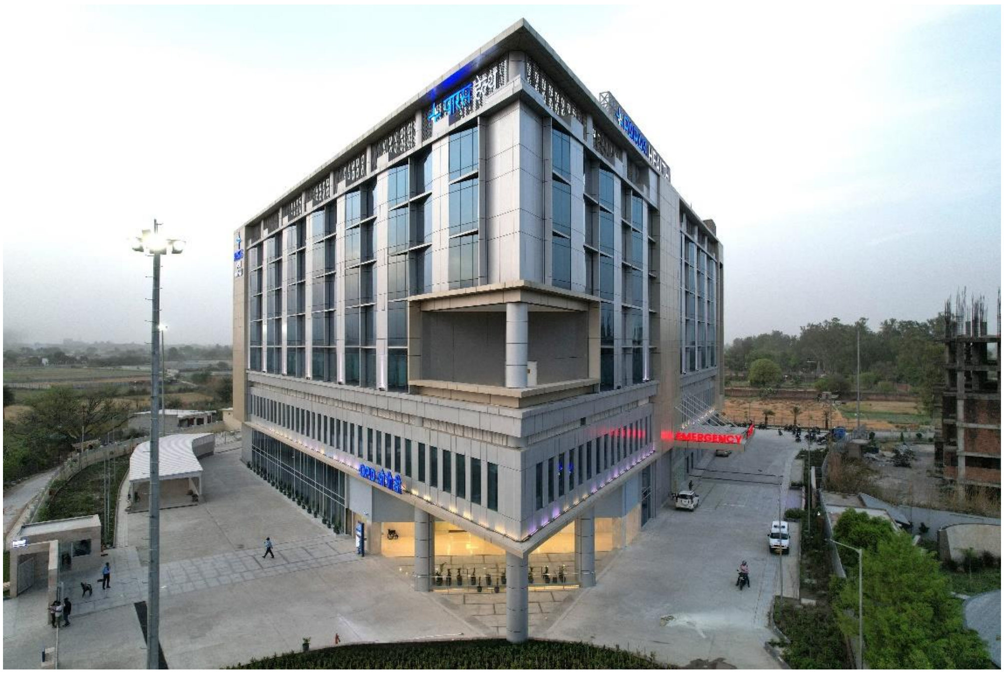
Paras HEC Hospital, Ranchi

Paras HEC Hospital in Ranchi commenced operations in 2019 with 50 beds. We operate the hospital under public private partnership in collaboration with Heavy Engineering Corporation Limited, which is a public sector undertaking, under design-build-finance-operate and transfer basis where the land for the hospital is being provided by HEC while the day-to-day operations are managed by us. As of March 31, 2024, this hospital has a bed capacity of 300 beds, which includes 59 ICU beds.

Paras Hospitals, Srinagar

Paras Hospitals Srinagar commenced operations in June 2023 and we operate this hospital on a long-term lease basis. It is the largest private hospital in Srinagar in terms of bed capacity as of March 2024. *(Source: CRISIL Report)* As of March 31, 2024, this hospital has a bed capacity of 200 beds, which includes 61 ICU beds.

Paras Yash Kothari Hospital, Kanpur



Paras Yash Kothari Hospital in Kanpur was operational as of March 31, 2024 and started generating revenue April 2024 onwards. We operate this hospital on a long-term lease basis. It is the largest private (for profit)/private (non-trust based) hospital in Kanpur in terms of bed capacity as of June 2024. (Source: CRISIL Report) with a bed capacity of 435 beds.

Other Services and Facilities

Pharmacies

We have in-house pharmacies at all our hospitals which are open round-the-clock and offer branded prescription drugs and over-the-counter medication. Our income from the sale of pharmacy products was ₹ 418.05 million, ₹ 313.56 million and ₹ 274.27 million for Fiscals 2024, 2023 and 2022, respectively.

Pathology Laboratory

We have a central reference laboratory known as "Paras Labs" in Gurugram, which helps us reduce our reliance on outsourcing tests and perform more tests in-house. We expect to generate operational and business synergies and further strengthen our overall performance through such initiatives.

Key Specialties

We offer several clinical specialties across our hospitals including cardiac sciences, oncology, neuro sciences, gastro sciences and orthopedics and joint replacement:

- Cardiac sciences: We offer preventive, diagnostic and therapeutic services for cardiac and vascular diseases. These include cardiac emergencies such as heart attack treatment, peripheral angiography treatment, arrhythmias, and congestive heart failure treatment. We have teams of trained cardiologist doctors and cardiothoracic surgeons, anesthetists, physicians, radiologists, and nurses who provide care backed by modern technology to patients.

- Oncology: We have a team of specialized and experienced oncologists at our cancer centres. These centres offer services including bone marrow transplantation, familial cancer genetics screening, and counseling, palliative care, radiation therapy such as gamma knife radiosurgery, High Dose Rate (HDR) brachytherapy, Intensity-Modulated Radiation Therapy (IMRT), intraoperative radiation therapy (both with HDR and linear accelerator), intravascular brachytherapy, low dose rate brachytherapy for ocular melanoma, permanent prostate brachytherapy and small field conformal radiation therapy. We also specialize in the radiofrequency ablation of tumors.

- Neuro sciences: We offer treatment of brain, spinal cord and peripheral nervous system disorders that include brain tumor, brain trauma injuries, paralysis, dementia, epilepsy and coiling for stroke treatment.

- Gastro sciences: We have a dedicated team of gastroenterologists, hepatologists and gastrointestinal surgeons that specialize in peptic ulcer disease, gastro-esophageal reflux disease, gastrointestinal bleeding, functional gastrointestinal disorders, inflammatory bowel disease, pancreatico-biliary diseases, acute and chronic liver disease as well as gastrointestinal and liver malignancies.

- Orthopedics and joint replacement: We specialize in the treatment of orthopedic disorders and injuries of the shoulder, elbow, knee and hip. We have multi-disciplinary teams of specialists that include doctors, physiotherapists, occupational therapists, nursing staff and other paramedical staff.

Business Operations

Accreditations

The following table sets forth the accreditations held by our hospitals as of March 31, 2024:

Particulars	Location							
	Gurugram	Patna	Darbhanga	Panchkula	Udaipur	Ranchi	Srinagar	Kanpur
Accreditation	NABL, NABH	NABH	NABH (entry level)	NABH	NABH	NABH	-	-

Equipment

Our hospitals are equipped with medical machines and devices with technology that is designed to assist our practitioners with providing timely, efficient and quality healthcare services. We seek to continuously introduce modern medical technology and advanced equipment across our facilities. Certain of our key equipment are set forth below:

Equipment	Function
Medical linear accelerator	Used for external beam radiation treatments for cancer patients
Positron emission tomography (PET) scanner and an x-ray computed tomography (CT) scanner	This helps acquire sequential images and are used for oncology, surgical planning, radiation therapy and cancer staging
Magnetic resonance imaging device	Used for non-invasive medical imaging test
Cardiac CT scan	This utilizes multiple X-ray beams from different angles to acquire high-quality, three-dimensional images of the heart, along with great vessels and surrounding structures and is used to diagnose and assess medical conditions
Biplane cath lab	This is a system that supports procedures such as pediatrics, electrophysiology, neuro interventions, and body imaging
Surgical navigation platforms	Surgical navigation platform enables surgeons to precisely track instrument positions in relating to area of the interest and also project the instrument position onto the preoperative imaging data.
Surgical robot	Allows surgeons to perform complex procedures with more precision, flexibility and control
Stereotactic head frame	Instrument used by neurosurgeons to locate and target a tumour or other lesion inside the brain
Molecular resonance generator	This device helps in minimizing the intraoperative and post operative bleeding
FibroScan	Ultrasound technology that measures liver stiffness (hardness) and fatty changes in the liver. It is a noninvasive way to gauge the health of the liver and determine what stage of liver disease a patient might be up against
Rotablator	This is a device used for rotational angioplasty
Endoscopic ultrasound devices	Used as a minimally invasive procedure to assess diseases of the digestive (gastrointestinal) tract and other nearby organs and tissues
Endobronchial ultrasound devices	Used to diagnose different types of lung disorders, including inflammation, infections or cancer
Intravascular ultrasound devices	Helps assess the severity of plaque buildup inside arteries (atherosclerosis) and potential blockages
O-arm imaging system	This is a mobile imaging system that allows surgeons to visualize the patient's changing anatomy during surgery
Digital X-ray machines	Digital X-rays allow the doctor to examine inside a patient's body. This may be useful to observe the extent of the damage done during an injury, including bone breaks and fractures.

We also have well-equipped modular operation theatres to ensure patient safety. All our critical care units are equipped with patient monitoring devices, ventilators and dedicated isolation rooms.

Procurement of Equipment

We source our equipment and supplies from international and local third-party suppliers under various arrangements. Our suppliers are selected based on factors such as consumer demand, quality, price, profitability, cost effectiveness, supplier history, service levels and delivery capability, which our supply chain management team reviews on a regular basis and accords approval for such purchase in consultation with relevant medical specialities. The purchase of supplies is monitored and conducted by our supply chain management team who in turn is responsible for establishing a strategic and unified plan for procurement and distribution to our facilities on a centralized basis and also empowering each hospital for emergent local purchases.

We strive to ensure that our medication management system complies with the legal and regulatory requirements, including aspects of applicable licenses within the premises, operating systems, storage guidelines, pricing structure adherence (including compliances with the Drug Price Control Order ("**DPCO**") and the National Pharmaceutical Pricing Authority ("**NPPA**") guidelines and other norms and enforcement orders which continue to be updated from time to time).

All pharmaceuticals are sourced from our authorized distributors to avoid any counterfeit, frisked or sub-standard supplies entering our logistics. Our procurement team deals with pharmaceuticals duly endorsed by the regulatory agencies which helps ensure that we receive our supplies only from regulatory-compliant pharmaceutical companies with a focus on trust and quality. We work to maintain appropriate storage of all medication for safety and efficacy of the products. We seek to manage supply risks by maintaining adequate inventories and building strong relationships with our suppliers. With our large network of operations, we believe we are able to negotiate with many of these suppliers for favourable terms. In addition, to minimize costs and leverage our economies of scale, we focus on standardizing the type of medical and other consumables used across our hospitals which enables us to optimize procurement costs.

Payment Arrangements

We generate revenue from different types of customers, which helps us diversify our revenue streams between payor categories. Our key payor categories include self pay; insurance; and government schemes and public sector undertakings.

Self-payors are patients who make payments on their own behalf and are not covered by insurance schemes. We receive payments from third party administrators which are intermediary companies between the insurance provider and the policyholder. We generally negotiate with the administrators of medical schemes or self-administered schemes to determine the tariffs to be charged for our services and bills are paid by insurance companies to the extent the claims are covered by the insurance policy of a patient. Government schemes include money received from government entities through Employees' State Insurance Corporation, central government health scheme, Ex-Servicemen Contributory Health Scheme.

For details of our revenue split by specialty across our hospitals for the last three Fiscals, see *"- Our Strengths - Diversified operations across clinical specialties, payor mix and hospitals"* on page 204.

We conduct periodic reviews of the outstanding amount, regular follow ups with parties for recovery of payments, proper and complete recording or documentation, and strengthening our collection processes to minimise our outstanding dues and receive timely payments from third parties.

Marketing

We have invested in and will continue to invest in marketing activities and strengthen our brand. We believe we have established a strong brand identity that conveys "compassion, accessibility, affordability, quality" and our clinical expertise. We have a dedicated marketing team that coordinates our marketing activities through several initiatives. We have a strong online and digital presence through our website and mobile application. We leverage social media platforms to engage with our audience with a goal to provide valuable content that fosters connections and builds trust with them. We undertake targeted campaigns to promote our centres of excellence, emergency contact numbers and promotional packages to drive lead generation. We recently implemented an outbound call center support system with the primary objective of promptly responding to inquiries received through various digital channels. This initiative underscores our commitment to providing excellent customer service and ensuring that every inquiry is addressed in a timely and efficient manner. As part of this initiative, we have allocated eight dedicated phone numbers specifically for handling inquiries generated through an online search engine. By proactively reaching out to individuals who have shown interest in our services through digital channels, we aim to enhance engagement, build trust, and ultimately convert inquiries into booking appointments.

We seek to provide a mobile friendly patient experience and are dedicated to optimizing our platforms for a seamless mobile experience. This involves responsive website design and app functionality enhancements. From scheduling appointments to accessing medical records, our goal is to empower patients to manage their healthcare conveniently from their smartphones or tablets. With intuitive navigation and user-friendly interfaces, we aim to enhance accessibility and satisfaction, ultimately improving patient outcomes and strengthening patient-provider relationships.

We have designed a series of digital campaigns to engage our audience comprehensively. Our initiatives cover diverse topics, including brand facility walkthroughs, patient testimonials, global health days, health tips, event campaigns, promote our laboratories, emergency campaigns and region specific initiatives. Through these efforts, we aim to connect with our audience, drive engagement and promote health and well-being effectively.

Our marketing efforts include branding campaigns through hoardings, radio and newspapers. We conduct health checks and medical camps at residential communities and hold events and conference to promote our services.

Human Resources

As of March 31, 2024, we had a team of over 4,384 professionals, including 1,091 doctors, 1,509 nurses and 1,784 other personnel. Our doctors are engaged on a payroll basis, on a full-time or part-time consultancy basis.

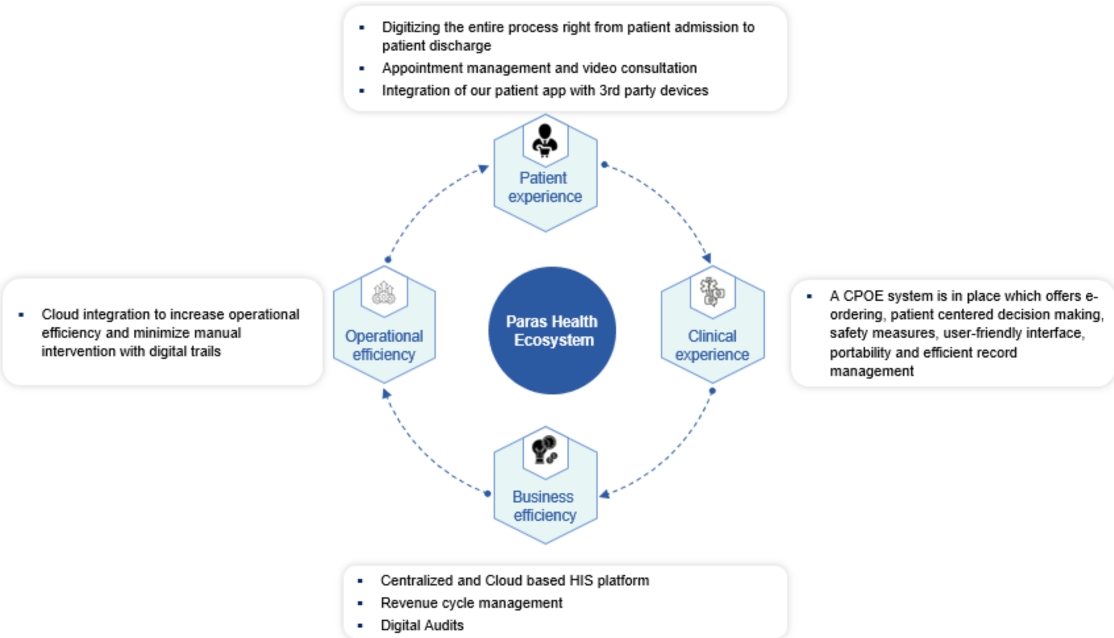
The following table sets forth details of our personnel, as of March 31, 2024:

Category	As of March 31, 2024
Doctors	
- Consultant	533
- Resident medical officers and others	287
- Visiting doctors	271
Total no. of Doctors	**1,091**
Nurses	1,509
Others support and administrative functions	1,784
Total	**4,384**

We are focussed on training our doctors and other medical staff to maintain the quality of our services. We regularly organize conferences and workshops for our doctors and medical staff, as well as for healthcare professionals outside our hospital network.

Information Technology and Data Management

Our IT systems are essential for our day-to-day clinical, administrative and procurement needs and other areas including accounting and financial reporting; billing and collections; compliance; medical records and document storage; inventory management; monitoring quality of care and collecting data on quality measures.



We have established a robust information technology infrastructure to enhance the quality and affordability of our services and reach more people in need of healthcare. The combination of technology with our range of services has enabled us to address the medical needs of our patients effectively. We have invested in adopting new technologies and replacing or upgrading some of our existing infrastructure.

We have implemented an omni-channel patient experience through our patient mobile application, patient portal, website and a popular messaging based platform. This allows patients to access prescriptions, reports, invoices, and appointment bookings digitally. Finally, to continuously monitor patient experience, we have implemented a complaint management system for any complaints during their in-patient stay and a net promoter score system based patient feedback for both, our out-patients and in-patients.

Further, we have implemented centralized and cloud based applications including HIS, enterprise accounting and sales software products at all of our hospitals, making us agile to our growing needs and helping us control our costs for on-premise infrastructure management.

We have also transitioned our entire email system and data backup solutions to secure cloud-based platforms. This move has also simplified data management, eliminating the need for physical file servers and manual backup restoration. Further, this has provided all of our users with access to a digital data drive, helping to optimize our operations further. In addition, our employees have been provided an employee application to take care of their daily human resource needs including attendance management and leave applications.

Competition

We compete with government-owned hospitals and other private hospitals in each of the regions in which we operate. According to CRISIL Report, the key players in the healthcare delivery industry are Apollo Hospitals Enterprise Limited, Fortis Healthcare Limited, Global Health Limited, Jupiter Lifeline Hospitals Limited, Krishna Institute of Medical Sciences Limited, Max Healthcare Institute Limited, Narayana Hrudalaya Limited, Yatharth Hospital and Trauma Care Services Limited, Blue Sapphire Healthcares Private Limited, Ivy Health and Life Sciences Private Limited, Kailash Healthcare Limited and Regency Hospital Limited. We will also have to compete with any future healthcare facilities located in the regions in which we operate. An increase in competition could result in downward pressure on prices, reduce our margins and market share, lower demand for our services and we may be unable to capitalize on new business opportunities. See "*Risk Factors -Internal Risks - We face competition from other hospitals, pharmacies and healthcare services providers and our inability to compete effectively may adversely affect our business, results of operations and financial condition*" on page 36.

Intellectual Property

We consider our brand and intellectual property to be a valuable asset and we have certain trademarks registered in India. As on the date of this Draft Red Herring Prospectus, our Company has registered 18 trademarks, has made applications for 24 trademarks and has opposed registration of 12 trademarks.

Our logos such as , and are currently not registered in our own name. Further, our applications for trademark registrations are at different stages of registration and some of them have been objected to or opposed (including our application for registration of our corporate logo), for which our Company has suitably responded. In addition, certain other trademarks applied by us have been accepted and published.

For further information, see "*Government and Other Approvals – Intellectual Property Rights*" and "*Risk Factors - Our inability to protect or use our intellectual property rights or comply with intellectual property rights of others may have an adverse effect on our business and reputation*." on pages 387 and 34, respectively.

Insurance

We maintain insurance coverage with leading insurers in India. Our insurance policy includes fire and special perils, fidelity insurance, burglary insurance, money insurance, and public liability insurance amongst others for all of our hospitals. We also have a directors and officer's insurance policy.

The table below provides details of our insurance coverage in the periods set forth:

Particulars	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Total tangible assets* (in ₹ million)	9,110.87	6,652.06	4,417.05
Total insurance coverage (in ₹ million)	10,132.13	9,173.84	6,042.26
Insurance coverage as a percentage of total assets (%)	111.48	137.91	136.78

**Total tangible assets include property, plant and equipment, capital work-in progress and inventory.*

For further information, see "*Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition"* on page 46.

Risk Management and Internal Controls

We have a robust business risk management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on our business objectives and enhance our competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a company level as also separately for business. Risk management forms an integral part of our planning cycle.

We believe that a framework of strong governance is vital for ensuring efficient operations, complying with regulations, mitigating legal risks, and building trust among our patients and all stakeholders. To ensure adherence to the stringent healthcare industry regulations in India, we employ a comprehensive statutory compliance checklist, employing a systematic approach to manage the risk of legal claims and regulatory actions effectively. Compliance with other laws, including labour laws, competition law, and environmental laws, is maintained using the same rigorous system. We also have a whistleblower policy and ensure internal vigilance.

Our corporate governance framework involves senior management and Board of Directors through various committees, including the Risk Management Committee, Audit Committee and through strict reporting and compliance protocols. Moreover, our Board of Directors oversees key governance policies, including a Code of Conduct, Risk Management Policy, Whistle Blower Mechanism, among others. This framework underpins our hospitals' operations, promoting transparency, integrity, and effectiveness.

Our approach towards mitigation of legal claims involves providing mandatory indemnity insurance for our consultants which ensures a reduction in potential legal issues. Further, our incident management process involves reporting, investigation and issuance of show cause notices to the alleged party.

Governance, Quality and Patient Safety

Our governance system focuses on continuous improvement of patient care which involves regular monitoring of clinical and operational systems through Paras Operating System Quality Indicators. These comprise over 100 quality indicators which include clinical, operational quality and safety parameters that help to identify and improve performance and ensure that we meet the set standards. Clinical quality indicators evaluate the clinical results and outcomes, while operational parameters focus on operational efficiency. Quality and safety parameters focus on adherence to safety standards and compliance to norms.

Corporate Social Responsibility

We have constituted a corporate social responsibility ("**CSR**") committee of our Board and have adopted a CSR policy in line with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. For Fiscals 2024, 2023 and 2022, our expenditure towards CSR activities was ₹ 10.90 million, ₹ 6.21 million and ₹ 4.91 million, respectively, which were primarily applied towards promoting education, mental healthcare training and awareness, vocational training residential program.

Environmental, Health and Safety

We are committed to a greener and healthier future and our eco-friendly strategies are focused on key areas including sustainable building design, energy efficiency and conservation, alternate energy sources and waste management. Our new structures are designed in an eco-conscious manner where we seek to conserve energy, promote the use of natural light and minimize environmental impact. Our hospitals are fitted with energy-efficient equipment enabling energy savings.

To conserve energy, we have installed solar panels, rain water harvesting pits, thermostats in heating, venting and air conditioning (HVAC), lighting control sensors and green glass in our hospitals. We have also replaced all of our compact fluorescent lamp (CFL) lighting with light emitting diode (LED) lighting across our hospitals; installed separate FCUs in pharmacy and admissions thereby reducing odd hour loads and have replaced old cooling tower with more effective tower with Cooling Technology Institute (CTI) approved technology thereby reducing chiller consumption. We also use our water resources judiciously and have installed sewage treatment plants at our hospital and utilize the treated water for horticulture purposes within our hospital premises. As we are in the process of expanding our operations, we intend to design and construct new hospitals along the same framework.

Further, the SEBI had made providing a business responsibility and sustainability report mandatory for the top 1,000 listed companies by market capitalization from Fiscal 2023 onwards in respect of reporting on environment, social and governance parameters. We have voluntarily adopted such report disclosure from Fiscal 2023 in a limited manner.

As a hospital operator, we are subject to Indian laws and regulations relating to the protection of the environment, human health and safety, and laws and regulations relating to the handling, transportation and disposal of medical specimens, infectious and hazardous waste and radioactive materials. For details on such laws and regulations, see "*Key Regulations and Policies*" on page 223. To ensure that our emission / waste generated does not cause any harm to the environment, for handling bio-wastes, we have entered into contracts with the vendors who are registered with the Central Pollution Control Board/State Pollution Control Board and approved by the state environmental authorities. Our employees are trained and provided with personal protective equipment while handling biological specimen and emphasis is also laid on adherence to national and local safety guidelines.

Properties

Our registered and corporate office is located at 1st Floor, Tower B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram 122 002, Haryana, India, and is owned by us. We also own the 2.51 acres of land on which our Gurugram hospital is located. All our other hospitals are located on land that we have leased from third parties or our Subsidiary, Plus Medicare Hospitals Private Limited, for our Udaipur hospital.

The following table sets forth the details of our hospitals, as of March 31, 2024 that have been leased by us:

Nature of Property	Address	Lease Term	Land size in acres
Panchkula Hospital	Plot No. H2, Technology Park, Sector 22, Panchkula, Haryana	30 years	2.04
Patna Hospital	Raja Baja, Bailey Road, Patna, Bihar	32 years	2.61
Darbhanga Hospital	Allalpatti, Datbhanga, Bihar	30 years	0.31
Kanpur Hospital	Baikunthpur, NH 91, Bypass Road, Kanpur Nagar, Kanpur, Uttar Pradesh	30 years with an option to renew for another 10 years	3.04
Udaipur Hospital	Plot No. 1, Shobhagpura, Udaipur, Rajasthan	20 years	1.89
Srinagar Hospital	Estate Bonamsar, Sonawar and Kothibad, Dal Gate, Srinagar, Kashmir	15 years	1.02
Ranchi Hospital	HEC Plant Hospital, Dhurwa, Ranchi, Jharkhand	35 years with an option to renew for 10 years and another 10 years	10.00

In addition, we also have nursing hostel, guest houses and staff accommodation in various cities on lands that have been leased by us.

KEY REGULATIONS AND POLICIES

We are engaged in the business of operating and managing hospitals and clinical and research laboratory in India. We are regulated by several central and state legislations that are applicable to our business. Accordingly, our operations require different sanctions of the concerned authorities under the relevant legislations and local bye-laws. Further, under the provisions of various Central Government and State Government statutes and legislations, we are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For further details, see "Government and Other Approvals" on page 383.
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The following is an indicative summary of certain relevant industry specific laws, regulations and policies which are applicable to our business and operations in India. The information available in this section has been obtained from publications available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, which are subject to amendments or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions. For further details, see "Risk Factors – We operate in a highly regulated industry and any non-compliance with applicable safety, health, environmental and other governmental regulations may adversely affect our business, results of operations and financial condition" on page 35.

Industry specific legislations:

The Clinical Establishments (Registration and Regulation) Act, 2010 ("CERR Act") and the Clinical Establishments (Central Government) Rules 2012 ("CECG Rules") and allied state legislation

The CERR Act is a central legislation and provides for registration and regulation of clinical establishments. It prescribes the minimum standards for facilities and services provided by clinical establishments. In terms of the Clinical Establishments Act, a 'clinical establishment' means, among other things, a hospital, maternity home, nursing home, dispensary, clinic, sanatorium or an institution by whatever name called that offers services requiring diagnosis, treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognized system of medicine established and administered or maintained by any person or body of persons, whether incorporated or not. The CERR Act mandates the registration of a clinical establishment. Every clinical establishment shall obtain a certificate of provisional registration and thereafter, upon fulfilment of prescribed standards, a certificate of permanent registration from the district registering authority. Further, the council established at the national and state levels under the CERR Act is, *inter alia*, required to maintain registers and periodically review the minimum standards to be followed by the clinical establishments. The CECG Rules, *inter alia*, provide conditions for registration and continuation of clinical establishments. In terms of the CECG Rules, clinical establishments are required to charge rates for each type of procedures and services within the range of rates determined by the Central Government in consultation with the State Governments and display such rates for the benefit of the patients at a conspicuous place in a local language as well as in English. Clinical establishments are required to maintain electronic records of patients and statistics, in accordance with the CECG Rules.

In addition to the above, our facilities are also required to comply with certain state specific statutes, such as, Punjab Clinical Establishments (Registration and Regulation) Act 2020, Jammu and Kashmir Nursing Homes and Clinical Establishments (Registration and Licensing) Act, 1963, and state specific rules such as Bihar Clinical Establishments (Registration and Regulation) Rules, 2013, Haryana Clinical Establishments (Registration and Regulation) Rules, 2018, Uttar Pradesh Clinical Establishments (Registration and Regulation) Rules, 2016, Rajasthan Clinical Establishment (Registration and Regulation) Rules, 2013, Jharkhand State Clinical Establishments (Registration and Regulation) Rules, 2013 and Jammu and Kashmir Clinical Establishments (Registration and Regulation) Rules, 2020.

The Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 ("PCPNDT Act") and the Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 ("PNDT Act")

The PCPNDT Act and PNDT Act prohibits sex selection, before or after conception, regulates use of pre-natal diagnostic techniques for the purposes of detecting genetic abnormalities or metabolic disorders or chromosomal abnormalities or certain congenital malformations or sex-linked disorders and provides for prevention of their misuse for sex determination leading to female foeticide. The PCPNDT Act regulates the registration of genetic counselling centres, laboratories or clinics, and lays down conditions for performing pre-natal diagnostic techniques. The PCPNDT Act and PNDT Act mandates all genetic counselling centres, genetic clinics and genetic laboratories carrying out pre-natal diagnostic techniques, to register with the appropriate authority, failing which penal actions may be taken against them. Hospitals providing pre-natal diagnostic facilities fall within the purview of the PCPNDT Act. The central supervisory board constituted under the PCPNDT Act is authorised to lay down a code of conduct to be observed by persons working in any genetic counselling centre, genetic laboratory or genetic clinic. Appropriate authority appointed by Central Government and respective State Government are conferred powers *inter alia* to grant, suspend or cancel the registration certificate of a genetic counselling centre, laboratory or clinic. Further, the PCNDT Act and the PNDT Act prohibit advertisements relating to pre-conception and pre-natal determination of sex and any violation is punishable with fine and imprisonment.

Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Rules, 1996 ("PCPNDT Rules")

The PCPNDT Rules prescribe qualifications of employees, required equipment and places for a genetic counselling centre, laboratory and clinic. The PCPNDT Rules stipulate the format in which an application for registration should be made by such centre, laboratory or clinic before the appropriate authority appointed under the PCPNDT Act and lays down the manner in which records are to be maintained and preserved by such genetic counselling centre, genetic laboratory or genetic clinic. The PCPNDT Rules provide for code of conduct and conditions to be followed by owners, employees or any other persons associated with a genetic counselling centre, genetic laboratory and genetic clinic registered under the PCPNDT Act. The PCPNDT Rules further require every genetic counselling centre, laboratory and clinic to intimate every change of employee, address and equipment installed, to the appropriate authority within the time prescribed and preserve such information as permanent records.

The Medical Termination of Pregnancy Act, 1971 ("MTP Act") and the Medical Termination of Pregnancy Rules, 2003 ("MTP Rules")

The MTP Act regulates the termination of pregnancies by registered medical practitioners by using medical or surgical methods and permits such termination of pregnancies only on specific grounds. It stipulates that medical terminations of pregnancies can be carried out only in certain stipulated circumstances by a registered medical practitioner who has the necessary qualification, training and experience in performing such terminations and only at a place equipped with facilities that meet the prescribed standards issued under the MTP Act and if such place is approved for the purpose. Further, in March 2021, the Medical Termination of Pregnancy (Amendment) Act, 2021 was introduced, which, *inter alia*, expands the scope of circumstances under which a registered medical practitioner can terminate pregnancies and imposes an obligation on the medical practitioners to protect the privacy of women undergoing the stipulated treatment.

Under the MTP Rules, as amended in 2021, private clinics and hospitals can receive approval for such procedure only if the government is satisfied that termination of pregnancies will be done under safe and hygienic conditions, and such clinic or hospital has the requisite infrastructure and instruments in place.

The Transplantation of Human Organs and Tissues Act, 1994 ("Transplantation Act") and the Transplantation of Human Organs and Tissues Rules, 2014 ("Transplantation Rules")

The Transplantation Act and the Transplantation Rules have been enacted to regulate the removal, storage, and transplantation of human organs and tissues for therapeutic purposes, and for the prevention of commercial dealings in human organs and tissues. The Transplantation Act prohibits the removal of any human organ except in situations provided therein. No hospital can provide services relating to the removal, storage or transplantation of any human organ or tissue or both for therapeutic purposes unless such hospital is duly registered under the Transplantation Act. Certificate of registration under the Transplantation Act and the Transplantation Rules are issued by appropriate bodies appointed by the State Government.

The Registration of Births and Deaths Act, 1969 ("RBD Act")

Under the RBD Act, the medical officer of a hospital is required to notify births and deaths occurring in the hospital to the relevant registrar appointed thereunder. The chief registrar is required to maintain a unified database of registered births and deaths at the state level by using the portal as approved by the registrar general of India and it shall be obligatory upon the registrars to share the data of registered births and deaths to such database. In case a death occurs in any medical institution providing specialised treatment or general treatment, every such institution shall free of charge provide a certificate of the cause of death for that person signed by the medical practitioner who attended that person during his illness, and if the death of any person occurring in any place other than medical institution and if such person was attended by a medical practitioner, such medical practitioner shall free of charge issue a certificate of the cause of death for that person, which can be used before the registrar to provide information of death under the RBD Act. Further, with respect to deaths where the relevant State Government has required that a certificate as to the cause of death be obtained, in the event of the death of any person who, during his last illness, was attended by medical practitioner, the medical practitioner shall, after the death of that person, issue without charging any fee, a certificate in the prescribed form stating to the best of his knowledge and belief the cause of death, and such certificate shall be received and delivered by such person to the registrar at the time of giving information concerning the death as required.

The National Medical Commission Act, 2019 ("NMC Act")

The NMC Act provides for, among others, a medical education system that improves access to quality and affordable medical education, ensures availability of adequate and high-quality medical professionals in India, encourages medical professionals to adopt latest medical research, enforces high ethical standards in medical services and facilitating maintenance of a medical register for India. The National Medical Commission, constituted under the NMC Act, is entrusted with the exercise of powers and functions under the NMC Act, including prescribing policies for quality medical education and for regulating medical institutions and professionals, and assessing healthcare requirements, developing a road map to meet such requirements and ensuring observance of professional ethics in the medical profession and promote ethical conduct during the provision of care by medical practitioners. No person other than a person who is enrolled in the state or national medical register shall be allowed to practice medicine as a qualified medical practitioner and doing so is punishable with a fine or imprisonment or both.

The National Nursing and Midwifery Commission Act, 2023 ("NNMC Act")

The NNMC Act, establishes the national nursing and midwifery commission to regulate and standardize nursing and midwifery education and practice in India. The NNMC Act aims to enhance the quality of healthcare by setting educational and professional standards, accrediting institutions, conducting national licensing examinations, and maintaining a national register of licensed professionals. It also promotes ethical practices, professional development, and research in the field. By ensuring uniformity and high standards across the country, the NNMC Act seeks to improve the overall quality of nursing and midwifery services.

The Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 ("Ethics Regulations")

The Ethics Regulations enforce numerous requirements on medical practitioners, including in relation to good practices, maintenance of medical records, duties of physicians to patients and to the paramedical profession, regulations on advertising and publicity and a framework for punishment and disciplinary action for misconduct and violation of the Ethics Regulations. Oversight and enforcement of the Ethics Regulations have been conferred upon the relevant medical councils. If, upon enquiry, a medical practitioner is found guilty of violating norms prescribed in the Ethics Regulations, the appropriate medical council may award such punishment as deemed necessary, including a direction towards removal of such medical practitioner's name from the medical registers (state and/or national level), either permanently or for a limited period.

Further, the Indian Medical Council (Professional Conduct, Etiquette and Ethics) (Amendment) Regulations, 2020, has enabled the practice of telemedicine, specifying that consultation through telemedicine by registered medical practitioners shall be permissible in accordance with the Telemedicine Practice Guidelines specified in the Ethics Regulations.

The National Medical Commission Registered Medical Practitioner (Professional Conduct) Regulations, 2023 ("Professional Conduct Regulations")

Professional Conduct Regulations establishes comprehensive standards for professional conduct and ethics among registered medical practitioners. These regulations prioritize patient care, emphasizing the need for high-quality, ethical, and safe medical practices. Practitioners are required to maintain professional competence through continuous education and training, respect patient autonomy, confidentiality, and informed consent, and collaborate effectively with other healthcare professionals. The regulations also outline the appropriate use of technology and social media, mandate the reporting of unethical or illegal activities, and provide clear procedures for handling complaints and disciplinary actions.

Epidemic Disease Act, 1897 ("ED Act")

The ED Act is a central legislation that provides for the prevention of spread of a dangerous epidemic disease. It prescribes the powers of the State and Central Government to take special measures to prevent the spread of the epidemic including power to prescribe temporary regulations to be observed by the public**.**

The Atomic Energy Act, 1962 ("AE Act")

The AE Act aims to ensure safe disposal of radioactive waste and secure public safety, including that of persons handling radioactive substances. The AE Act empowers the government of India to prohibit the manufacture, possession, use, and transfer, export and import, transport and disposal, of any radioactive substances without its written consent and requires any person to make periodical returns or other such statements as regards any prescribed substance in a person's possession or control that can be a source of atomic energy. Persons violating certain provisions of the AE Act are liable for punishment with a fine or imprisonment, or both.

The Atomic Energy (Radiation Protection) Rules, 2004 ("Radiation Rules")

Under the Radiation Rules, no person shall, without a license issued by the Atomic Energy Regulatory Board, establish a radiation installation for siting, design, construction, commissioning or operation. The Radiation Rules also require a license for a person to handle radioactive material or operate a radiation generating equipment. A registration will be required under the Radiation Rules for sources and practices associated with medical diagnostic x-ray equipment including therapy simulator and analytical x-ray equipment used for research.

The Atomic Energy (Safe Disposal of Radioactive Wastes) Rules, 1987 ("Radioactive Waste Rules")

Under the Radioactive Waste Rules, an authorization is necessary for any person to dispose of radioactive waste, and the waste may only be disposed of in the terms of such authorization. A Radiological Safety Officer is required to be appointed to assist in the safe handling and disposal of radioactive waste. Further, records are required to be maintained of all disposals and handling of radioactive waste and the persons carrying it out.

The Radiation Surveillance Procedure for Medical Application of Radiation, 1989 ("Surveillance Procedures")

The Surveillance Procedures seek to ensure that procedures and operations involving radiation installations, radiation equipment and radioactive materials are performed in conjunction with a pre-planned surveillance programme approved by the competent authority to ensure adequate protection. Any person desirous of handling any radioactive material or radiation equipment is required to obtain prior permission in the form of either a license or an authorization from the competent authority. The Surveillance Procedures prescribe the working conditions that are to be ensured at every medical radiation installation and provide safety guidelines regarding, *inter alia*, design safety of equipment, planning of radiation instalments, commissioning of radiation equipment or installations and isolation and disposal of radioactive effluents or damaged radioactive material.

The Radiation Safety in Manufacture, Supply and Use of Medical Diagnostic X-Ray Equipment, 2016 (the "X-Ray Safety Code")

The X-Ray Safety Code, issued by the AERB, governs radiation safety in design, manufacture, installation, operation and decommissioning of X-ray generating equipment for medical diagnostic purposes. The objectives of the X-Ray Safety Code are to ensure that radiation workers are not exposed to radiation in excess of dose limits and to ensure that radiation exposures received by patients undergoing diagnosis are optimised. The X-Ray Safety Code stipulates that all medical X-ray machines are required to be operated in accordance with the requirements stipulated therein and that it is the responsibility of the owner or user of medical X-ray installation equipment to ensure compliance with the stipulated provisions. The X-Ray Safety Code mandates that only the medical X-ray machines approved by the AERB can be installed for use in compliance with the specific requirements of the X-Ray Safety Code, including in relation to location and layout.

The Safety Code for Medical Diagnostic X-Ray Equipment and Installations ("Diagnostic Safety Code")

The Safety Code for Medical Diagnostic X-Ray Equipment and Installations outlines guidelines to ensure the safe use of X-ray equipment in medical diagnostics and governs radiation safety in design, installation and operation of X-ray generating equipment for medical diagnostic purposes. The objectives of the Diagnostic Safety Code are to ensure reduction in radiation exposures to levels as low as reasonably achievable, ensure availability of appropriate equipment, personnel and expertise for safe use of the equipment and for patient protection and ensure timely detection and prompt rectification of radiation safety-related defects or malfunctioning of the equipment. The Diagnostic Safety Code also mandates regular safety checks, use of protective gear, and appropriate training for personnel.

The Safety Code for Nuclear Medicine Facilities, 2011 ("Nuclear Medicine Facilities Code")

The Nuclear Medicine Facilities Code, issued by the AERB, governs the operations of a nuclear medicine facility from the setting up of such facility to its decommissioning. Nuclear medicine utilizes radio-pharmaceuticals to investigate disorders of anatomy, physiology and patho-physiology, for diagnosis or treatment of diseases or both. The Nuclear Medicine Facilities Code stipulates that a nuclear medicine facility can be commissioned, decommissioned or re-commissioned only with the prior approval of the AERB. The Nuclear Medicine Facilities Code further stipulates that radioactive material can only be procured after obtaining a license from the AERB. In addition to this, the Nuclear Medicines Facilities Code stipulates the responsibilities of employers, licensees, nuclear medicine physicians and technologists.

Static and Mobile Pressure-Vessel (Unfired) Rules, 2016 ("SMV Rules")

The SMV Rules, issued by the Central Government, regulates the use, storage, installation, transportation, filing, manufacture, delivery, dispatch and import of liquified gas, cryogenic liquid, petroleum products, tanker, pressure vessels, flammable, and compressed gas in India. The SMV Rules lays down sanctions on registration and operation of premises dealing with the substances and prescribes procedure for grant of recognition for operation of licensed premises. The SMV Rules also stipulates regulatory standards for storage of compressed gas to minimise unauthorised usage and prevent industrial accidents.

The Explosives Act, 1884 ("Explosives Act") and the Explosives Rules, 2008 ("Explosives Rules")

The Explosives Act is a comprehensive law which regulates by licensing the manufacturing, possession, sale, transportation, export and import of explosives. Under the Explosives Act, "**explosive**" means, amongst others, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use, sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of the Explosives Act, the Explosive Rules regulate the manufacture, import, export, transport and possession for sale or use of explosives. Under the Explosives Act, penalty provisions including imprisonment, have been prescribed for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Rules.

The Guidelines for Exchange of Human Biological Material for Biomedical Research Purposes, 1997 ("HBM Guidelines")

The HBM Guidelines, issued by the Central Government, lay down the manner in which human material with potential for use in biomedical research/ diagnostic purposes (including organs, cells, tissues, blood, and embryos) can be transferred to and from India and the mechanism to enable such transfers. The HBM Guidelines authorize the Indian Council of Medical Research ("ICMR") to set up a committee for consideration of proposals relating to, *inter alia*, exchange of biological materials for commercial purposes.

The Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Act, 2017, ("HIV and AIDS Act") and Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Rules, 2018 ("HIV and AIDS Rules")

The HIV and AIDS Act read with the HIV and AIDS Rules, aims to prevent and control the spread of human immunodeficiency virus and acquired immune deficiency syndrome in India while protecting the rights of those affected. The HIV and AIDS Act prohibits discrimination against individuals based on their human immunodeficiency virus status in employment, healthcare, education, and other settings. It mandates informed consent for human immunodeficiency virus testing, confidentiality of human immunodeficiency virus -related information, and access to healthcare services. The HIV and AIDS Rules provide detailed procedures for implementation, including grievance redressal mechanisms and guidelines for establishing ombudspersons to address violations.

The National Ethical Guidelines for Biomedical and Health Research Involving Human Participants, 2017 ("ICMR Code")

The ICMR, in 2017, issued the ICMR Code which envisages that any medical research proposing to use human beings as research participants must be carried out if, after due consideration of all alternatives, the use of human participants is considered to be essential for such proposed study. The ICMR Code lays down the requirement of ensuring privacy and confidentiality along with ensuring that such studies are conducted in a transparent and environmentally friendly manner. As required by the ICMR Code, it is mandatory that all proposals on biomedical research involving human participants should be cleared by an independent and impartial institutional ethics committee to safeguard the welfare and the rights of the participants. Such ethics committees are entrusted with the initial review of research proposals prior to their initiation, and also have a continuing responsibility to regularly monitor the approved research to ensure ethical compliance during the conduct of research.

Indian Council of Medical Research Regulations – ICMR Guidelines for Good Clinical Laboratory Practices, 2021 ("GCLP")

The GCLP are guidelines provided by the Indian Council of Medical Research with the objective of promoting uniformity in maintaining quality of laboratory services, the first GCLP guidelines were released in the year 2008. GCLP 2021 aims to establish minimum criteria which should be followed by clinical and research laboratories involved in examining human samples, in routine healthcare delivery and clinical research, respectively. The GCLP 2021 provides guidelines with regards to (i) infrastructure; (ii) personnel training; (iii) equipment; (iv) examination processes; (v) sample storage and disposal; (vi) safety and hygiene measure; (vii) ethical considerations; and (viii) quality control and management.

Indian Council of Medical Research ("ICMR") Guidelines for COVID-19 testing private laboratories in India, 2020 ("ICMR Guidelines")

The guidelines laid down by ICMR for COVID-19 testing in private laboratories in India which was notified in the year 2020. The ICMR Guidelines stipulates that test to be conducted by a laboratory which has NABL accreditation for RT-PCR assay for RNA virus. The guidelines are with respect to (i) sample collection and testing guidelines (ii) reporting protocols (iii) policy for sample storage and destruction; (iv) policy for sample storage and destruction; and (v) cost of the test.

National Accreditation Board for Hospitals and Healthcare Providers ("NABH")

NABH is a constituent board of the Quality Council of India, set up to establish and operate accreditation programme for healthcare organisations. The board is structured to cater to much desired needs of the consumers and to set benchmarks for progress of health industry. The board while being supported by all stakeholders including industry, consumers, government, have full functional autonomy in its operation. NABH offers a certification programme for laboratories that conduct biological, microbiological, immunological, chemical, haematological, pathological, cytological or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention and treatment of disease.

National Accreditation Board for Testing and Calibration Laboratories ("NABL")

The NABL is an autonomous body established under the aegis of Department of Science and Technology, Government of India. NABL provides government, regulators and the diagnostic industry with a scheme of laboratory accreditation through third-party assessment for formally recognizing the quality and technical competence of the testing and calibration of laboratories in accordance with International Organisation for

Standardization Standards. NABL certification is a mandatory eligibility condition for diagnostic centres empanelment under the Central Government Health Scheme. Diagnostic laboratories which are not accredited by NABL may also participate in application and get empanelled under the Central Government Health Scheme but their empanelment shall be provisional till they are inspected by Quality Council of India or NABL and are recommended for continuation of empanelment under the Central Government Health Scheme; however, there is no legal obligation to obtain certification from the NABL.

Central Government Health Scheme ("CGHS") and Ex-servicemen Contributory Health Scheme ("ECHS")

The CGHS Scheme seeks to provide medical care to the Central Government employees and pensioners enrolled under the scheme. This scheme covers identified categories of Central Government employees in cities covered by the CGHS. Eligible employees and their dependents who have been duly enrolled to the CGHS can avail cashless treatment for procedures covered by the CGHS, which include procedures under allopathic, homoeopathic and Indian streams of medicine.

The ECHS was launched by the Ministry of Defence, Government of India and has been in effect since April 1, 2003. The ECHS provides for medical treatment of ex-servicemen pensioners and their dependents. Under the ECHS, private hospitals, nursing homes and diagnostic centres are empanelled for the provision of healthcare coverage to ECHS beneficiaries. Our facilities are also empanelled with other various Central Government and State Government operated health schemes including, inter alia, the Ayushman Bharat Yojana (Pradhan Mantri Jan Arogya Yojana). An update to the ECHS was issued in March, 2022 by Director General Medical Services, Indian Navy whereby scope of ECHS facilities were enhanced along with empanelment of more hospitals.

The Food Safety and Standards Act, 2006 ("FSSA")

The FSSA was enacted on August 23, 2006 by the Central Government, repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India ("FSSAI") for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption, and for matters connected therewith or incidental thereto. The standards prescribed by the FSSAI include specifications for food additives, flavourings, processing aids and materials in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators.

The Electronic Healthcare Records Standards, 2016

The Electronic Healthcare Records Standards, 2016, established by the Ministry of Health and Family Welfare in India, provide a framework for the creation, maintenance, and exchange of electronic health records. These standards aim to ensure interoperability, confidentiality of recorded patient/medical data, and security of health information. They specify the formats, terminologies, and protocols for data entry and sharing, promoting uniformity across healthcare systems.

<u>Key legislations relating to drugs:</u>

The Drugs and Cosmetics Act, 1940 ("Drugs Act") and the Drugs and Cosmetics Rules, 1945 ("Drugs Rules") and the New Drugs and Clinical Trials Rules, 2019 ("Clinical Trials Rules")

The Drugs Act regulates the import, manufacture, distribution and sale of drugs and prohibits the manufacture and sale of drugs which are misbranded, adulterated or spurious. The Drugs Act and the Drugs Rules specify the conditions for grant of a license for the manufacture, sale, import or distribution of any drug or cosmetic and regulation of operation of blood banks. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Violation of certain provisions of the Drugs Act, including those pertaining to the manufacturing and import of spurious drugs, non-disclosure of specified information and a failure to keep the required documents, are punishable with a fine, or imprisonment or both.

Further, under the Clinical Trials Rules, the ethics committee constituted thereunder is required to register itself with the central licensing authority in order to conduct any clinical trial, bioavailability study or bioequivalence study. The Clinical Trials Rules further provide for the composition and functions of the ethics committee and its period of validity. The Clinical Trials Rules further mandate the maintenance of records for a period of five years after completion of the clinical trial, bioavailability study or bioequivalence study, as the case may be.

The Drugs (Prices Control) Order, 2013 ("DPCO")

Formulated pursuant to the Essential Commodities Act, 1955, the DPCO, among others, sets out procedures for fixing the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drugs for existing manufacturers of scheduled formulations, method of implementation of prices fixed by government and penalties for contravention of its provisions. The DPCO also authorizes the government to prescribe a ceiling price for formulations listed in the National List of Essential Medicines, 2015 published by the Ministry of Health and Family Welfare and modified from time to time. Further, where an existing manufacturer of a drug with dosages and strengths as specified in the National List of Essential Medicines, 2015 launches a new drug, it must seek prior price approval of such drug from the government. The Drugs (Prices Control) Amendment Order, 2022 which was passed on November 14, 2022, has updated the National List of Essential Medicines mentioned in Schedule I of the DPCO.

The Pharmacy Act, 1948 and the Pharmacy Practice Regulations, 2015

Under the Pharmacy Act, 1948, which seeks to regulate the profession of pharmacy, pharmacists are required to be registered with the Pharmacy Council of India. The Pharmacy Practice Regulations, 2015 impose certain obligations on the owners of pharmacy businesses and registered pharmacists. For instance, names of the owner and the registered pharmacist must be mandatorily displayed in the premises where the business is being carried on and the pharmacy business should be conducted in compliance with the various conditions stipulated thereunder. Under the Pharmacy Act, 1948, if pharmacists falsely claim to be registered, or dispense medicines without being registered, they are punishable with fine or imprisonment or both.

The Narcotic Drugs and Psychotropic Substances Act, 1985 ("NDPS Act") and the Narcotic Drugs and Psychotropic Substances Rules, 1985 ("NDPS Rules")

The NDPS Act regulates the possession and use of drugs falling within the definition of "narcotic drug" and "psychotropic substances" and seeks to regulate operations relating to such substances. Under the NDPS Rules, a hospital will need to obtain recognition as a medical institution from the relevant authority, to deal with substances regulated thereunder. The recognition will also provide for the quantity of drugs allowed thereunder and the conditions subject to which the hospital is permitted to possess and administer narcotic drugs. The NDPS Act also provides for penalties for contravention, which includes imprisonment and fine.

Key environmental legislations:

Environment (Protection) Act, 1986 (the "EP Act"), Environment (Protection) Rules, 1986 (the "EP Rules") and Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of environmental pollutants. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specify, *inter alia*, the standards for emission or discharge of environmental pollutants and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Air (Prevention and Control of Pollution) Act, 1981(the "Air Act") and Air (Prevention and Control of Pollution) Rules, 1982 ("Air Rules")

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. We are required to obtain consents under the Air Act.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act") and Water (Prevention and Control of Pollution) Board, 1975 ("Water Rules")

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country. The Water Act was enacted to control and prevent water pollution and for maintaining or restoring the purity of water in India. The objective of this legislation is to ensure that domestic and industrial pollutants are not discharged into streams and wells without adequate treatment. We are required to obtain consents under the Water Act.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules"), as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 ("Amendment Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. A list of hazardous wastes and processes that generate hazardous waste have been specified under the Hazardous Waste Rules. We are required to obtain authorizations for, *inter alia*, the generation, processing, treatment, package, storage, transportation, use, collection, destruction or transfer of the hazardous waste from the concerned state pollution control board.

The Bio-Medical Waste Management Rules, 2016 ("BMW Rules")

The BMW Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose or handle bio-medical waste in any form including hospitals, nursing homes and clinics. We are required to obtain an authorization under the BMW Rules for the generation of bio-medical waste to ensure that such waste is handled without any adverse effect to human health and the environment and to set up bio–medical waste treatment facilities as prescribed under the BMW Rules, including pre-treating laboratory and microbiological waste, and proving training to health care workers and others involved in handling bio-medical waste. We are also required to submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, storage, transportation, treatment, disposal, and/ or any form of handling of biomedical waste in accordance with the BMW Rules and the guidelines issued thereunder. The prescribed authority may cancel, suspend or refuse to renew an authorization, if for reasons to be recorded in writing, the occupier/operator has failed to comply with any of the provisions of EP Act or BMW Rules.

Industrial and labour laws:

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

(i) The Industrial Relations Code, 2020 consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes, received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(ii) The Code on Wages, 2019 which regulates and amalgamates laws relating to wage and bonus payments, received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board.

(iii) The Occupational Safety, Health and Working Conditions Code, 2020 consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(iv) The Code on Social Security, 2020 which amends and consolidates laws relating to social security, received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the "EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees State Insurance Act, 1948, ("ESI Act"), Employees State Insurance (General) Regulations, 1950, ("ESI Regulations") and Employees State Insurance (Central) Rules, ("ESI Rules")

The ESI Act read, with the ESI Regulations, and the ESI Rules, provides a comprehensive social security scheme for Indian workers. The ESI Act establishes the employees state insurance corporation to administer benefits such as medical care, sickness, maternity, disability, and dependents' benefits. The ESI Regulations and ESI Rules outline the operational framework, including procedures for contributions, benefit claims, and employer responsibilities. By mandating employer and employee contributions, the scheme aims to protect workers against health-related contingencies and provide financial security, promoting worker welfare and social insurance.

Payment of Gratuity Act, 1972 (the "Gratuity Act")

The Gratuity Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Gratuity Act has become applicable shall be continued to be governed by this Gratuity Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease, which shall be relaxed in case of termination of service due to death or disablement.

Maternity Benefit Act, 1961 (the "Maternity Benefit Act")

The Maternity Benefit Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Maternity Benefit Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Maternity Benefit Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA")

The CLRA regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act")

The POSH Act aims to ensure the safety and dignity of women in the workplace by preventing and addressing incidents of sexual harassment. The POSH Act mandates the establishment of internal complaints committees at workplaces and local complaints committees at the district level to handle complaints. It defines sexual harassment, outlines the responsibilities of employers to provide a safe working environment, and prescribes procedures for filing and addressing complaints, ensuring confidentiality and protection for complainants. The POSH Act seeks to create a safe and respectful work environment for women at the workplace.

Tax laws:

Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years

The Income-tax Act, 1961 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Goods and Service Tax Act, 2017

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. the Central Goods and Services Tax Act, 2017 ("**CGST**"), relevant state's Goods and Services Tax Act, 2017 ("**SGST**"), Union Territory Goods and Services Tax Act, 2017 ("**UTGST**"), Integrated Goods and Services Tax Act, 2017 ("**IGST**"), Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Indian Stamp Act, 1899 and various state-wise legislations made thereunder (the "Stamp Act")

The Stamp Act requires stamp duty to be paid on all instruments specified in Schedule 1 of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, cannot be admitted in court as evidence of the transaction contained therein. The Stamp Act further provides for impounding of instruments that are not sufficiently stamped or not stamped at all by the collector and he may impose a penalty of the amount of the proper stamp duty, or the amount of deficient portion of the stamp duty payable.

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Central Excise Act, 1944;
- Customs Act, 1962;
- State-wise legislations in relation to professional tax.

Other applicable legislations:

Consumer Protection Act, 2019 (the "Consumer Protection Act")

The Consumer Protection Act provides for the protection of the interests of consumers and the establishment of authorities for the timely and effective administration and the settlement of consumer disputes. It empowers the Central Government to constitute the Central Consumer Protection Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the Consumer Protection Act. Further, the Consumer Protection Act enables complainants to file complaints in respect of, *inter alia,* goods suffering defects, services suffering deficiencies, and goods or services hazardous to life and safety. Consumers are also empowered to file product liability actions, for claiming compensation for the harm caused to them by defective products or deficient services, in respect of which such product manufacturers or sellers may be held responsible.

Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules")

The Ministry of Consumer Affairs issued the E-Commerce Rules under the Consumer Protection Act, 2019 on July 23, 2020. The E-Commerce Rules provide a framework to regulate the marketing, sale and purchase of goods and services online. These rules apply to (a) good/services purchases or sold vide digital or electronic network, including digital products; (b) marketplace and inventory e-commerce entities; (c) all e-commerce retailing; and (d) forms of unfair trade practices across all e-commerce models. It specifies the duties of e-commerce entities, specific duties and liabilities of marketplace e-commerce entities and those of inventory e-commerce entities, and duties of sellers on marketplace. The E-Commerce Rules further requires the e-commerce entity to appoint grievance officer and provide for a grievance redressal mechanism. Any violation of these rules attracts penal action under the Consumer Protection Act, 2019.

The Trade Marks Act, 1999 ("Trademarks Act") and Trade Mark Rules, 2017 ("Trade Mark Rules")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also governs the statutory protection of trademarks and also prohibits any registration of deceptively similar trademarks or chemical compounds, among others. Indian law permits the registration of trademarks for both goods and services It also provides for infringement, falsifying and falsely applying for trademarks. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice. The Trade Marks (Amendment) Rules, 2013 were enacted to give effect to the Trade Mark (Amendment) Act, 2010. The Trade Marks Rules, lay down certain guidelines regarding procedure. Some of the salient features of the Trade Marks Rules include the process for determination of ‘well-known’ trademarks, representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users.

Information Technology Act, 2000 (the "IT Act")

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents, and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data.

The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto. The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "**Reasonable Security Practices Rules**") prescribes directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate.

Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021

The Department of Information Technology & Communication notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (the "IT Intermediary and Digital Media Rules") under the IT Act, 2000, in supersession of the Information Technology (Intermediary Guidelines) Rules, 2011. The IT Intermediary and Digital Media Rules prescribe a framework for the regulation of content published online. They lay down the due diligence obligations of the intermediaries, require intermediaries to prominently publish rules and regulations, privacy policy and user agreement and require intermediaries to inform their users, at least once a year, in case of a non-compliance. In terms of the IT Intermediary and Digital Media Rules, Intermediaries are obligated to establish a grievance redressal mechanism and publish on contact details of the grievance officer on their website. It further requires intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries and Digital Media Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

Digital Personal Data Protection Act, 2023 ("DPDP Act")

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act to replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data, with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual and a notice has to be given before seeking consent.

An individual whose data is being processed (data principal), will have the right to inter alia (i) obtain information about processing; (ii) seek correction and erasure of personal data; and (iii) nominate another person to exercise rights in the event of death or incapacity. The DPDP Act lays down several duties for the data principal. As per the DPDP Act, data principal shall not inter alia (i) register a false or frivolous grievance or complaint; and (ii) furnish any false particulars or impersonate another person in specified cases.

It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the "**DPB**") and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

Foreign Trade (Development and Regulation) Act, 1992 ("FTDR Act")

The FTDR Act confers powers on the Central Government to formulate and announce import and export policy for the country. This includes powers to make provisions for development and regulation of foreign trade by facilitating imports and exports, as well as to restrict, prohibit, or otherwise regulate imports and exports. The FTDR Act provides for the appointment of a Director General of Foreign Trade, who shall advise the Central Government on the formulation of such policies. The FTDR Act also provides that no person shall make any import or export except under an importer-exporter code number granted by the Director General, which may be suspended or cancelled in the instance the person contravenes any operative laws or trades in a manner gravely prejudicial to Indian trade relations.

In addition to the above, our Company and our Subsidiaries are also required to comply with other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations, including the Companies Act and rules framed thereunder, municipal laws, fire safety laws and legal metrology laws, to the extent applicable. Our Company and our Subsidiaries are also amenable to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as 'Arbian Frozen Foods Private Limited'*, a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated December 21, 1987, issued by the RoC. Our Company became a deemed public company as per Section 43A(1)(a) of the Companies Act, 1956 with effect from July 1, 1993, consequent to which its name was changed to "Arbian Frozen Foods Limited", by deletion of the word 'Private'.

Consequent to the amendment in Section 43A(2)(a) of the Companies Act, 1956 by the Companies (Amendment) Act, 2000, our Company was re-converted from a deemed public company to a private limited company and the name of our Company was changed to 'Arbian Frozen Foods Private Limited' and the certificate of incorporation consequent to the change in name of our Company was endorsed by the RoC on June 16, 2003. Subsequently, pursuant to a resolution passed by our Board on June 19, 2003 and by our Shareholders on July 9, 2003, the name of our Company was changed from 'Arbian Frozen Foods Private Limited' to 'Paras Healthcare Private Limited' to reflect the change in its business activity from frozen foods to healthcare services and a fresh certificate of incorporation consequent to the change in name of our Company was issued by the RoC on July 21, 2003. Our Company was subsequently converted from a private company to a public company, pursuant to resolutions passed by our Board on June 3, 2024 and by our Shareholders dated June 4, 2024, consequent to which its name was changed to "Paras Healthcare Limited", and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the RoC on July 18, 2024.

** Certain of our corporate records and corporate filings, namely, Form No.1 in relation to declaration of compliance with the requirements of the Companies Act, 1956 on application for registration of a company, Form 18 for notice of situation of registered office, the memorandum of association and the articles of association at the time of incorporation of our Company, have inadvertently recorded the erstwhile name of our Company as 'Arabian Frozen Foods Private Limited' instead of 'Arbian Frozen Food Private Limited'.*

The registered office of our Company is located at 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India.

Changes in our Registered Office

Date of change	Details of Change	Reason(s) for change
July 11, 1997 *#	The registered office of our Company was changed from B-4/29, Safdarjung Enclave, New Delhi- 110029 to C-195, 1st Floor, Greater Kailash, New Delhi- 110048.	For operational convenience and efficiency.
August 16, 2003	The registered office of our Company was changed from C-195, 1st Floor, Greater Kailash, New Delhi- 110048 to D-55, East of Kailash, New Delhi.	For operational convenience and efficiency.
July 18, 2005^	The registered office of our Company was changed from D-55, East of Kailash, New Delhi to C-Block, Sushant Lok-1, Sector 43, Gurgaon – 122 002, Haryana, India.	For operational convenience and efficiency.
October 19, 2021	The registered office of our Company was changed from C-Block, Sushant Lok-1, Sector 43, Gurgaon – 122002, Haryana, India to 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India.	For operational convenience and efficiency.

** The board resolution approving the change of address of our registered office is not traceable by our Company. For further details, see "Risk Factor - We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation." on page 33.*

 # Our Company had filed Form 18 dated January 12, 1996 for change in its registered office from B-4/29, Safdarjung Enclave, New Delhi 110 029 to 10 J&K, 10th Floor, DCM Building, 16, Barakhamba Road, New Delhi 110 001. However, our Company pursuant to the board resolution dated July 22, 2024 has confirmed that the said change in the registered office of our Company was not effectuated.

^The company law board approval in relation to this change in address of the registered office of our Company is not traceable by our Company. For further details, see "Risk Factor - We are unable to trace some of our historical corporate records and corporate filings. Additionally, there are certain factual inaccuracies and discrepancies in some of our corporate records and corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation." on page 33.

Main objects of our Company

The main objects contained in the Memorandum of Association are as mentioned below:

Clause	Particulars
III(A)	1. To acquire, establish, maintain, manage and to carry on the business of speciality or Multi Speciality Hospitals, Nursing Homes, Dispensaries, Clinics, Operation Theatres, Diagnostic Centres, Trauma Centres, Rehabilitation Centres, Nature Care Centres, Pharmacies, Chemist Shops, Blood Bank, Laboratories, ambulance services, Health Club, Health Centres and Health Resorts. 2. To provide medical relief to the public in all the branches of the medical sciences by all available means. 3. To found, establish, run or takeover medical/ surgical research institutions and to carry out medical research by engaging in the research and development of all the field of medical sciences, and in therapies of medical treatment, so as to afford medical relief in a better way. 4. To carry on business or vocation of acting as advisors and consultants on all matters and problems relating to hospitals, health sanitoriums, Clinics, Health resorts regarding survey, project report, evaluation, co-ordination, organization & management, health care and health audit. 5. To establish, acquire, run, manage, promote and maintain training centres to educate medical students, nurses, paramedical staff and hospital administrators. 6. To carry on the business in India or elsewhere to design, manufacture, produce, export, import, buy, sell, develop, store, formulate, sponsor, distribute or otherwise to deal in all sorts of medicines, pharmaceuticals, chemicals, injections, drugs, formulations, apparatus, instruments, accessories and other allied goods & articles and to do all incidental acts and things necessary for the attainment of objects under these presents.

The main objects, as contained in our Memorandum of Association, enable our Company to carry on the businesses presently being carried out by it.

Amendments to our Memorandum of Association

The following changes have been made to our Memorandum of Association in the last ten years:

Date of Shareholders' resolution	Particulars
July 12, 2017	Our Memorandum of Association was amended and restated. Further Clause V of our Memorandum of Association was amended to reflect the reclassification of the authorised share capital of the Company from ₹ 50,000,000 (Rupees fifty million) divided into 5,000,000 equity shares of face value of ₹ 10 each to ₹ 50,000,000 (Rupees fifty million) divided into 3,863,235 equity shares of face value of ₹ 10 each and 1,136,765 compulsorily convertible preference shares of ₹ 10 each.
September 26, 2018	Our Memorandum of Association was amended and restated. Further Clause V of our Memorandum of Association was amended to reflect the reclassification of the authorised share capital of the Company from ₹ 50,000,000 (Rupees fifty million) divided into 3,863,235 equity shares of face value of ₹ 10 each and 1,136,765 compulsorily convertible preference shares of ₹ 10 each to ₹ 50,000,000 (Rupees fifty million) divided into 5,000,000 equity shares of face value of ₹ 10 each.
September 11, 2023	Clause V of our Memorandum of Association was amended to reflect the increase the authorised share capital of our Company from ₹ 50,000,000 (Rupees fifty million) divided into 5,000,000 equity shares of face value of ₹ 10 each to ₹ 70,000,000 (Rupees seventy million) divided into 7,000,000 equity shares of face value of ₹ 10 each.
March 16, 2024	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 70,000,000 (Rupees seventy million) divided into 7,000,000 equity shares of face value of ₹ 10 each to ₹ 125,000,000 (Rupees one hundred and twenty five million) divided into 12,500,000 equity shares of face value of ₹ 10 each.
March 20, 2024	Clause V of our Memorandum of Association was amended to reflect the change in the authorised share capital of our Company from ₹ 125,000,000 (Rupees one hundred and twenty five million) divided into 12,500,000 equity shares of face value of ₹ 10 each to ₹ 125,000,000 (Rupees one hundred and twenty five million) divided into 125,000,000 Equity Shares of face value of ₹ 1 each.
June 4, 2024	Clause I of Memorandum of Association was amended to reflect the change in name of our Company from 'Paras Healthcare Private Limited' to 'Paras Healthcare Limited'.

Major events and milestones

The table below sets forth some of the major events and milestones in our history:

Calendar year	Major events and milestones
2006	Established and commenced operations of our first hospital at Gurugram, Haryana
2013	Established and commenced operations of Paras HMRI Hospital, Patna, Bihar.
2016	Established and commenced operations of Paras Global Hospital, Darbhanga.
2017	Raised investment of ₹ 2.60 billion from the investor, Commelina Ltd.
	Performed our first bone marrow transplant procedure at Paras HMRI Hospital, Patna.
2018	Established and commenced operations of Paras Hospitals, Panchkula, Haryana.
	Performed our first kidney transplant procedure at Paras HMRI Hospital, Patna.
2019	Commenced operations of two new hospitals: • Paras HEC Hospital, Ranchi, Jharkhand • Paras Hospital, Udaipur, Rajasthan
2023	Expanded Paras HEC Hospital, Ranchi to 300 beds capacity and additional tertiary care.
	Established and commenced operations of our Paras Hospitals, Srinagar, Jammu & Kashmir.
	Performed our first bone marrow transplant procedure at Paras Hospital, Gurugram.
2024	Established and commenced operations of our Paras Yash Kothari Hospital, Kanpur, Uttar Pradesh.
	Performed our first robotic surgery at Paras Hospital, Gurugram.
	Performed our first robotic surgery at Paras Hospital, Udaipur.

Key awards, accreditations or recognitions

The table below sets forth some of the awards, accreditations or recognitions received by us:

Calendar Year	Particulars
2009	Paras Hospital, Gurugram was the first hospital in the state of Haryana to receive the accreditation by the National Accreditation Board for Hospital & Healthcare Providers *(Source: CRISIL Report)*
	Accreditation for Paras Hospitals – Laboratory Sciences, Gurugram by the National Accreditation Board for Testing and Calibration Laboratories
2015	Paras HMRI Hospital, Patna received the certificate recognition for being "First Multi Specialty Hospital in Bihar Jharkhand Region" at the 5th Elets Healthcare Leaders Forum Bengal, 2015
2016	Paras HMRI Hospital, Patna was awarded as "Maximum Outreach Hospital of the Year" by Assocham, India
	Paras HMRI Hospital, Patna was the first hospital in the state of Bihar to receive the accreditation by the National Accreditation Board for Hospital & Healthcare Providers *(Source: CRISIL Report)*
2018	Paras HMRI Hospital, Patna was awarded in the "Super Speciality Hospital" category at the Assocham National Leadership Excellence Awards 2018 by Assocham, India
2019	Paras HMRI Hospital, Patna was awarded as "Best Multispeciality Hospital" by Assocham
2021	Awarded as "Best Hospital for COVID Care" by 11th MT Healthcare Awards
	Paras Hospitals, Udaipur received the "Responsible Recycler Certificate" from Greenscape Eco Management Private Limited for handing over e-waste for the purpose of sound e-waste recycling
	Paras Hospital, Gurugram was awarded the silver award in the "Women Health Brand" category at the 7th IHW Awards 2021 by IHW Council
	Accreditation for Paras Hospital, Panchkula by the National Accreditation Board for Hospital & Healthcare Providers
	Accreditation for Paras Hospital, Udaipur by the National Accreditation Board for Hospital & Healthcare Providers
	Paras Global Hospital, Darbhanga received certification for complying with NABH entry level hospital requirement by the National Accreditation Board for Hospital & Healthcare Providers
2022	Paras HMRI Hospital, Patna was awarded "Best Clean Energy Initiative in Healthcare (Best Energy Saving Hospital)" at the "The Business Tycoon Award"
	Paras HMRI Hospital, Patna was awarded as "Most Advanced Hospital" at the "The Business Tycoon Award"
	Paras HMRI Hospital, Patna received the "Service Excellence Award" by Prabhat Khabar Sanjeevani Awards-2022
2024	Received the GOLD award for Hospital with Best Adaptation to Digital Health Technology

Calendar Year	Particulars
	at 3rd IHW Digital Health Awards, 2024 by the IHW Council.
	Recognised as 'one of the Best Healthcare Brands-2024' by ET Edge.
	Paras Health, Panchkula, was awarded the 'Excellence in Cardiac & Cancer Care' at the Red Achievers Award, 2024 by Red FM.
	Accreditation for Paras HEC Hospital, Ranchi by the National Accreditation Board for Hospital & Healthcare Providers.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Time or cost overrun in setting up projects by our Company

Our Company has not experienced any cost overrun in setting up any projects as on the date of this Draft Red Herring Prospectus. However, the construction of our hospitals in Srinagar and Kanpur was completed within the anticipated cost, the commencement of operations were delayed on account of delays in receiving relevant approvals by us from the authorities for our Srinagar hospital and relevant approvals from the authorities by the lessor for the Kanpur hospital. Further, there were delays in the operations of our Ranchi hospital on account of delay in execution of the lease agreement as a result of which we were not able to apply for relevant approvals with the government authorities to commence operations. For further details in relation to the time and cost overrun, see "*Risk Factors – We may not be successful in expanding our hospital network, developing our proposed hospitals and may not achieve operating capacities that we anticipate, any of which could adversely affect our business, results of operations, financial condition and prospects.*" on page 29.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company's borrowings.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation or location of plants

For the details of key services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our facility, see "*Our Business*" and *"-Major events and milestones*" on pages 199 and 238, respectively.

Financial and/or strategic partners

Our Company does not have any significant financial or strategic partners as on the date of this Draft Red Herring Prospectus.

Details regarding material acquisitions or divestments of business/undertakings, slump sales, mergers, amalgamation, any revaluation of assets in the last ten years

Our Company has not made any material divestments of business/ undertakings, slump sales, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed below, our Company has not undertaken any material acquisitions in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Share Purchase Agreement dated June 29, 2022 entered into amongst our Company, Satendra Pal Singh Chhabra, Mahendra Pal Singh Chhabra, Amarjeet Kaur Chhabra, Amandeep Singh Chhabra, Jagdeep Singh, Nisha Mundra, Navneet Estate Private Limited (collectively referred to as "Sellers") and Plus Medicare Hospitals Private Limited ("Plus Medicare", along with our Company and Sellers, collectively referred to as the "Parties") and such share purchase agreement, the "SPA").

Pursuant to the SPA, our Company had agreed to acquire 100% shareholding, i.e., 40,000,000 equity shares of face value of ₹ 10 each of Plus Medicare (which is now our Subsidiary) from its then shareholders: 26,800,000 equity shares from Satendra Pal Singh Chhabra, 3,800,000 equity shares from Mahendra Pal Singh Chhabra, 3,000,000 equity shares from Amarjeet Kaur Chhabra, 1,500,000 equity shares from Amandeep Singh Chhabra, 1,900,000 equity shares from Jagdeep Singh, 650,000 from Nisha Mundra and 2,350,000 equity shares from Navneet Estate Private Limited, for a consideration of ₹ 752,200,000 ("**Transaction**"). Based on the valuation report issued in October, 2022, by Sapient Services Private Limited the aforementioned consideration has been paid for the purpose of the Transaction, pursuant to the SPA. The said valuation report has been disclosed in the section "*Material Contracts and Documents for Inspection*" on page 516. There was no relationship of our Promoter or our Directors with the Sellers or Plus Medicare. Pursuant to the Transaction, Plus Medicare has become our Subsidiary with effect from October 18, 2022. For further details in relation to Plus Medicare, see "*Our Subsidiaries*" on page 269.

Further, as of the date of this Draft Red Herring Prospectus our Company does not have any proposed arrangements pursuant to which it would undertake any material acquisitions or divestments of business/undertakings, slump sales, mergers, amalgamation, any revaluation of assets.

Details of shareholders' agreements

Except as disclosed below, our Company does not have any other subsisting shareholders' agreements among our Shareholders *vis-a-vis* our Company.

Investment and Share Purchase Agreement dated July 6, 2017 entered into amongst our Company, Dr. Dharminder Kumar Nagar ("Promoter") and Commelina Ltd ("Investor", along with our Company and Promoter, collectively referred to as the "Parties") and such investment and share purchase agreement, the "Shareholders' Agreement") as amended by the addendum to the Shareholders' Agreement dated July 13, 2017 entered into amongst the Parties ("Amendment to the Shareholders' Agreement"), read with the waiver letter dated March 28, 2024 executed amongst the Parties ("Waiver Letter") (Shareholders' Agreement, Amendment to the Shareholders' Agreement and the Waiver Letter are hereinafter collectively referred to as the "SHA") read with the Waiver Cum Amendment Agreement dated July 25, 2024 ("WCA Agreement")

Pursuant to the SHA, the Investor had (i) subscribed to 1,022,182 Series A CCPS issued to it by our Company for a consideration of ₹ 2,600,001,691.56 and (ii) purchased 62,245 equity shares of face value of 10 each of our Company from our Promoter for a consideration of ₹ 149,999,245.90. For details of conversion of Series A CCPS allotted to the Investor, please see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company – Equity Share capital"* on page 74. The SHA sets out the rights and obligations of the Parties with respect to the management and governance of our Company and its business. The SHA sets out, amongst others, the following matters: (a) right of our Promoter and the Investor, subject to them holding minimum specified shareholding in our Company, to nominate directors on the Board of our Company; (b) constitution of valid quorum for Board and Shareholders' meetings; (c) certain reserved matters in relation to our Company, including *inter alia*, authorising alteration of share capital of our Company, change in the name of our Company, taking up of new business initiatives which require affirmative vote / prior written consent of the Investor, etc.; (d) tag along rights of the Investor; (e) right of first offer of our Promoter and the Investor; and (f) exit rights of the Investor, etc.

The WCA Agreement (i) sets out certain amendments to the terms of the SHA, (ii) waives certain rights and provide consents to certain matters under the SHA, and (iii) terminates the SHA, in the manner set out in the WCA Agreement. The WCA Agreement sets out certain waivers and provides consents in relation to certain matters, including, amongst others: (i) waivers in relation to certain special rights, such as, anti-dilution, non-disposal of shareholding, tag along rights, right of first refusal, right of first offer and transferability of shares (except to the extent of the Offer for Sale component of the Offer) from the Effective Date (i.e., the date of filing of this Draft Red herring Prospectus), and (ii) consents in relation to certain matters such as amendment of the Articles of Association of our Company. The WCA Agreement also sets out certain amendments, pertaining to, amongst others, the (i) right of the Parties to appoint / nominate directors on our Board from the Effective Date until the expiry of the Term. Further, the WCA Agreement also provides that from a date prior to the filing of this Draft Red Herring Prospectus, an insurance cover shall be provided by our Company to all the Directors and the Selling Shareholders in relation to the Offer, on terms and for a period to the satisfaction of the Investor.

The provisions of the WCA Agreement shall be effective from the Effective Date, except for certain provisions which are effective from the date of execution of the WCA Agreement (i.e., July 25, 2024) or such date as specified therein (as the case maybe) and shall be terminated upon earlier of any of the following events: (i) consummation of the Offer (i.e., the date of receipt of final listing and trading approval from each of the Stock Exchanges for the listing and trading of the Equity Shares of our Company pursuant to the Offer), (ii) mutual written agreement of the Parties, (iii) termination of the SHA in accordance with the terms thereof, or (iv) the long stop date (i.e., earlier of (a) the date of expiry of 12 months from the date of issuance of the final observations by SEBI in relation to the Offer or such other extended date as may be mutually agreed to amongst the Parties in writing or (b) the date on which the Offer is withdrawn by the Board of our Company or when our Company decides not to undertake the Offer pursuant to a resolution of the Board), in the event the consummation of the Offer of the Equity Shares on the Stock Exchanges is not completed on or prior to the long stop date ("**Term**"). The WCA Agreement provides that the SHA shall automatically stand terminated upon consummation of the Offer.

Part B of our Articles of Association and the special rights available to the Shareholders under Part B shall automatically stand terminated at the time of the receipt of final listing and trading approval from each of the Stock Exchanges for the listing and trading of the Equity Shares of the Company pursuant to the Offer. However, the rights in relation to the buy-back of securities of our Company under the SHA and our Articles of Association have been terminated pursuant to the WCA Agreement from the Effective Date.

Key terms of other material agreements

Concession agreement dated January 16, 2018 ("Concession Agreement") entered into amongst our Company, Heavy Engineering Corporation Limited ("HEC") and Paras Healthcare (Ranchi) Private Limited ("Concessionaire", and along with our Company and HEC, collectively referred to as the "Parties").

HEC, through its bidding process, awarded the project of renovation of its existing hospital in Ranchi ("**Project**") to our Company. For the purposes of the Project, our Company incorporated the Concessionaire. Pursuant to the Concession Agreement, the Parties have agreed that the Concessionaire shall have the exclusive right, license and authority for the tenure of 35 years (which may be renewed for an additional period of 10 years and another 10 years) to, *inter alia*, invest, finance, design, engineer, construct, equip, commission, operate, administer, maintain and manage the Project. Under the terms of the Concession Agreement, HEC has, among others, the right to nominate and appoint one director on the board of the Concessionaire and to approve any change in shareholding and management control of the Concessionaire.

Except as disclosed in this Draft Red Herring Prospectus, our Company has not entered into any other subsisting material agreement including with any strategic partners, joint venture partners, and/or financial partners, other than in the ordinary course of business:

Except as disclosed in "-*Details of shareholders' agreements*" and "- *Key terms of other material agreements*" on pages 241 and 242, respectively, as on the date of this Draft Red Herring Prospectus, there are no inter- se agreements/arrangements or any deeds of assignment, acquisition agreements, shareholders agreement, financing agreements, agreements of like nature with respect to our Company and/or its subsidiaries and there are no other agreements/arrangement and clauses/covenants with respect to our Company and/or its subsidiaries that our Company, our Promoter or any of the Shareholders are a party to, or of which our Company is aware, which are material and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision in the Offer and there are no clauses/covenants which are adverse/pre-judicial to the interest of the minority/public shareholders of our Company.

Except as disclosed in this Draft Red Herring Prospectus, there are no agreements or arrangements entered into by our Company pertaining to the primary or secondary transactions of securities of the Company or financial arrangements relating to the Company. Additionally, this Draft Red Herring Prospectus includes all the material covenants of the agreements or arrangements disclosed hereunder.

Details of guarantees given to third parties by the Promoter Selling Shareholder

Our Promoter Selling Shareholder has not given any guarantee to third parties.

Other confirmations

As on the date of this Draft Red Herring Prospectus, none of our Promoter, Key Management Personnel, Senior Management, Directors or any other employee of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Our subsidiaries and joint ventures

We do not have any joint ventures as of the date of this Draft Red Herring Prospectus. For details with respect to our Subsidiaries, see "*Our Subsidiaries*" on page 269.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise not more than 15 Directors. As on the date of filing this Draft Red Herring Prospectus, we have seven Directors on our Board, of whom, two are Executive Directors, five are Non-Executive Directors, of which three are Independent Directors (including one woman independent director). Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Saurabh Sood *Designation*: Chairman and Non-Executive Director *Date of birth*: October 6, 1969 *Address*: House No. G-214, Ansals Palam Vihar, Cartarpuri Alias Daulatpur, Nasirabad (63, Gurgaon), Carterpuri, Haryana 122 017, India *Occupation*: Professional *Current term*: Liable to retire by rotation *Period of directorship*: Director since February 1, 2024 *DIN*: 03205955	54	*Indian Companies:* *Public limited companies* NIL *Private limited companies* 1. Gatx India Private Limited *Foreign Companies:* NIL
Dr. Dharminder Kumar Nagar *Designation*: Managing Director *Date of birth*: January 1, 1970 *Address*: Dharmvati Niwas, 6A Link Road, DLF Chattar Pur Farms, Chattar Pur, South Delhi, Delhi – 110 074, India *Occupation*: Services *Current term*: For a period of five years with effect from April 1, 2022 (liable to retire by rotation) *Period of directorship*: Director since August 16, 2003 *DIN*: 00332135	54	*Indian Companies:* *Public limited companies* NIL *Private limited company* NIL *Foreign Companies:* NIL
Dr. Kapil Garg *Designation*: Whole-time Director *Date of birth*: August 27, 1970 *Address*: House No 1933, Sector No 28, Faridabad, Sector 29, Haryana 121 008, India *Occupation*: Doctor *Current term*: For a period of five years with effect from April 1, 2023 (liable to retire by rotation)	53	*Indian Companies:* *Public limited companies* NIL *Private limited companies* NIL *Foreign Companies:* NIL

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Period of directorship: Director since March 21, 2015 *DIN*: 01475972		
Kabir Thakur *Designation*: Non-Executive Director (nominee of Commelina Ltd) *Date of birth*: September 1, 1980 *Address*: 2nd Floor, Anmol, 13th Road, Khar (West), Mumbai, Maharashtra – 400 052, India *Occupation*: Finance *Current term*: Not liable to retire by rotation *Period of directorship*: Director since August 17, 2021 *DIN*: 08422362	43	*Indian Companies:* *Public limited companies* 1. Sapphire Foods India Limited; and *2.* Shriji Polymers (India) Limited. *Private limited company* 1. Cavinkare Private Limited; 2. Ivalue Infosolutions Limited; and 3. Accumax Lab Devices Private Limited. *Foreign Companies:* NIL
Nakul Anand *Designation*: Independent Director *Date of birth*: November 5, 1956 *Address*: 231 First Floor, Vasant Kunj, House of Paree Mall Road, Vasant Kunj, South West Delhi, Delhi 110 070, India *Occupation*: Service *Current term*: For a period of five years with effect from February 1, 2024, not liable to retire by rotation *Period of directorship*: Director since February 1, 2024 *DIN*: 00022279	67	*Indian Companies:* *Public limited companies* NIL *Private limited companies* 1. TSWL Orchestrating Service Private Limited; and 2. Regen XP Private Limited *Foreign Companies:* NIL
Upendra Prasad Singh *Designation*: Independent Director *Date of birth*: October 10, 1962 *Address*: Flat no – 6142, Maple Tower, Parx Laureate, Sector-108, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201 304, India *Occupation*: Retired IAS officer *Current term*: For a period of five years with effect from June 12, 2024, not liable to retire by rotation *Period of directorship*: Director since June 12, 2024 *DIN*: 00354985	61	*Indian Companies:* *Public limited companies* 1. Jindal Ferrous Limited; and 2. Sarda Energy & Minerals Limited *Private limited companies* 1. Paras Healthcare (Ranchi) Private Limited *Foreign Companies:* NIL
Usha Rajeev *Designation*: Independent Director *Date of birth*: October 12, 1963	60	*Indian Companies:* *Public limited companies** 1. Elantas Beck India Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Address: LGG-126A The Laburnum, Sushant Lok – 1, Sector 28, Galleria DLF-IV, Farrukhnagar, Gurgaon – 122 009, Haryana, India *Occupation*: Self employed *Current term*: For a period of five years with effect from June 12, 2024, not liable to retire by rotation *Period of directorship*: Director since June 12, 2024 *DIN*: 05018645		*Private limited companies* NIL *Foreign Companies:* NIL

** Carborundum Universal Limited's annual general meeting was held on July 30, 2024 to approve the appointment of Usha Rajeev as an independent director of Carborundum Universal Limited with effect from August 1, 2024.*

Brief profiles of our Directors:

Saurabh Sood is the Chairman and Non-Executive Director on the Board of our Company. He holds a bachelor of arts (honours) degree in economics from Shri Ram College of Commerce, University of Delhi and has completed an advanced management program from Harvard Business School, USA. He has been an associate of the Institute of Chartered Accountants of India since 1996. He has several years of experience in the field of business management. He was previously associated with Lazard India Private Limited, GE Capital Services India and Pricewater House Coopers Pvt. Ltd. He has been associated with the GATX India Private Limited as the president and managing director since 2011.

Dr. Dharminder Kumar Nagar is the Managing Director on the Board of our Company. He holds a bachelor of medicine and bachelor of surgery degree from the University of Mysore, a master of philosophy in hospital and health systems management from the Birla Institute of Technology & Science, Pilani and is also registered with the Medical Council of India. He has also completed a course on managing healthcare delivery from Harvard Business School, USA. He has been associated with our Company since 2003 and has over 20 years of experience in the healthcare industry. He currently chairs the regional committee on healthcare at Confederation of Indian Industry Northern Region Council.

Dr. Kapil Garg is a Whole-time Director on the Board of our Company and, additionally, holds the position of Director - Strategy and Business Intelligence in our Company. He holds a bachelor of medicine and bachelor of surgery degree from the Punjabi University, Patiala and a post graduate diploma in hospital and health management from the Indian Institute of Health Management Research, Jaipur. He has been associated with our Company since 2012. He has over 21 years of experience in the healthcare industry. Prior to joining our Company, he was associated with Escorts Hospital & Research Centre, Escorts Limited as a medical officer, Indian Hospitals Corporation Limited (Apollo Hospitals Group), Medsource Healthcare Private Limited as a chief operations officer, Fortis Heathworld Limited as the head institutional business, Indraprastha Medical Corporation Limited as a senior general manager – ambulatory care and Columbia Asia Hospitals Private Limited as a general manager – corporate affairs.

Kabir Thakur is a Non-Executive Director (nominee of Commelina Ltd) on the Board of our Company. He has passed the final examinations for bachelor's in commerce degree and master of management studies degree, each from the University of Mumbai. He has over 18 years of experience in the field of investment and private equity. He was previously associated with ChrysCapital Group as a director. He is currently the managing partner of CR Advisors LLP.

Nakul Anand is an Independent Director on the Board of our Company. He holds a bachelor of arts degree in economics (honours) from University of Delhi. He has over 44 years of experience in the fast-moving consumer goods industry. He was previously associated with ITC Limited as an executive director. He was also the president of Hotel Association of India.

Upendra Prasad Singh is the Independent Director on the Board of our Company. He holds a bachelor of technology degree in mechanical engineering from Indian Institute of Technology, Kanpur. He is a retired Indian Administrative Services officer. He has over 37 years of experience in the field of administration. He was previously associated with Ministry of Textiles, Government of India as the secretary, Ministry of

Jalshakti, Government of India as the secretary, Ministry of Petroleum and Natural Gas, Government of India as the additional secretary, Ministry of Steel, Government of India as the joint secretary, Department of Agriculture and Farmers' Empowerment, Government of Odisha as the principal secretary, Commerce and Transport Department, Government of Odisha as the transport commissioner, Department of Finance and Company Affairs, Ministry of Finance, Government of India as a director and has been the district collector and district magistrate of Balangir district, Odisha.

Usha Rajeev is the Independent Director on the Board of our Company. She holds a bachelor's degree in commerce (honours course) from University of Delhi. She is a fellow of the Institute of Chartered Accountants of India and graduate of the Institute of Cost and Works Accountants of India. She has over 29 years of experience in auditing and accounting. She was previously associated with Price Waterhouse & Affiliates Firms(s) as a partner.

Details of directorship in suspended or delisted companies

None of our Directors are or were directors of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors are, or were, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships amongst our Directors, Key Managerial Personnel or Senior Management

None of our Directors are related to each other, nor are any of our Directors related to any of our Key Managerial Personnel or Senior Management.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except for Kabir Thakur, who is a nominee of Commelina Ltd, pursuant to the Investment and Share Purchase Agreement dated July 6, 2017 entered into amongst our Company, Dr. Dharminder Kumar Nagar and Commelina Ltd as amended by the addendum dated July 13, 2017 read with the Waiver Letter dated March 28, 2024 and the Waiver Cum Amendment dated July 25, 2024, none of our Directors have been appointed on our Board pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For further details, see "*History and Certain Corporate Matters – Details of shareholders' agreements*" on page 241.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders dated July 25, 2024, our Board is authorised to borrow from various banks / financial institutions, provided that the total amount outstanding at any point of time shall not exceed ₹ 10,000 million.

Terms of appointment of our Directors

a) **Terms of employment of our Executive Directors**

i) Dr. Dharminder Kumar Nagar, **Managing Director**

Dr. Dharminder Kumar Nagar has recently been re-appointed as the Managing Director on the Board of our Company pursuant to the resolution passed by our Board and by our Shareholders, each, on September 30, 2022 for a period of five years with effect from April 1, 2022 and pursuant to the resolutions passed by our Board on July 22, 2024 and by our Shareholders on July 25, 2024, is liable to retire by rotation (for the remainder of his term with effect from April 1, 2024 till March

31, 2027). The details of his remuneration (effective from April 1, 2024 till March 31, 2027) and other terms of employment in accordance with the (i) resolutions passed by our Board on July 22, 2024 and by Shareholders on July 25, 2024 (in partial modification of the resolutions passed by our Board and Shareholders, each on September 30, 2022); and (ii) employment agreement entered by Dr. Dharminder Kumar Nagar with our Company dated July 11, 2017, as amended, on October 20, 2021 are enumerated below:

Basic salary	₹ 2.30 million per month
House rent allowance ("HRA") and allowances	₹ 2.19 million per month
Retirement benefits	₹ 0.11 million per month
Other benefits and payments	• Reimbursement of expenses actually and properly incurred by Dr. Dharminder Kumar Nagar for the business of our Company • Company maintained cars

ii) Dr. Kapil Garg, Whole-time Director

Dr. Kapil Garg has recently been re-appointed as the Whole-time Director on the Board of our Company pursuant to the resolution passed by our Board on March 1, 2023 , for a period of five years with effect from March 1, 2023 and pursuant to the resolutions passed by our Board on July 22, 2024 and by our Shareholders on July 25, 2024, is liable to retire by rotation (for the remainder of his term with effect from April 1, 2024 till March 31, 2028). The details of his remuneration (effective from April 1, 2024 till March 31, 2027) and other terms of employment in accordance with the (i) resolutions passed by our Board and Shareholders on July 22, 2024 and July 25, 2024 (in partial modification of the resolution passed by our Board on March 1, 2023); and (ii) employment agreement entered by Dr. Kapil Garg with our Company dated July 20, 2017, read with the appraisal letter dated July 31, 2023 are enumerated below:

Basic pay	₹ 0.44 million per month
Perquisites and allowance	₹ 0.32 million per month
Performance linked incentive	₹ 0.14 million per month
Retirement benefits	₹ 0.12 million per month
Other benefits and payments	Reimbursement of expenses actually and properly incurred by Dr. Kapil Garg for the business of our Company, medical reimbursement, car lease amount, contribution to provident fund, gratuity and other benefits.

b) Sitting fees and remuneration to Independent Directors

Pursuant to a resolution of our Board dated July 22, 2024, our Independent Directors are entitled to receive sitting fees of ₹ 0.1 million for attending each meeting of our Board, ₹ 0.1 million for attending each meeting of the Audit Committee and Nomination and Remuneration Committee and ₹ 0.05 million for attending each meeting of the Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders' Relationship Committee.

In addition to the above sitting fees, pursuant to a resolution of our Board dated July 22, 2024 and a resolution of our Shareholders dated July 25, 2024, two of our Independent Directors, Nakul Anand and Usha Rajeev shall be entitled to receive a fixed remuneration of ₹ 1.5 million, per annum, on a quarterly pro-rata basis, over and above the sitting fees they are entitled to.

Payments or benefits to our Directors

a) Executive Directors

The table below sets forth the details of the remuneration (including salaries and perquisites) paid to our Executive Directors for Fiscal 2024:

Sr. No.	Name of the Executive Director	Remuneration for Fiscal 2024 (in ₹ million)
1.	Dr. Dharminder Kumar Nagar	53.77
2.	Dr. Kapil Garg	10.96

b) **Non-Executive Directors and Independent Directors**

The table below sets forth the details of the remuneration (including sitting fees and commission, to the extent applicable) paid to our Non-Executive Directors and our Independent Directors for Fiscal 2024:

Sr. No.	Name of the Director	Remuneration for Fiscal 2024 (in ₹ million)
1.	Kabir Thakur (nominee of Commelina Ltd)	Nil
2.	Saurabh Sood	0.33*
3.	Nakul Anand	Nil
4.	Upendra Prasad Singh	Nil[#]
5.	Usha Rajeev	Nil[#]

**Out of the total remuneration paid to Mr. Saurabh Sood for Fiscal 2024, ₹0.15 million has been paid to him in his capacity as our erstwhile independent director for the period prior to his appointment as a Non-Executive Director on February 1, 2024.*
[#]Upendra Prasad Singh and Usha Rajeev have been appointed as Independent Directors of our Company in Fiscal 2025.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Remuneration paid or payable to the Directors by Subsidiaries or associate company

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from our Subsidiaries in Fiscal 2024. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any associate company.

Bonus or profit-sharing plan for our Directors

Except to the extent of performance linked bonus derived by our Whole-time Director, Dr. Kapil Garg, in accordance with the terms of his employment, our Company does not have any performance linked bonus involving any of our Directors. Further, our Company does not have any profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	Number of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Dr. Dharminder Kumar Nagar	73,519,238	75.32	[●]
Dr. Kapil Garg	20	Negligible	[●]

** To be updated at the Prospectus Stage.*

Shareholding of our Directors in Subsidiaries

None of our Directors have any shareholding in our Subsidiaries.

Interest of Directors

Certain of our Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending meetings of our Board or a committee thereof, as well as to the extent of other remunerations, commission and reimbursement of expense, if any, payable to them by our Company and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. For further details, see " – *Payments or benefits to our Directors"* on page 248.

Our Directors may also be deemed to be interested to the extent of Equity Shares as disclosed in "- *Shareholding of our Directors in our Company*" on page 249, (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives

Except for Dr. Dharminder Kumar Nagar, none of our Directors are interested in the promotion of our Company.

Our Directors may also be deemed to be interested to the extent of any directorships held by them in our Subsidiaries.

Except for Dr. Dharminder Kumar Nagar, who is the Promoter Selling Shareholder, none of our Directors have any existing or anticipated transaction whereby our Directors will receive any portion of the proceeds from the Offer.

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Except in the ordinary course of business and as disclosed in "*Restated Consolidated Financial Information – Note 34 - Related parties disclosures*" at page 316, our Directors do not have any other business interest in our Company.

None of our Directors have availed loans from our Company.

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Designation (at the time of appointment / change in designation / cessation)	Date of appointment / change in designation / cessation	Reason
Ramesh Abhishek	Independent Director	July 12, 2024	Resignation due to personal commitments
Usha Rajeev(1)	Additional Director	June 12, 2024	Appointment
Upendra Prasad Singh(2)	Additional Director	June 12, 2024	Appointment
Nakul Anand(3)	Additional Director	February 1, 2024	Appointment
Saurabh Sood(4)	Additional Director	February 1, 2024	Appointment
Saurabh Sood	Independent Director	January 31, 2024	Resignation under Section 168 of the Companies Act, 2013
Veer Singh Mehta	Non-Executive Director	January 31, 2024	Resignation under Section 168 of the Companies Act, 2013
Kabir Thakur (nominee of Commelina Ltd)(5)	Additional Director	August 17, 2021	Appointment
Narayan Anand	Non-Executive Director	August 17, 2021	Resignation under Section 168 of the Companies Act, 2013

(1) The appointment of Usha Rajeev was regularized and was appointed as an Independent Director pursuant to a resolution passed at the AGM held on June 20, 2024.

(2) *The appointment of Upendra Prasad Singh was regularized and was appointed as an Independent Director pursuant to a resolution passed at the AGM held on June 20, 2024.*
(3) *The appointment of Nakul Anand was regularized and was appointed as an Independent Director pursuant to a resolution passed at the EGM held on June 4, 2024.*
(4) *The appointment of Saurabh Sood was regularized and was appointed as a Non-Executive Director pursuant to a Shareholder's resolution passed at the EGM held on June 4, 2024.*
(5) *The appointment of Kabir Thakur was regularized and was appointed as a Non-Executive Director pursuant to a Shareholder's resolution passed at the AGM held on October 19, 2021.*

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility Committee; and
(e) Risk Management Committee.

For purposes of the Offer, our Board has also constituted an IPO Committee.

(a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated June 28, 2023 and was re-constituted by our Board on July 18, 2024. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Usha Rajeev	Chairperson	Independent Director
Kabir Thakur	Member	Non-Executive Director (nominee of Commelina Ltd)
Nakul Anand	Member	Independent Director
Upendra Prasad Singh	Member	Independent Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee of the Company;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise if it considers necessary; and

(e) Such powers as may be prescribed under the Companies Act, the SEBI Listing Regulations and other applicable laws.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statements and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) Recommendation to the board of directors for appointment, re-appointment and replacement, removal, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, or any other external auditor, of the Company and the fixation of audit fees;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;

   (ii) Changes, if any, in accounting policies and practices and reasons for the same;

   (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

   (iv) Significant adjustments made in the financial statements arising out of audit findings;

   (v) Compliance with listing and other legal requirements relating to financial statements;

   (vi) Disclosure of any related party transactions; and

   (vii) Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval;

(f) Approval of the disclosure of the key performance indicators to be disclosed in the offer documents in relation to the initial public offering of the equity shares of the Company;

(g) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

(h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(j) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(k) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(l) Scrutiny of inter-corporate loans and investments;

(m) Valuation of undertakings or assets of the company, wherever it is necessary;

(n) Evaluation of internal financial controls and risk management systems;

(o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(p) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(q) Discussion with internal auditors of any significant findings and follow up there on;

(r) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("**CFO**") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function and who will be designated as the CFO of the Company) after assessing the qualifications, experience and background, etc., of the candidate;

(w) Carrying out any other functions as provided under or required to be performed by the audit committee under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws;

(x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(y) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(z) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(aa) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per the SEBI Listing Regulations;

(bb) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation *etc.*, on the Company and its shareholders; and

(cc) Such roles as may be specified by the Board from time to time or prescribed under the Companies Act, the SEBI Listing Regulations or other applicable laws.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(e) Statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
ii. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(f) Review the financial statements, in particular, the investments made by any unlisted subsidiary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated July 18, 2024. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration Committee is as follows:

Name of Director	Position in the Committee	Designation
Nakul Anand	Chairperson	Independent Director
Saurabh Sood	Member	Non-Executive Director
Usha Rajeev	Member	Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

(i) use the services of any external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(c) Formulation of criteria for evaluation of performance of independent directors and the Board;

(d) Devising a policy on Board diversity;

(e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(g) Recommending to the Board the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(h) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(i) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(j) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:

(i) determining the eligibility criteria and selection of employees to participate under the ESOP Scheme;

(ii) determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) date of grant;

(iv) determining the exercise price of the option under the ESOP Scheme;

(v) the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) re-pricing of the options which are not exercised, whether or not they have been vested if stock option are rendered unattractive due to fall in the market price of the equity shares;

(x) the grant, vesting and exercise of option in case of employees who are on long leave;

(xi) the vesting and exercise of option in case of grantee who has been transferred or whose services have been seconded to any other entity within the group at the instance of the Company;

(xii) allowing exercise of unvested options on such terms and conditions as it may deem fit;

(xiii) the procedure for cashless exercise of options;

(xiv) forfeiture/ cancellation of options granted;

(xv) arranging to get the shares issued under the ESOP Scheme listed on the stock exchanges on which the equity shares of the Company are listed or maybe listed in future.

(xvi) formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

1. the number and the price of the option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;

2. for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

3. the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(k) Construing and interpreting the ESOP Scheme in accordance with its terms and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(l) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

(m) Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(n) Such terms of reference as may be prescribed under the Companies Act, the SEBI Listing Regulations, or other applicable laws.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated July 18, 2024. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Upendra Prasad Singh	Chairperson	Independent Director
Dr. Kapil Garg	Member	Whole-time Director
Kabir Thakur	Member	Non-Executive Director (nominee of Commelina Ltd)

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(a) Redressal of all security holders' and investors' grievances including complaints related to transfer/transmission of shares, non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of declared dividends, non-receipt of annual reports, issue of new/duplicate certificates, etc., and assisting with quarterly reporting of such complaints;

(b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services; and

(g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, the SEBI Listing Regulations, or any other applicable laws.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated May 26, 2014 and was re-constituted by our Board on July 18, 2024. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Dr. Dharminder Kumar Nagar	Chairperson	Managing Director
Dr. Kapil Garg	Member	Whole-time Director
Upendra Prasad Singh	Member	Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To formulate the annual action plan of the Company;

(e) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility policy, corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(g) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, as amended or other applicable laws.

(e) Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated June 28, 2023, and was re-constituted by our Board on July 18, 2024. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Saurabh Sood	Chairperson	Non-Executive Director
Dr. Kapil Garg	Member	Whole-time Director
Kabir Thakur	Member	Non-Executive Director (nominee of Commelina Ltd)
Nakul Anand	Member	Independent Director
Usha Rajeev	Member	Independent Director
Dilip Bidani	Member	Group Chief Financial Officer
Dr. Santy N Sajan	Member	Group Chief Operating Officer

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

(a) To formulate a detailed risk management policy, which shall include:

i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and

iii. Business continuity plan.

(b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

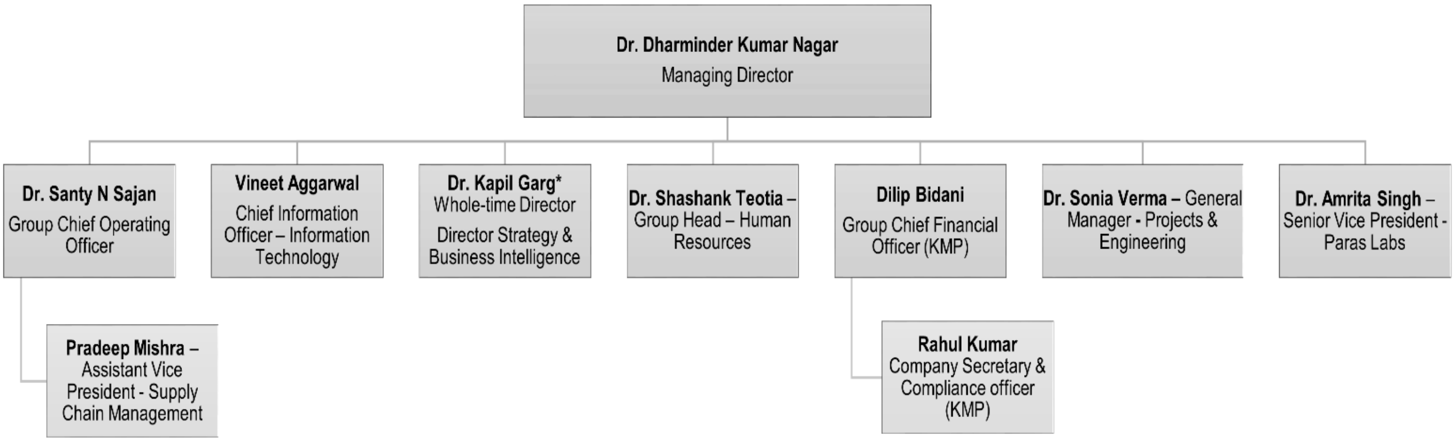
(f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(g) To perform such other activities as may be delegated by the board of directors and/or prescribed under any law to be attended to by the Risk Management Committee.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Risk Management Committee shall be two members or one third of the members of the committee, whichever is higher, including at least one member of the Board in attendance.

Management organization chart



**Since the position of Director - Strategy and Business Intelligence is held by our Whole-time Director, Dr. Kapil Garg, he is not categorised as Senior Management of our Company in accordance with the definition of "senior management" under the SEBI ICDR Regulations.*

Key Managerial Personnel

In addition to Dr. Dharminder Kumar Nagar, our Managing Director, and Dr. Kapil Garg, our Whole-time Director, whose details are set out in "– *Brief profiles of our Directors*" on page 246 above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Dilip Bidani is the Group Chief Financial Officer of our Company. He has been associated with our Company since January 16, 2023, and was appointed as Group Chief Financial Officer of our Company by our Board with effect from March 3, 2023. He holds a bachelor's degree in commerce from the University of Calcutta, and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is also an associate of the Institute of Chartered Accountants of India. He has over 36 years of experience in the finance sector. Prior to joining our Company, he was associated with Dr. Lal Pathlabs Limited, One Mobikwik Systems Limited, Manpower Services India Private Limited, Mother Dairy Foods Limited and Mother Dairy Fruit & Vegetable Private Limited, each, as the chief financial officer, Avon Beauty Products India Private Limited as the director – finance, Orbis Financial Corporation Limited as the director – finance and operations, Max Healthcare Institute Limited as a senior director, Hindustan Lever Limited as the manager – accounts, ICI India Limited (erstwhile IEL Limited) as a management staff. In Fiscal 2024, the total remuneration paid to him was ₹ 19.03 million.

Rahul Kumar is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company as the assistant general manager – legal and secretarial, since June 30, 2022 and was appointed as a Company Secretary of our Company by our Board with effect from July 5, 2022 and our Compliance Officer by our Board with effect from July 22, 2024. He holds a bachelor's degree in commerce from Veer Bahadur Singh Purvanchal University, Jaunpur, and has passed the final examination for the degree of bachelors in law from the University of Delhi. He is also an associate member of the Institute of Company Secretaries of India. He has over 16 years of experience in the secretarial, compliance, and legal functions. Prior to joining our Company, he was associated with Kishangar Beawar NH-8 Tollway Private Limited as a company secretary, Lanco Devihalli Highways Limited as a manager, FUJIFILM India Private Limited as manager – legal and company secretary (finance and accounts division), Honda India Power Products Limited (*earlier known as Honda Seil Power Products Limited*) as deputy manager – secretarial and legal, Morepen Laboratories Limited, Mayuka Investment Limited and Dalmia Cement Bharat Limited, each as a company secretary. In Fiscal 2024, the total remuneration paid to him was ₹ 3.26 million.

Senior Management

In addition to Dilip Bidani, the Group Chief Financial Officer and Rahul Kumar, Company Secretary and Compliance Officer of our Company, whose details are provided in *"– Key Managerial Personnel"* on page 261, the details of our other Senior Management as on the date of this Draft Red Herring Prospectus are as set forth below:

Dr. Santy N Sajan is the Group Chief Operating Officer of our Company. She has been associated with our Company since November 3, 2022. She holds a bachelor's degree in science (nursing) from Shreemati Nathibai Damodar Thackersey Women's University, Mumbai, graduate certificate in business of medicine from the Carey Business School, the Johns Hopkins University, USA and master of business administration from the Carey Business School, the Johns Hopkins University, USA. She also holds a degree of doctor of philosophy from the Catholic University of America, USA and has completed the informatics graduate level programme from the University of Maryland University College, USA. She has over 25 years of experience in the healthcare and business development sector both, nationally and internationally.. Prior to joining our Company, she was associated with Apollo Hospitals Enterprise Limited as the chief operating officer, Aster DM Healthcare Limited in various capacities including with the Department of Operations, Aster MIMS Hospital as the chief executive officer and Department of Administration, Aster Medcity, Kochi, as the chief operating officer, Columbia Asia Hospitals Private Limited as a general manager, Washington Hospital Centre (MedStar Health) as a clinical informatics specialist, Shady Grove Adventist Hospital as a registered nurse, Sultan Qaboos University Hospital, Sultanate of Oman as the head staff nurse and has been a nurse in the Kingdom of Saudi Arabia. In Fiscal 2024, the total remuneration paid to her was ₹17.69 million.

Vineet Aggarwal is the Chief Information Officer Information Technology of our Company. He has been associated with our Company since September 27, 2021. He holds a degree of bachelor of engineering (computer science and engineering) from Maharshi Dayanand University, Rohtak. He has over 20 years of experience in the information technology sector. Prior to joining our Company, he was associated with Agilus

Diagnostics Limited (formerly, SRL Limited) as the senior general manager – information technology, Indus Towers Limited as the deputy general manager – information technology, PricewaterhouseCoopers Private Limited as a principal consultant, Siemens IT Solutions and Services Private Limited as a consultant and Tata Consultancy Services Limited as assistant systems engineer. He is also the recipient of the Cloud Achievers Award 2020 at the India Cloud Summit in 2020 by Dynamiccio for extra-ordinary cloud innovation and strategy. In Fiscal 2024, the total remuneration paid to him was ₹ 8.68 million.

Dr. Shashank Teotia is the Group Head Human Resources of our Company. He has been associated with our Company since December 3, 2020. He holds a degree of bachelor of arts from the Chaudhary Charan Singh University, Meerut and has passed the examination for master of labour laws and labour welfare from the University of Pune and holds a post graduate diploma in management from the Symbiosis Institute of Management Studies, Pune and a degree of doctor of philosophy from the University of Delhi. He has over 10 years of experience in healthcare and fast moving consumer goods sector. Prior to joining our Company, he was associated with Leadership Boulevard Private Limited as chief human resource officer, Max Life Insurance Company Limited as a zonal human resource head - north, Mother Diary Fruit and Vegetable Private Limited as deputy general manager. In Fiscal 2024, the total remuneration paid to him was ₹ 7.86 million.

Dr. Sonia Verma is the General Manager Projects and Engineering of our Company. She has been associated with our Company since January 2, 2006. She holds a degree of bachelor of physical therapy from the Manipal Academy of Higher Education, Manipal and master of philosophy in hospitals and health systems management from the Birla Institute of Technology and Science, Pilani. She has over 18 years of experience in the healthcare sector. In Fiscal 2024, the total remuneration paid to her was ₹ 3.73 million.

Dr. Amrita Singh is the Senior Vice President, Paras Labs of our Company. She has been associated with our Company since January 16, 2023. She holds a degree of bachelor and medical surgery from the Mahatma Gandhi University, Kottayam and a degree of doctor of medicine (pathology) from the Rajiv Gandhi University of Health Sciences, Karnataka. She has over 6 years of experience in healthcare sector. Prior to joining our Company, she was associated with Dr. Lal Pathlabs Private Limited as chief of lab and sub-zonal operations head. In Fiscal 2024, the total remuneration paid to her was ₹ 7.50 million.

Pradeep Mishra is the Assistant Vice President, Supply Chain Management of our Company. He has been associated with our Company since June 1, 2018. He holds a degree of bachelor of pharmacy from Bangalore University and an executive masters in business administration with specialization in operation and hospital management from Delhi Institute of Management Studies. He has over 18 years. of experience in healthcare sector. Prior to joining our Company, he was associated with Fortis Hospitals Limited as deputy general manager in supply chain management, Global Health Limited as deputy general manager supply chain, Sir Ganga Ram Hospital as assistant manager – pharmacy, Max Healthcare Limited as an executive - pharmacy, and Bioinnovat Research India Private Limited as the India supply manager for Tiger Medical Group. In Fiscal 2024, the total remuneration paid to him was ₹ 5.10 million.

Relationships amongst our Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and/or Senior Management are related to each other.

Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel or Senior Management in last three years

Except as mentioned below, there have been no changes in the Key Managerial Personnel or Senior Management in the last three years:

Name	Date of change	Reason
Dilip Bidani	March 1, 2023	Appointment as the Group Chief Financial Officer
Shankar Narang	February 14, 2023	Resigned as the Group Chief Operating Officer
Debajit Sen Sharma	February 4, 2023	Resigned as Group Chief Financial Officer
Dr. Amrita Singh	January 16, 2023	Appointment as the Senior Vice President New Business

Name	Date of change	Reason
Dr. Santy N Sajan	November 3, 2022	Appointment as the Group Chief Operating Officer
Rahul Kumar	July 5, 2022	Appointment as the Company Secretary
Mohd Shahid	May 30, 2022	Resigned as the Company Secretary
Vineet Aggarwal	September 27, 2021	Appointment as Chief Information Officer of Information Technology

Note: This does not include changes pursuant to re-designation of Key Managerial Personnel and Senior Management.

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel and Senior Management

Except for Dr. Amrita Singh (one of the members of the Senior Management), who is associated with our Company on a retainership basis, all our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Retirement and termination benefits

Our Key Managerial Personnel or Senior Management have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel or Senior Management is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed under "– *Shareholding of Directors in our Company*" on page 249, none of our other Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel and Senior Management for Fiscal 2024, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have a profit-sharing plan for our Key Managerial Personnel and Senior Management.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel and Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Employee stock option and employee stock purchase schemes

As on the date of this Draft Red Herring Prospectus, no options have been granted under the ESOP 2024. For further details in relation to the ESOP 2024, see "*Capital Structure – Employee Stock Options Plan*" on page 89.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management.

Other Confirmations

There is no conflict of interest between the lessors of our immovable properties of our Company and/or our Subsidiaries (which are crucial for operations of our Company) and any of our Directors or Key Managerial Personnel.

As on the date of this Draft Red Herring Prospectus, there are no suppliers of raw materials or any third-party service providers of our Company and/or our Subsidiaries, which are crucial for the operations of our Company.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

Dr. Dharminder Kumar Nagar is the Promoter of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoter's shareholding in our Company is as follows:

S. No.	Name of the Promoter	Number of Equity Shares	Percentage of the pre-Offer issued, subscribed and paid-up Equity Share capital (%)
1.	Dr. Dharminder Kumar Nagar	73,519,238	75.32

For further details of the build-up of the shareholding of our Promoter in our Company, see "*Capital Structure – Details of shareholding of our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management in our Company*" on page 78.

Details of our Promoter

Dr. Dharminder Kumar Nagar

Dr. Dharminder Kumar Nagar, aged 54 years, is our Promoter, and is the Managing Director of our Company.

Date of Birth: January 1, 1970

Address: Dharmvati Niwas, 6A Link Road, DLF Chattarpur Farms, Chattarpur, South Delhi, Delhi – 110 074, India

Dr. Dharminder Kumar Nagar's PAN is ADGPN5145E.

For the complete profile of Dr. Dharminder Kumar Nagar, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, other ventures, special achievements and business and financial activities, see "*Our Management – Board of Directors*" and "*Our Management – Brief profiles of our Directors*" on pages 244 and 246, respectively. Further, he is a shareholder in VRS Foods Limited and he is a trustee of Ch. Ved Ram Charitable Trust.

Our Company confirms that the permanent account number, bank account number, Aadhar card number, driving license number and passport number of Dr. Dharminder Kumar Nagar shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

Dr. Dharminder Kumar Nagar acquired the equity shares of our Company from Arabian Exports Limited on June 27, 2003 and from Ved Ram who jointly held equity shares with Neelam Nagar and Gajinder Kumar on April 10, 2005, and is accordingly not the original promoter of our Company. For further details of acquisition of Equity Shares by our Promoter, see "*Capital Structure - Details of Shareholding of our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management in our Company*" on page 78.

There has been no change in the control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

Interests of our Promoter

Our Promoter is interested in our Company: (i) to the extent that he has promoted our Company; and (ii) to the extent of his shareholding and the shareholding of his relatives in our Company and the dividend payable upon such shareholding and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives. For further details of shareholding of our Promoter and the Promoter Group, see "*Capital Structure – Details of shareholding of our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management in our Company*" on page 78. Additionally, he may be interested in transactions entered into by our Company with him, his relatives or other entities (i) in which he holds shares, or (ii) which are controlled by him.

Our Promoter may also be deemed to be interested to the extent of being the Managing Director and Key Managerial Personnel of our Company and the remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him. For further details, see "*Our Management - Terms of appointment of our Directors*" and "*Our Management - Payments or benefits to our Directors*" on pages 247 and 248, respectively. Further for details of interest of our Promoter as a Director of our Company, see "*Our Management - Interest of Directors*" on page 249.

Our Promoter is not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in which our Promoter is interested as a member, in cash or shares or otherwise by any person either to induce any such person to become, or qualify him as a director, or otherwise for services rendered by such person or by such firm or company in connection with the promotion or formation of our Company.

Further, our Promoter is also a director on the boards, or is a shareholder, member or partner of certain entities forming part of the Promoter Group and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoter Group.

Other ventures of our Promoter

Other than as disclosed in "*Our Promoter and Promoter Group*" and "*Our Management - Board of Directors*" on pages 265 and 244, respectively, our Promoter is not involved in any other ventures. Further, other than PHRPL and PMHPL which is in the similar line of business as our Company, our Promoter does not have any direct interest in any venture that is involved in the same line of activity or business as conducted by our Company.

Interest in property, land, construction of building and supply of machinery

Other than as disclosed in "*Our Management – Interest of Directors*" and *"Related Party Transactions"*, on pages 249 and 367, respectively, our Promoter does not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Companies or firms with which our Promoter have disassociated in the last three years

Our Promoter has not disassociated himself from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

Payment or benefits to Promoter or Promoter Group

Except as stated in "*Other Financial Information*" and "*Our Management - Payments or benefits to our Directors*" at pages 333 and 248, respectively, there has been no payment or benefit by our Company to our Promoter or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoter with respect to the Equity Shares

As on the date of this Draft Red Herring Prospectus, our Promoter has not given any material guarantee to any third party with respect to the Equity Shares.

Promoter Group

The individuals and entities that form a part of the Promoter Group of our Company (excluding our Promoter) in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoter, are as follows:

Sr. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter (as defined under the Companies Act, 2013)
1.	Dr. Dharminder Kumar Nagar	Gurdeep Kaur Nagar	Spouse
		Ranya Nagar	Daughter
		Deleena Nagar	Daughter
		Rajendra Singh	Brother
		Surendra Singh Nagar	Brother
		Gajinder Kumar Nagar	Brother
		Narendra Singh Nagar	Brother
		Harendra Nagar	Brother
		Harbaksh Singh Khangura	Spouse's father
		Jagdish Kaur	Spouse's mother
		Tejinderpal Singh Khangura	Spouse's brother
		Gurjit Sekhon	Spouse's sister
		Gurpreet Khangura	Spouse's sister
		Preminder Khangura	Spouse's sister

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

Sr. No.	Name of the entities
1.	Ch. Ved Ram Charitable Trust
2.	Green Land Builders Private Limited
3.	VRS Foods Limited
4.	Paras Natural Spring Water Private Limited
5.	Natural Box Retail Private Limited
6.	Dharamwati Infrastructures Private Limited
7.	Ved Ram Dairy Private Limited
8.	Prishe Beauty Private Limited
9.	Healthways Milk & Food Products Private Limited
10.	Visage Ventures Private Limited
11.	Paras Buildtech India Private Limited
12.	Haruchi Fashions Private Limited

Sr. No.	Name of the entities
13.	Terra Sans International Private Limited
14.	Ambit Buildcon Private Limited
15.	Ambit Buildtech Private Limited
16.	Aravali Realtors Private Limited
17.	Dynasty Buildwell Private Limited
18.	Hyacinth Estates Private Limited
19.	Sunglow Infotech Private Limited
20.	Cordial Infrastructure Private Limited
21.	Rapid Buildtech Private Limited
22.	Paras RE Facilities Management Private Limited
23.	Excellent Evista Infologic Private Limited
24.	Regional Construction Private Limited
25.	Blackberry Realcon Private Limited
26.	Admired Height Projects Private Limited
27.	Corona Realtors Private Limited
28.	Proquest Nutrition Private Limited

Other Confirmations

There is no conflict of interest between the lessors of immovable properties of our Company and/or our Subsidiaries (which are crucial for operations of our Company) and our Promoter and members of our Promoter Group.

None of the companies forming part of our Promoter Group appear in the list of struck-off companies issued by the RoC or the MCA.

OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has two wholly owned Subsidiaries, the details of which are set forth below:

1. Paras Healthcare (Ranchi) Private Limited ("PHRPL")

Corporate Information

PHRPL was incorporated on December 29, 2017 as a private limited company with the RoC. Its corporate identity number is U85110HR2017PTC072032. Its registered office is situated at 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector 54, Gurugram – 122 002, Haryana, India.

Nature of business

PHRPL is engaged in the healthcare business.

Capital structure

The authorized share capital of PHRPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of PHRPL as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of total shareholding (%)
1.	Paras Healthcare Limited	9,999	99.99
2.	Vikas Kumar Kansal*	1	Negligible
Total		**10,000**	100.00

* *Holding equity share on behalf of Paras Healthcare Limited*

2. Plus Medicare Hospitals Private Limited ("Plus Medicare")

Corporate Information

Plus Medicare was incorporated on March 11, 2011 as a private limited company with the Registrar of Companies, Rajasthan at Jaipur. Consequent to a change in its registered office address from the State of Rajasthan to the State of Haryana, a fresh certificate of incorporation dated October 16, 2023 was issued to Plus Medicare by the RoC and its corporate identity number changed from U85110RJ2011PTC034492 to U85110HR2011PTC115787. Its registered office is situated at 1st Floor, Tower- B, Paras Twin Towers, Golf Course Road Sector- 54, Gurugram, DLF QE, Gurgaon, -122002, Haryana, India.

Nature of business

Plus Medicare is engaged in the healthcare business.

Capital structure

The authorized share capital of Plus Medicare is ₹ 400,000,000 divided into 40,000,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 400,000,000 divided into 40,000,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Plus Medicare as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of total shareholding (%)
1.	Paras Healthcare Limited	39,999,999	99.99
2.	Vikas Kumar Kansal*	1	Negligible
Total		**40,000,000**	100.00

**Holding equity shares on behalf of Paras Healthcare Limited.*

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of our Subsidiaries, which are not accounted for by our Company.

Common Pursuits

Our Subsidiaries are in similar line of business and accordingly there are certain common pursuits amongst these Subsidiaries and our Company. However, as the result of such common pursuits, there is no conflict of interest between our Subsidiaries and our Company, as their business is synergistic with the business of our Company.

As of the date of this Draft Red Herring Prospectus, our Company does not have any associates or group companies.

For details of related business transactions between our Company and our Subsidiaries, see "*Restated Consolidated Financial Information – Note 34 – Related parties disclosures*" on page 316.

Business interest between our Company and our Subsidiaries

Except as stated in "*Our Business"* and "*Financial Information*" on pages 199 and 272, none of our Subsidiaries have any business interest in our Company.

Other Confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of our Subsidiaries been refused listing in the last ten years by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

There is no conflict of interest between the lessors of our immovable properties of our Company and/or our Subsidiaries (which are crucial for operations of our Company) with any of our Subsidiaries or their respective directors.

DIVIDEND POLICY

Our Board at its meeting held on July 22, 2024 has adopted a Dividend Distribution Policy ("**Dividend Policy**"). The declaration and payment of dividends, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act.

In terms of our Dividend Policy, the quantum of dividend, if any, and our ability to pay dividends will depend on several parameters, including but not limited to (i) financial/internal parameters, such as the capital allocation plans, free cash flow, profits earned and available for distribution during the financial year, liquidity position, accumulated reserves including retained earning, cost of raising funds from alternate sources, crystallization of contingent liabilities of our Company, profit earned under the consolidated financial statement, minimum cash required for contingencies or unforeseen events, funds required to service any outstanding loans, liquidity and return ratios, ; and (ii) external parameters such as any significant changes in macro-economic environment affecting India or the geographies in which our Company operates, or the business of our Company or its clients; any political, tax and regulatory changes in the geographies in which our Company operates; any significant change in the business or technological environment resulting in our Company making significant investments to effect the necessary changes to its business model; any changes in the competitive environment requiring significant investment.

Our Company has not declared and paid any dividend from April 1, 2024 until the date of this Draft Red Herring Prospectus and during Fiscals 2024, 2023 and 2022.

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares issued in the Offer. There is no guarantee that any dividends will be declared or paid in the future.

SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

S. No.	Financial Statements
1.	Examination Report and the Restated Consolidated Financial Information

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Walker Chandiok & Co LLP
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Gurugram - 122 002
Haryana, India

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Paras Healthcare Limited,
1st Floor, Tower B, Paras Twin Towers,
Golf Course Road, Sector 54, Gurugram
Haryana - 122002

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)** (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "**Group**") comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, and notes to the restated consolidated financial information, including material accounting policy information and other explanatory information (collectively, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 22 July 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
    b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
    c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, the National Stock Exchange of India Limited and BSE Limited (collectively, the "Stock Exchanges") in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:
   a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 08 June 2024 in connection with the proposed IPO of equity shares of the Company;
   b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
   c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
   d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from the Audited Consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 14 June 2024, 28 July 2023 and 30 September 2022 respectively.

5. For the purpose of our examination, we have relied on auditors' reports issued by us dated 14 June 2024, 28 July 2023 and 30 September 2022 on the consolidated financial statements of the Group as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 as referred in Paragraph 4 above.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

   a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024;

   b. does not require any adjustments for the matters mentioned in paragraph 5 above and do not contain any modifications requiring adjustments. However, those qualifications / adverse remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act and reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in note 44 to the Restated Consolidated Financial Information; and

   c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, Stock Exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 24507892BKEIUZ3990

Place: Gurugram
Date: 22 July 2024

Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)
CIN : U85110HR1987PLC035823
Restated Consolidated Statement of Assets and Liabilities
(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
ASSETS				
Non-current assets				
Property, plant and equipment	4	5,886.73	3,698.82	2,395.51
Right-of-use assets	5	3,915.65	4,043.31	2,450.76
Capital work-in-progress	6	287.76	777.38	412.49
Goodwill	7	46.44	46.44	-
Other intangible assets	7A	28.36	10.95	8.82
Financial assets				
Other financial assets	8	371.31	314.67	419.06
Non-current tax assets (net)	9	346.20	169.88	195.62
Other non-current assets	10	157.85	265.67	446.88
Total non-current assets		**11,040.30**	**9,327.12**	**6,329.14**
Current assets				
Inventories	11	278.00	177.16	123.19
Financial assets				
Trade receivables	12	1,563.11	1,306.68	844.22
Cash and cash equivalents	13	154.58	230.58	76.70
Bank balances other than cash and cash equivalents	14	1,448.28	1,386.52	1,904.29
Other financial assets	8	249.84	187.18	184.74
Current tax assets (net)	9	-	273.02	128.63
Other current assets	10	42.47	42.75	44.37
Total current assets		**3,736.28**	**3,603.89**	**3,306.14**
Total assets		**14,776.58**	**12,931.01**	**9,635.28**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	97.61	36.76	36.76
Other equity	16	3,287.47	264.30	694.33
Total equity		**3,385.08**	**301.06**	**731.09**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	3,583.99	2,554.16	1,393.87
Lease liabilities	5	3,503.27	3,402.76	2,340.25
Other financial liabilities	18	3.25	3.24	2,845.19
Provisions	19	72.35	58.04	49.98
Deferred tax liabilities (net)	30	18.76	2.13	11.80
Total non- current liabilities		**7,181.62**	**6,020.33**	**6,641.09**
Current liabilities				
Financial liabilities				
Borrowings	17A	1,891.34	1,392.66	745.63
Lease liabilities	5	260.60	206.81	124.33
Trade payables	20			
- Total outstanding dues of micro enterprises and small enterprises; and		296.08	199.01	221.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,078.73	1,038.30	970.46
Other financial liabilities	18	472.92	3,585.34	84.22
Other current liabilities	21	174.05	154.82	92.62
Provisions	19	36.16	32.68	24.03
Total current liabilities		**4,209.88**	**6,609.62**	**2,263.10**
Total equity and liabilities		**14,776.58**	**12,931.01**	**9,635.28**

Summary of material accounting policy information 3

The accompanying notes are an integral part of these restated consolidated financial information.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Limited
(formerly known as Paras Healthcare Private Limited)

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary
Membership No. A20928

Place: Gurugram
Date: 22 July 2024

Place: Gurugram
Date: 22 July 2024

Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)
CIN : U85110HR1987PLC035823
Restated Consolidated Statement of Profit and Loss
(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Income				
Revenue from operations	22	11,290.39	9,179.20	7,799.24
Other income	23	219.84	181.33	132.48
Total income		**11,510.23**	**9,360.53**	**7,931.72**
Expenses				
Purchases of stock-in-trade	24	3,048.95	2,415.36	2,077.92
Changes in inventories of stock-in-trade	25	(81.83)	(51.24)	(23.70)
Employee benefits expense	26	1,672.58	1,336.94	1,000.74
Finance costs	27	670.64	491.89	315.22
Depreciation and amortization expense	28	807.17	654.78	514.13
Retainers and consultants fee		2,939.84	2,348.23	1,900.81
Fair value changes on financial instruments		(133.84)	531.48	458.64
Other expenses	29	2,520.42	1,903.62	1,690.79
Total expenses		**11,443.93**	**9,631.06**	**7,934.55**
Profit / (loss) before exceptional item and tax		**66.30**	**(270.53)**	**(2.83)**
Exceptional item	42	-	-	(33.34)
Profit / (loss) before tax		**66.30**	**(270.53)**	**30.51**
Tax expense	30			
Current year		201.83	204.78	184.04
Tax pertaining to earlier years		-	-	4.06
Deferred tax charge/ (credit) (net)		17.78	(47.39)	(9.51)
Loss for the year (A)		**(153.31)**	**(427.92)**	**(148.08)**
Other comprehensive income				
Items that will not be reclassified to profit or loss and their related income tax effects				
Remeasurements of defined benefit plans		(4.91)	(2.80)	(2.67)
Less: Income tax relating to items that will not be reclassified to profit or loss		1.15	0.69	0.62
Other comprehensive income for the year, net of tax (B)		**(3.76)**	**(2.11)**	**(2.05)**
Total comprehensive income for the year (A+B)		**(157.07)**	**(430.03)**	**(150.13)**
Earnings per equity share				
Basic and diluted (in INR per share)	31	(1.57)	(5.82)	(2.01)
Summary of material accounting policy information	3			

The accompanying notes are an integral part of these restated consolidated financial information.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Limited
(formerly known as Paras Healthcare Private Limited)

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary
Membership No. A20928

Place: Gurugram
Date: 22 July 2024

Place: Gurugram
Date: 22 July 2024

Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)
CIN : U85110HR1987PLC035823
Restated Consolidated Statement of Cash Flows
(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flows from operating activities			
Net profit / (loss) before tax	66.30	(270.53)	30.51
Adjustments for:			
Depreciation and amortization expense	807.17	654.78	514.13
Foreign exchange fluctuation loss (net)	1.87	-	-
Gain on sale of property, plant and equipment (net)	(2.71)	(0.82)	(1.36)
Finance costs	670.64	491.89	315.22
Gain on termination of lease	(4.72)	-	-
Liabilities no longer required written back	(6.60)	(2.79)	(0.97)
Interest income	(141.60)	(77.85)	(89.04)
Fair value changes on financial instruments	(133.84)	531.48	458.64
Loss allowance	104.62	35.00	20.24
	1,361.13	**1,361.16**	**1,247.37**
Adjustments for changes in working capital:			
-in trade receivables	(361.05)	(497.47)	(445.31)
-in loans and other assets	(54.97)	109.43	60.34
-in inventories	(100.85)	(53.97)	(13.15)
-in trade payables	135.63	43.86	183.67
-in other liabilities and provisions	50.01	(202.74)	5.87
Cash generated from operations	**1,029.90**	**760.27**	**1,038.79**
Income taxes paid (net)	(105.13)	(323.43)	(215.01)
Net cash generated from operating activities (A)	**924.77**	**436.84**	**823.78**
B. Cash flows from investing activities			
Payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and payable for purchase of property, plant and equipment)	(1,975.54)	(1,128.40)	(1,391.06)
Proceeds from sale of property, plant and equipment	28.49	5.00	7.51
Proceeds from/ (investments in) bank deposits	(76.43)	517.77	(11.36)
Purchase of investment	-	(734.20)	-
Interest received	82.93	77.74	104.21
Net cash used in investing activities (B)	**(1,940.55)**	**(1,262.09)**	**(1,290.70)**
C. Cash flows from financing activities			
Proceeds of non-current borrowings	1,429.84	1,103.30	404.04
Repayment of non-current borrowings	(320.25)	(249.30)	(171.26)
Movement in current borrowings (net)	415.99	547.13	(66.91)
Principal elements of lease payments	(3.44)	(7.04)	(12.32)
Payment of interest on lease liabilities	(211.74)	(199.40)	(121.19)
Finance costs paid	(370.62)	(220.00)	(138.40)
Net cash generated from / (used in) financing activities (C)	**939.78**	**974.69**	**(106.04)**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(76.00)**	**149.44**	**(572.96)**
D. Cash and cash equivalents at the beginning of the year			
Balance with banks:			
- On current accounts	222.10	29.78	20.30
- with original maturity of three months or less	1.30	42.10	621.23
Cash on hand	7.18	4.82	8.13
	230.58	**76.70**	**649.66**
E. Cash and cash equivalents on date of acquisition of subsidiary (refer note 40)	-	**4.44**	-
F. Cash and cash equivalents at the end of the year			
Balance with banks:			
- On current accounts	141.26	222.10	29.78
- with original maturity of three months or less	1.35	1.30	42.10
Cash on hand	11.97	7.18	4.82
	154.58	**230.58**	**76.70**
Net (decrease)/increase in cash and cash equivalents (F-E-D)	**(76.00)**	**149.44**	**(572.96)**

(All amounts are in INR million, unless otherwise stated)

Notes:

1 The Statement of Cash flows has been prepared under the indirect method set out in Indian Accounting Standard 7 on Statement of cash flows as notified under section 133 of the Companies Act, 2013.

2 Change in liabilities arising from financing activities:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance			
Non current borrowings (including current maturities)	2,879.01	1,618.82	1,383.09
Current borrowings	1,067.81	520.68	587.59
Lease liabilities	3,609.57	2,464.58	1,864.62
Interest accrued	4.00	4.20	6.05
Cash flows			
Proceeds of non-current borrowings	1,429.84	1,103.30	404.04
Repayment of non-current borrowings	(320.25)	(249.30)	(171.26)
Movement in current borrowings (net)	415.99	547.13	(66.91)
Principal elements of lease payments	(3.44)	(7.04)	(12.32)
Payment of interest on lease liabilities	(211.74)	(199.40)	(121.19)
Finance cost paid	(370.62)	(220.00)	(138.40)
Non-cash adjustments			
Interest expenses towards lease liabilities	291.70	269.14	175.73
Lease additions and modifications	5.34	1,003.44	531.74
Interest on lease capitalised	72.45	78.84	26.00
Finance cost debited to restated consolidated statement of profit and loss	378.94	222.75	139.49
Effective interest rate adjustment to borrowings	2.94	2.94	2.94
Effective interest rate adjustment to restated consolidated statement of profit and loss	(2.94)	(2.94)	(2.94)
Borrowings on account of acquisition of subsidiary	-	403.25	-
Closing balance			
Non current borrowings (including current maturities)	3,991.53	2,879.01	1,618.82
Current borrowings	1,483.80	1,067.81	520.68
Lease liabilities	3,763.87	3,609.57	2,464.58
Interest accrued	9.37	4.00	4.20

Summary of material accounting policy information 3

The accompanying notes are an integral part of these restated consolidated financial information.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 22 July 2024

For and on behalf of Board of Directors of
Paras Healthcare Limited
(formerly known as Paras Healthcare Private Limited)

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary
Membership No. A20928

Place: Gurugram
Date: 22 July 2024

Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)
CIN : U85110HR1987PLC035823
Restated Consolidated Statement of Changes in Equity
(All amounts are in INR million, unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	3,675,964	36.76	3,675,964	36.76	3,675,964	36.76
Add: Reclassification from financial liability (refer note 18)	1,204,569	12.04	-	-	-	-
Add : Shares split during the year	43,924,797	-	-	-	-	-
Add : Bonus shares issued during the year	48,805,330	48.81	-	-	-	-
At the end of the year	**97,610,660**	**97.61**	**3,675,964**	**36.76**	**3,675,964**	**36.76**

B. Other equity

Attributable to the equity shareholders

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at 01 April 2021	**62.71**	**781.75**	**844.46**
Loss for the year	-	(148.08)	(148.08)
Other comprehensive income for the year			
Re-measurement loss on defined benefit plans (net of tax)	-	(2.05)	(2.05)
Balance as at 31 March 2022	**62.71**	**631.62**	**694.33**
Loss for the year	-	(427.92)	(427.92)
Other comprehensive income for the year			
Re-measurement loss on defined benefit plans (net of tax)	-	(2.11)	(2.11)
Balance as at 31 March 2023	**62.71**	**201.59**	**264.30**
Loss for the year	-	(153.31)	(153.31)
Reclassification from other financial liability (refer note 18)			
Other comprehensive income for the year			
Re-measurement loss on defined benefit plans (net of tax)	-	(3.76)	(3.76)
Transactions with owners in their capacity as owners			
Reclassification from financial liability (refer note 18)	2,588.59	640.46	3,229.05
Utilised towards issue of bonus shares	(48.81)	-	(48.81)
Balance as at 31 March 2024	**2,602.49**	**684.98**	**3,287.47**

Summary of material accounting policy information 3

The accompanying notes are an integral part of these restated consolidated financial information.

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 22 July 2024

For and on behalf of Board of Directors of
Paras Healthcare Limited
(formerly known as Paras Healthcare Private Limited)

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary
Membership No. A20928

Place: Gurugram
Date: 22 July 2024

1. Corporate Information

Paras Healthcare Limited ('PHL' or 'the Company' or 'the Holding Company') is domiciled in India, with its registered office situated at 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector-54, Gurugram-122002, Haryana. The Company has been incorporated under the provisions of Companies Act, 1956 on 21 December 1987. These Restated Consolidated Financial Information comprise of the Holding Company and its two subsidiaries (referred to collectively as the 'Group'). The Group is primarily engaged in the business of providing healthcare services. Subsequent to the year-end 31 March 2024, Paras Healthcare Private Limited ('PHPL') has been converted from private company to public company namely 'Paras Healthcare Limited' vide 'Certificate of Incorporation consequent upon conversion from private company to public company' dated 18 July 2024 as issued by the Ministry of Corporate Affairs ('MCA').

The Holding Company in its board meeting held on 22 July 2024 has approved the proposed Initial Public Offer of equity shares ('IPO') of the Holding Company. Refer note 47.

2. Basis of preparation

The Restated Consolidated Financial Information comprise the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022, Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of Changes in Equity and Restated Consolidated Statement of Cash Flows for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 and the Notes, comprising material accounting policy information and other explanatory information (hereinafter referred to as 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been approved by the Board of Directors of the Holding Company at their meeting held on 22 July 2024 and has been specifically prepared for inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Holding Company with the Securities and Exchange Board of India ('SEBI'), National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) ('Stock Exchanges") in connection with the proposed Initial Public Offer of equity shares ('IPO') of the Holding Company (referred to as the 'Issue'). The Restated Consolidated Financial Information has been prepared by the management of the Holding Company to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') as amended from time to time;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date ('SEBI ICDR Regulations'); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Consolidated Financial Information has been compiled by the management from Audited Consolidated Financial Statements of the Group as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 14 June 2024, 28 July 2023 and 30 September 2022 respectively.

The Restated Consolidated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

a) Adjustments to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

b) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Consolidated Financial Statements of the Group as at and for the period ended 31 March 2024 and the requirements of the SEBI ICDR Regulations, if any; and

c) The resultant impact of tax due to the aforesaid adjustments, if any.

The Restated Consolidated Financial Information have been prepared on accrual and going concern basis. The accounting policies have been consistently applied by the Holding Company in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of the Consolidated Financial Statements as at and for the year ended 31 March 2024.

(i) Functional and presentation currency

These Restated Consolidated Financial Information are prepared in INR millions, which is the Group's functional and presentation currency. All amounts have been rounded-off to the nearest millions and two decimals thereof except share data and per share data, unless otherwise stated.

(ii) Basis of measurement

These Restated Consolidated Financial Information have been prepared on the historical cost basis, except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Compound financial instruments	Fair value
Other financial assets and liabilities	Amortised cost

(iii) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules 2015, as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

(iv) Use of estimates and judgements

The preparation of these Restated Consolidated Financial Information in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amount recognised in the Restated Consolidated Financial Information pertains to:

a) Useful lives and recoverable amount of property, plant and equipment and intangible asset

The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/ amortisation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Group reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

b) Impairment of financial asset

At each Restated Consolidated Statement of Assets and Liabilities date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

c) Income tax

Recognition of deferred tax assets/ liabilities involves making judgements and estimations about the availability of future taxable profit against which tax losses carried forward can be used. A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Restated Consolidated Statement of Profit and Loss.

d) Litigations

From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

e) Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) Leases

Critical judgements in determining the lease term

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical judgements in determining the discount rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(v) Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The Group’s CFO regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 36- financial instruments.

(vi) Current versus non-current classification

The Group presents assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non- current as per the Group's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle to be within 12 months for the purpose of current and non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(vii) Principles of consolidation

The Restated Consolidated Financial Information comprise the financial statements of the Holding Company and its subsidiaries.

Details of the consolidated subsidiary and shareholding pattern are as follows:

Name of subsidiary	Country of incorporation	Percentage of ownership
Paras Healthcare (Ranchi) Private Limited (incorporated on 29 December 2017)	India	100%
Plus Medicare Hospitals Private Limited (w.e.f 18 October 2022)	India	100%

i. Subsidiary

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the restated consolidated financial information from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Financial Information at the acquisition date.

Offset (eliminate) the carrying amount of the holding company's investment in the subsidiary and the holding company's portion of equity of the subsidiary.

Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Information. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

3. Material accounting policy information

A. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the restated consolidated statement of profit and loss as incurred.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the restated consolidated statement of profit and loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the written down value except for leasehold improvements and is recognised in the restated consolidated statement of profit and loss.

Freehold land is not depreciated.

The leasehold improvements are depreciated using straight line method over the primary period of the lease or useful life of the assets (generally 10 years), whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is available for use (disposed of).

B. Capital work-in-progress

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Expenses against the assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses.

C. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization method, estimated useful life and residual value

Intangible assets are amortised @ 40% p.a. on written down value of the assets. The amortisation period, residual value and the amortisation method are reviewed at least at each Restated Consolidated Statement of Assets and Liabilities date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the restated consolidated statement of profit and loss.

D. Inventories

Inventories of medical drugs, stores and consumables are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs in bringing them to their present condition and location. The cost of the items constituting the inventory is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

Provisions/write-downs for obsolescence, damaged and slow-moving inventory are made, wherever necessary and inventory is stated net of such provisions/write-downs.

E. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

F. Leases

A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the Restated Consolidated Statement of Assets and Liabilities. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Restated Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

G. Financial instruments

(i) Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and subsequent measurement

Financial assets

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

b) how the performance of the portfolio is evaluated and reported to the Group's management;
c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

a) contingent events that would change the amount or timing of cash flows;

b) terms that may adjust the contractual coupon rate, including variable interest rate features;

c) prepayment and extension feature; and

d) terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in restated consolidated statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in restated consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in restated consolidated statement of profit and loss.
Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in restated consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to restated consolidated statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in restated consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to restated consolidated statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in restated consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in restated consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in restated consolidated statement of profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) Derecognition

Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its Restated Consolidated Statement of Assets and Liabilities but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in restated consolidated statement of profit and loss.

(iv) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Restated Consolidated Statement of Assets and Liabilities when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

H. Financial instrument classified as financial liability

Financial instrument which requires the Group to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Group does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. FVTPL).

I. Impairment

(i) Impairment of financial assets

The Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Restated Consolidated Statement of Profit and Loss.

Measurement of expected credit losses

Trade receivables
In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default

events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the Restated Consolidated Statement of Assets and Liabilities date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the Restated Consolidated Statement of Assets and Liabilities date.

Presentation of allowance for expected credit losses Restated Consolidated Statement of Assets and Liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(ii) Impairment of non- financial assets

The Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the restated consolidated statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

J. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Restated Consolidated Statement of Assets and Liabilities date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Restated Consolidated Financial Information.

Contingent assets

Contingent assets are not recognised but disclosed in the Restated Consolidated Financial Information when an inflow of economic benefits is probable.

K. Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers/patients in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. Revenue is measured at transaction price net of rebates, discounts and taxes. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. When either party to a contract has performed, an entity shall present the contract in the Restated Consolidated Statement of Assets and Liabilities as a contract asset or a contract liability, depending on the relationship between the entity's performance and the payment. The Group applies the revenue recognition criteria to each component of the revenue transaction as set out below.

Income from healthcare services

Revenue from healthcare services is recognized as and when related services are rendered and include services for patients undergoing treatment and pending for discharge, which is shown as unbilled revenue under other current financial assets. The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for the services, excluding amounts collected on behalf of third parties (for example, indirect taxes).

Income from sale of pharmacy products to out-patients

Revenue from pharmacy products is recognized as and when the control of products is transferred to the customer. The Group considers its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for the products, excluding amounts collected on behalf of third parties (for example, indirect taxes).

Contract assets and liabilities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Other income

Rent income

Rental income from sub-leasing and leasing is recognised in restated consolidated statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Sponsorship income

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

L. Employee benefits

The Group's obligation towards various employee benefits has been recognised as follows:

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Long term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are recognised as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group has defined benefit plan, Gratuity.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Group determines the net interest expense/(income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in restated consolidated statement of profit and loss.

The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the Restated Consolidated Statement of Assets and Liabilities date.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in restated consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Other long term employee benefits – compensated absences

The Group also provides benefit of compensated absences to its employees (as per policy) which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Service cost and net Interest expense on the Group's other long-term employee benefits plan is included in employee benefits expense. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are also recorded in the statement of profit and loss in the year in which such gains or losses arise.

M. Income tax

Income tax comprises current and deferred tax. It is recognised in restated consolidated statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

N. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Holding Company's Managing Director assesses the financial performance and position of the Group, and makes strategic decision and has been identified as the chief operating decision maker. The Group is engaged in the business of providing healthcare services, which has been defined as one business segment. Accordingly, the Group's activities/business is reviewed regularly by the Holding Company's Managing Director from an overall business perspective, rather than reviewing its services as individual standalone components.

O. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

P. Business combination

Business combinations, other than through common control transactions, are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations through common control transactions are accounted on a pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group.

Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Restated Consolidated Statement of Profit and Loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

Q. New and amended standard adopted by the Group

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

(All amounts are in INR million, unless otherwise stated)

4. Property, plant and equipment

Particulars	Freehold land	Leasehold improvements	Buildings	Plant and equipments	Medical equipments	Office equipments	Computers and servers	Furniture and fittings	Vehicles	Total
Gross carrying value										
Balance as at 01 April 2021	**16.89**	**808.25**	**483.30**	**314.07**	**1,442.06**	**14.26**	**46.58**	**79.39**	**8.22**	**3,213.02**
Additions during the year	-	8.58	290.13	10.49	310.19	4.78	9.94	8.75	37.31	680.17
Disposals during the year	-	-	-	(2.49)	(8.05)	-	-	(1.28)	-	(11.82)
Balance at 31 March 2022	**16.89**	**816.83**	**773.43**	**322.07**	**1,744.20**	**19.04**	**56.52**	**86.86**	**45.53**	**3,881.37**
Additions during the year	200.87	479.44	-	97.47	286.11	16.48	35.86	96.67	-	1,212.90
Additions on account of acquisition of subsidiary (refer note 41)	-	-	531.41	62.82	-	3.44	0.82	24.07	0.04	622.60
Disposals during the year	-	-	-	-	(10.42)	-	-	-	(8.93)	(19.35)
Balance as at 31 March 2023	**217.76**	**1,296.27**	**1,304.84**	**482.36**	**2,019.89**	**38.96**	**93.20**	**207.60**	**36.64**	**5,697.52**
Additions during the year	-	1,008.22	57.88	319.78	1,368.83	33.15	63.49	56.59	3.45	2,911.39
Disposals during the year	-	-	-	(1.20)	(58.25)	(0.09)	-	(2.65)	(1.62)	(63.81)
Balance as at 31 March 2024	**217.76**	**2,304.49**	**1,362.72**	**800.94**	**3,330.47**	**72.02**	**156.69**	**261.54**	**38.47**	**8,545.10**
Accumulated depreciation										
Balance as at 01 April 2021	**-**	**293.13**	**68.35**	**144.08**	**483.01**	**9.23**	**33.81**	**39.85**	**4.07**	**1,075.53**
Additions during the year	-	88.28	27.74	35.61	230.82	2.97	9.49	11.20	9.88	415.99
Disposals during the year	-	-	-	(0.01)	(4.37)	-	-	(1.28)	-	(5.66)
Balance at 31 March 2022	**-**	**381.41**	**96.09**	**179.68**	**709.46**	**12.20**	**43.30**	**49.77**	**13.95**	**1,485.86**
Additions during the year	-	117.59	58.37	51.74	240.87	9.90	14.89	24.99	9.67	528.02
Disposals during the year	-	-	-	-	(6.99)	-	-	-	(8.19)	(15.18)
Balance at 31 March 2023	**-**	**499.00**	**154.46**	**231.42**	**943.34**	**22.10**	**58.19**	**74.76**	**15.43**	**1,998.70**
Additions during the year	-	133.06	71.98	63.76	335.05	12.43	34.58	39.63	7.20	697.69
Disposals during the year	-	-	-	(1.09)	(33.43)	-	-	(2.08)	(1.42)	(38.02)
Balance at 31 March 2024	**-**	**632.06**	**226.44**	**294.09**	**1,244.96**	**34.53**	**92.77**	**112.31**	**21.21**	**2,658.37**
Net carrying value										
As at 31 March 2024	**217.76**	**1,672.43**	**1,136.28**	**506.85**	**2,085.51**	**37.49**	**63.92**	**149.23**	**17.26**	**5,886.73**
As at 31 March 2023	**217.76**	**797.27**	**1,150.38**	**250.94**	**1,076.55**	**16.86**	**35.01**	**132.84**	**21.21**	**3,698.82**
As at 31 March 2022	**16.89**	**435.42**	**677.34**	**142.39**	**1,034.74**	**6.84**	**13.22**	**37.09**	**31.58**	**2,395.51**

Notes:
a) Title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) held by the Group are in the name of the Group Companies.
b) Refer note 17 and 17A for information on property, plant and equipment pledged as security by the Group for securing financing facilities from banks.
c) Refer note 32 for information on capital commitments.

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(All amounts are in INR million, unless otherwise stated)

5. Right-of-use assets and lease liabilities

Information about leases for which the Group is a lessee is presented below:

Particulars	Leasehold land	Buildings	Medical equipments	Right - of - use assets (Total)
Balance as at 31 March 2022	-	2,447.44	3.32	**2,450.76**
Balance as at 31 March 2023	753.08	3,288.15	2.08	**4,043.31**
Balance as at 31 March 2024	745.34	3,169.28	1.03	**3,915.65**

The following is the movement in lease liabilities during the year ended 31 March 2022, 31 March 2023 and 31 March 2024.

Particulars	Lease liabilities
Balance as at 01 April 2021	**1,864.62**
Additions during the year	531.74
Interest expenses	201.73
Payment of lease liability	(133.51)
Balance as at 31 March 2022	**2,464.58**
Additions during the year	892.73
Modifications during the year	889.36
Derecognition of lease liability	(778.65)
Interest expenses*	347.99
Payment of lease liability	(206.44)
Balance as at 31 March 2023	**3,609.57**
Additions during the year	17.95
Deletions during the year	(12.61)
Interest expenses*	364.15
Payment of lease liability	(215.19)
Balance as at 31 March 2024	**3,763.87**

* Includes amount of INR 72.45 million (31 March 2023: INR 78.85 million and 31 March 2022: INR 26.00 million) capitalised in capital work in progress and property, plant and equipment.

Current	
As at 31 March 2024	**260.60**
As at 31 March 2023	**206.81**
As at 31 March 2022	**124.33**

Non - current	
As at 31 March 2024	**3,503.27**
As at 31 March 2023	**3,402.76**
As at 31 March 2022	**2,340.25**

The Group is not exposed to future cashflows relating to extension / termination options, residual value guarantees.

A. The following are the amounts recognised in Restated Consolidated Statement of Profit and Loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of right-of-use assets (refer note 28)	101.53	121.86	93.32
Interest expense on lease liabilities (refer note 27)	291.70	269.14	175.73
Rent expense relating to short-term leases and low value assets	91.10	83.16	64.60
Total	**484.33**	**474.16**	**333.65**

B. The table below describes the nature of Group's leasing activities by type of right-of-use asset recognised on the restated consolidated statement of assets and liabilities:

As at 31 March 2024

Right of use assets	No. of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)	No. of leases with extension options	No. of leases with termination options
Leasehold land	1	92.00	92.00	-	-
Buildings					
Hospitals	6	17.68 - 39.19	26.75	6	6
Residential premises (Nurse Hostel)	1	20.02	20.02	1	1
Labs	8	8.01	8.01	8	8
Medical equipments	2	0.50 - 1.17	0.83	2	2

As at 31 March 2023

Right of use assets	No. of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)	No. of leases with extension options	No. of leases with termination options
Leasehold land	1	93.00	93.00	-	-
Buildings					
Hospitals	6	18.68 - 40.19	27.75	6	6
Residential premises (Nurse Hostels)	2	2.17- 21.02	11.59	2	2
Medical equipments	2	1.50 - 2.17	1.84	2	2

(All amounts are in INR million, unless otherwise stated)

As at 31 March 2022

Right of use assets	**No. of right-of-use assets leased**	**Range of remaining term (in years)**	**Average remaining lease term (in years)**	**No. of leases with extension options**	**No. of leases with termination options**
Buildings					
Hospitals	6	17.51 - 41.19	26.42	6	6
Residential premises (Nurse Hostels)	2	3.17- 22.02	12.59	2	2
Medical equipments	4	0.25 - 3.17	1.63	4	4

The Group determines the leases term as either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Group will extend the term, or a lease period in which it is reasonably certain that the Group will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

C. The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022 on an undiscounted basis:

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Less than one year	282.75	218.49	140.44
After one year but not longer than five years	1,263.81	1,213.35	805.03
More than five years	13,595.77	13,912.79	9,341.51
Total	**15,142.33**	**15,344.63**	**10,286.98**

D. Summary of significant leases:

Holding Company:

a) Paras HMRI Hospital, Patna

The Holding Company had entered into an Operations and Management Agreement dated 1 August 2011 with Hai Medicare and Research Institute Private Limited, Patna (HMRI) under the terms of which the Holding Company had expanded and upgraded HMRI's existing 100-bed single-specialty hospital to a 300-bed super-specialty hospital and then Operating and Managing this upgraded facility for a period of 32 years upon payment of a fixed monthly consideration to HMRI till December 2016 and a fixed percentage of net revenue from January 2017 (computed as per the terms of the agreement). The Holding Company had receivable from HMRI INR 500.00 million, which is guaranteed by the personal, irrevocable and unqualified guarantee of Dr. Ahmed Abdul Hai vide deed of guarantee executed on 10 August 2011 in the Holding Company's favour. Performance of this guarantee had also been secured by Dr. Ahmed Abdul Hai by creating a charge on the land admeasuring 2.61 acres situated at Raza Bazaar, Bailey Road, Patna of which he is the legal owner. The Holding Company and HMRI formally agreed in a meeting held on 25 July 2014, that repayment would commence in the form of monthly instalments from January 2017 and would be repaid by HMRI to the Holding Company over a period of 10 years from that date. The party violating the terms of the agreement thereby causing the agreement to be terminated shall pay the other party INR 500.00 million as compensation.

b) Paras Global Hospital, Darbhanga

The Holding Company had entered into an Operations and Management Agreement on 1 December 2011 with a third party at Darbhanga location, under the terms of which the third party had built a multi-specialty hospital on a plot owned by it which would then be operated and managed by the Holding Company for two continuous periods of 15 years each, upon payment of a monthly consideration which is fixed rental for the first year and then a fixed percentage of net revenue of this hospital from the second year onwards. Third party had provided the bare shell of the building and the Holding Company had installed necessary equipment, furniture and machinery that was necessary.

c) Paras Hospitals, Panchkula

The Holding Company had entered into a lease deed on 8 October 2016 with a third party at Panchkula location, under the terms of which lessors had constructed a 220-bed hospital building for the Holding Company which had been then be leased to the Holding Company for duration of 30 years. The monthly rent is a fixed monthly rental or fixed percentage of the net revenue of this unit of the Holding Company, whichever is higher. Lessor had provided the bare shell of the building along with basic facilities like lifts, electrical fittings, STP, etc. and the Holding Company had installed necessary equipment, furniture and machinery that is necessary.

d) Paras Yash Kothari Hospital, Kanpur

The Holding Company has entered into a lease deed on 30 July 2021, with third party at Kanpur location under the terms of which the lessor has constructed a bare shell structure and the Holding Company would operate, manage and run a super speciality hospital post carrying out necessary structural changes. The lessor has handed over the charge of hospital on 07 October 2021. Basis the agreement, the Holding Company is required to make payment of a fixed monthly consideration from the rent commencement date with escalation clause after a specified period.

e) Paras Hospital, Udaipur

The Holding Company had entered into a lease deed on 31 July 2019 with a third party at Udaipur location, under the terms of which the lessor would lease out existing hospital building, along with some machinery, fittings and equipment to the Company for a period of 20 years. Basis the agreement, the Holding Company will make payment of a fixed monthly consideration with escalation clause after a specified period. During the previous year, the Holding Company has acquired 100% stake in Plus Medicare Hospitals Private Limited. Pursuant to the said acquisition, Plus Medicare Hospitals Private Limited is the wholly owned subsidiary of the Company w.e.f 18 October 2022.

Subsidiary Company - Paras Healthcare (Ranchi) Private Limited

a) Paras HEC Hospital, Ranchi

Pursuant to the proposal by Heavy Engineering Corporation Ltd.(hereinafter referred to as "HEC"), a public sector undertaking, the Subsidiary Company, through a bid by its Holding Company (Paras Healthcare Private Limited), was awarded with the contract to build and operate a multi-specialty hospital in Ranchi. As per the terms of the concession agreement, dated 16 January 2018, HEC hand over the existing hospital with 50 beds to the Subsidiary Company along with the land adjacent to it to build a multi-specialty hospital of 300 beds. During the tenure of the agreement, the monthly rent is aggregate a fixed monthly rental as well as fixed percentage of the revenue of this unit of the Subsidiary Company. Therefore, the Lease Deed has been executed by and between HEC and Paras Healthcare (Ranchi) Private Limited PHRPL dated 14 August 2019 to occupy the said Premises for a term of 35 years extendable to 10 years (ten years) on same terms & conditions and the PHRPL shall run and operate a multi-specialty Hospital in the brand name of Paras HEC Hospital.

Subsidiary Company - Plus Medicare Hospitals Private Limited

a) Paras Trumboo Hospital, Srinagar

The Subsidiary company had entered into a lease deed on 2 December 2022 with a third party at Srinagar location, under the terms of which lessors had constructed a 200-bed hospital building for the Subsidiary Company which had been then be leased to the Subsidiary Company. Duration of this arrangement is 30 years, the monthly rent is a fixed monthly rental. Lessor would provide the building and non medical equipments in the property and the Subsidiary Company would install necessary medical equipment, for functioning of the hospital.

(All amounts are in INR million, unless otherwise stated)

6. Capital work-in-progress

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	777.38	412.49	53.98
Add: Additions during the year	1,360.79	1,011.48	363.26
Less: Amount capitalised during the year	(1,850.41)	(646.59)	(4.75)
Balance as at the end of the year	**287.76**	**777.38**	**412.49**

Notes

(a) Capital work-in-progress ageing schedule as at 31 March 2024, 31 March 2023 and 31 March 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
31 March 2024	179.96	95.77	12.03	-	**287.76**
31 March 2023	643.33	118.62	8.11	7.32	**777.38**
31 March 2022	358.06	39.18	15.25	-	**412.49**

(b) Capital work in progress includes property, plant and equipment under construction, installation and cost of asset not ready for use as at year end.

(c) There are no such project in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024, 31 March 2023 and 31 March 2022.

(d) The cost that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the year, refer note 33.

7. Goodwill

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
A. Gross carrying amount			
Balance as at the beginning of the year	46.44	-	-
Additions during the year (refer note 41)	-	46.44	-
Balance as at the end of the year	**46.44**	**46.44**	-
B. Accumulated amortization			
Balance as at the beginning and end of the year	-	-	-
Net carrying value	**46.44**	**46.44**	-

Notes:

The Group performs test for goodwill impairment annually on 31 March or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows.

During the year, the management has reviewed the carrying value of its goodwill against the recoverable amounts of these cash generating units (CGUs) (Udaipur Leasehold Land & Building), using internal and external information available. Management had recorded an impairment of INR Nil in the Restated Consolidated Statement of Profit and Loss. The management believes that any reasonable possible changes in the key assumptions used would not cause the CGU's carrying amount to exceed its recoverable amount.

The carrying amount of goodwill was allocated to the cash generating units as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Plus Medicare Hospitals Private Limited	46.44	46.44	-
Gross carrying value	**46.44**	**46.44**	-

Impairment testing

For the purposes of impairment testing, goodwill is allocated to the CGU which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

The recoverable amount of the cash generating unit is based on its value in use. The value in use of this unit is determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carry amount. Value in use is determined by based on the discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

The following terminal growth and discount rates have been considered for the purpose of the impairment testing:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Discount rate	15.50%	15.93%	-
Terminal growth rate	5.00%	5.00%	-
Number of years for which cash flows were considered	5	5	-

Assumptions:

An impairment test was carried out as at the restated consolidated statement of assets and liabilities date, details of the test are as outlined below:

Discount rate

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Terminal growth rate

The Terminal growth rates used are in line with the growth rate of the industry in which the entities operates and are consistent with internal / external sources of information.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

(All amounts are in INR million, unless otherwise stated)

7A Other intangible assets

	Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	Software			
A.	**Gross carrying amount**			
	Balance as at the beginning of the year	**35.38**	**28.35**	**26.08**
	Additions during the year	25.36	7.03	2.27
	Balance as at the end of the year	**60.74**	**35.38**	**28.35**
B.	**Accumulated amortization**			
	Balance as at the beginning of the year	**24.43**	**19.53**	**14.71**
	Additions during the year	7.95	4.90	4.82
	Balance as at the end of the year	**32.38**	**24.43**	**19.53**
	Net carrying value	**28.36**	**10.95**	**8.82**

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(All amounts are in INR million, unless otherwise stated)

8. Other financial assets

Particulars	Non Current			Current		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Secured, considered good						
Receivable from HMRI #	241.15	261.49	270.92	50.40	37.80	-
Unsecured, considered good						
Security deposits	114.53	52.22	133.63	3.55	0.11	0.08
Balances with banks						
- in deposits with maturity of more than 12 months *	15.63	0.96	14.51	-	-	-
Contract assets - unbilled revenue (refer note 40)	-	-	-	109.10	78.94	59.84
Accrued interest on fixed deposits	-	-	-	86.26	63.54	63.43
Other receivables	-	-	-	0.53	6.79	61.39
Total	**371.31**	**314.67**	**419.06**	**249.84**	**187.18**	**184.74**

Represents balance recoverable from HMRI, refer note 5(D)(a) for details of security related to HMRI.
*Includes earmarked balances of INR 15.34 million (31 March 2023: INR 0.96 million and 31 March 2022: INR 14.51 million).

9. Tax assets

Particulars	Non Current			Current		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Income-tax receivable (net)	346.20	169.88	195.62	-	273.02	128.63
Total	**346.20**	**169.88**	**195.62**	**-**	**273.02**	**128.63**

10. Other assets

Particulars	Non Current			Current		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Capital advances	157.85	265.67	446.88	-	-	-
Prepaid expenses	-	-	-	11.30	11.27	16.20
Advances to employees	-	-	-	7.20	6.76	5.40
Advances to suppliers	-	-	-	23.97	24.72	22.77
Total	**157.85**	**265.67**	**446.88**	**42.47**	**42.75**	**44.37**

11. Inventories

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost or net realisable value			
Medical drugs	211.30	129.47	78.23
Stores and consumables	66.70	47.69	44.96
Total	**278.00**	**177.16**	**123.19**

* Includes provision for obsolete inventory amounting to INR 18.45 million (31 March 2023: 15.86 million and 31 March 2022: 15.86 million).

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(All amounts are in INR million, unless otherwise stated)

12. Trade receivables

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Undisputed trade receivables			
Considered good, unsecured	1,740.94	1,434.72	951.04
Credit impaired	110.38	55.55	35.76
	1,851.32	**1,490.27**	**986.80**
Less: Allowance for expected credit loss			
Considered good, unsecured	(177.83)	(128.04)	(106.82)
Credit impaired	(110.38)	(55.55)	(35.76)
Net trade receivables	**1,563.11**	**1,306.68**	**844.22**

The Group's exposure to credit risks and loss allowance related to trade receivables is disclosed in note 37.

Trade receivables ageing schedule as at 31 March 2024

Particulars	**Outstanding for following periods from date of invoice**					**Total**
	Less than 6 months	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	
Undisputed trade receivables						
Considered good, unsecured	979.46	358.39	267.69	135.40	-	1,740.94
Credit impaired	14.71	5.32	3.47	5.93	80.95	110.38
Total trade receivables	**994.17**	**363.71**	**271.16**	**141.33**	**80.95**	**1,851.32**
Less: Allowance for expected credit loss (refer note 37)						
Considered good, unsecured	-	(29.55)	(52.42)	(95.86)	-	(177.83)
Credit impaired	(14.71)	(5.32)	(3.47)	(5.93)	(80.95)	(110.38)
Net trade receivables	**979.46**	**328.84**	**215.27**	**39.54**	**-**	**1,563.11**

Trade receivables ageing schedule as at 31 March 2023

Particulars	**Outstanding for following periods from date of invoice**					**Total**
	Less than 6 months	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	
Undisputed trade receivables						
Considered good, unsecured	815.30	346.91	230.29	42.22	-	1,434.72
Credit impaired	-	0.64	2.71	3.61	48.59	55.55
Total trade receivables	**815.30**	**347.55**	**233.00**	**45.83**	**48.59**	**1,490.27**
Less: Allowance for expected credit loss (refer note 37)						
Considered good, unsecured	-	(30.99)	(73.74)	(23.31)	-	(128.04)
Credit impaired	-	(0.64)	(2.71)	(3.61)	(48.59)	(55.55)
Net trade receivables	**815.30**	**315.92**	**156.55**	**18.91**	**-**	**1,306.68**

Trade receivables ageing schedule as at 31 March 2022

Particulars	**Outstanding for following periods from date of invoice**					**Total**
	Less than 6 months	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	
Undisputed trade receivables						
Considered good, unsecured	753.01	106.30	68.58	23.15	-	951.04
Credit impaired	0.02	1.29	0.55	0.93	32.97	35.76
Total trade receivables	**753.03**	**107.59**	**69.13**	**24.08**	**32.97**	**986.80**
Less: Allowance for expected credit loss (refer note 37)						
Considered good, unsecured	-	(60.16)	(28.20)	(18.46)	-	(106.82)
Credit impaired	(0.02)	(1.29)	(0.55)	(0.93)	(32.97)	(35.76)
Net trade receivables	**753.01**	**46.14**	**40.38**	**4.69**	**-**	**844.22**

Notes:

1. There are no debts due by directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
2. There are no disputed or unbilled trade receivables, hence the same is not disclosed in the ageing schedule.

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(All amounts are in INR million, unless otherwise stated)

13. Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balances with banks			
- in current accounts	141.26	222.10	29.78
- with original maturity of three months or less^	1.35	1.30	42.10
Cash on hand	11.97	7.18	4.82
Total	**154.58**	**230.58**	**76.70**

^ This includes earmarked balances of INR 1.35 million (31 March 2023: INR 1.30 million and 31 March 2022: INR 1.26 million).

14. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deposits with original maturity more than three months but remaining maturity of less than twelve months	1,448.28	1,386.52	1,904.29
Total	**1,448.28**	**1,386.52**	**1,904.29**

This includes earmarked balances of INR 1,446.65 million (31 March 2023: INR 1,384.40 million and 31 March 2022: INR 1,812.26 million).

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(All amounts are in INR million, unless otherwise stated)

15. Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorized share capital						
Equity shares of INR 1/- each (31 March 2023 and 31 March 2022: INR 10/- each)	125,000,000	125.00	5,000,000	50.00	5,000,000	50.00
	125,000,000	**125.00**	**5,000,000**	**50.00**	**5,000,000**	**50.00**
Issued, subscribed and fully paid-up shares						
Equity shares of INR 1/- each (31 March 2023 and 31 March 2022: INR 10/- each) fully paid-up	97,610,660	97.61	3,675,964	36.76	3,675,964	36.76
	97,610,660	**97.61**	**3,675,964**	**36.76**	**3,675,964**	**36.76**

a) Reconciliation of authorised share capital outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At the beginning of the year (equity shares of INR 10/- each)	**5,000,000**	**50.00**	**5,000,000**	**50.00**	**5,000,000**	**50.00**
Add: Increase in authorised share capital^ (equity shares of INR 10/- each)	7,500,000	75.00	-	-	-	-
Add: Shares split during the year* (equity shares of INR 1/- each)	112,500,000	-	-	-	-	-
At the end of the year (equity shares of INR 1/- each)	**125,000,000**	**125.00**	**5,000,000**	**50.00**	**5,000,000**	**50.00**

^ Pursuant to the special resolution passed at extra ordinary general meeting held on 11 September 2023, the members approved to increase the authorised share capital of the Holding Company from INR 50.00 million divided into 5,000,000 equity shares of INR 10/- each to INR 70.00 million divided into 7,000,000 equity shares of INR 10/- each and further on 16 March 2024, the members approved to increase the authorised share capital of the Holding Company from INR 70.00 million divided into 7,000,000 equity shares of INR 10/- each to INR 125.00 million divided into 12,500,000 equity shares of INR 10/- each.

* Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on 18 March 2024 and 20 March 2024 respectively, stock split of one equity share having face value of INR 10/- each into ten equity shares having face value of INR 1/- each has been approved.

b) Reconciliation of equity capital outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At the beginning of the year (equity shares of INR 10/- each)	3,675,964	36.76	3,675,964	36.76	3,675,964	36.76
Add: Reclassification from financial liability (refer note 18)	1,204,569	12.04	-	-	-	-
Add: Shares split during the year^ (equity shares of INR 1/- each)	43,924,797	-	-	-	-	-
Add: Bonus shares issued during the year*	48,805,330	48.81	-	-	-	-
At the end of the year	**97,610,660**	**97.61**	**3,675,964**	**36.76**	**3,675,964**	**36.76**

^ Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on 18 March 2024 and 20 March 2024 respectively, stock split of one equity share having face value of INR 10/- each into ten equity shares having face value of INR 1/- each has been approved.

*Pursuant to the resolutions passed at board meeting and extra ordinary general meeting held on 18 March 2024 and 20 March 2024 respectively, members have approved a sum of INR 48.81 million, being a part of the amount standing to the credit of securities premium of the Holding Company, be capitalized and applied for the purpose of issuance of 48,805,330 equity shares of INR 1/- each to be allotted and credited as fully paid up bonus shares to such members holding fully paid up equity shares as per the record of depositories as the beneficial owner of shares on 25 March 2024 ("Record date") in the proportion of 1 bonus equity shares for every 1 existing equity shares (1:1) held by such persons respectively on the record date.

c) The rights, preferences and restrictions to each class of shares including restrictions on the distribution of dividends and repayment of capital (for all shareholders).

The Holding Company has only one class of equity shares having par value of INR 1/- per share (31 March 2023 and 31 March 2022: INR 10/-). Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Holding Company. In the event of liquidation of the Holding Company, the holders of equity shares are entitled to receive remaining assets of the Holding Company (after distribution of all preferential amounts) in proportion to the number of equity shares held by the shareholders.

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company:

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 1/- (31 March 2023 and 31 March 2022: INR 10/-) each fully paid held by						
Dr. Dharminder Kumar Nagar (with nominee shareholders)	73,519,280	75.32%	3,675,964	100%	3,675,964	100%
Commelina Limited*	24,091,380	24.68%	-	-	-	-
	97,610,660	**100.00%**	**3,675,964**	**100%**	**3,675,964**	**100%**

*Refer note 18.

e) Details of shares held by promoters of the Holding Company:

Particulars	As at 31 March 2024		As at 31 March 2023		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 1/- (31 March 2023: INR 10/-) each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	73,519,280	75.32%	3,675,964	100%	-24.68%

Particulars	As at 31 March 2023		As at 31 March 2022		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10/- (31 March 2022: INR 10/-) each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	3,675,964	100%	3,675,964	100%	-

Particulars	As at 31 March 2022		As at 01 April 2021		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10/- (31 March 2021: INR 10/-) each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	3,675,964	100%	3,675,964	100%	-

Notes:

a) The above information is furnished as per shareholder register of the Holding Company as at the year ended 31 March 2024, 31 March 2023 and 31 March 2022

b) 'Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.

(All amounts are in INR million, unless otherwise stated)

f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Holding Company has not issued bonus shares, equity shares for consideration other than cash and also no shares has been bought back during the period of 5 years immediately preceding the respective reporting periods except the following:

Issue of Bonus shares

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares of INR 1/- each	48,805,330	48.81	-	-	-	-

g) The Holding Company vide special board resolution dated 03 June 2024 and shareholder resolution dated 04 June 2024 has approved the Employee Stock Option Plan, 2024 and authorised to create, offer, issue and allot 2,196,239 employee stock options under Employee Stock Option Plan, 2024, for the benefit of employees and directors of the Group as decided by the board. Pending the number of options granted, no adjustment has been recorded in these restated consolidated financial information.

16. Other equity

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
a. Securities premium (note a)			
Balance at the beginning of the year	62.71	62.71	62.71
Add: reclassified from financial liability (refer note 18)	2,588.59	-	-
Less: utilised on issue of bonus shares	(48.81)	-	-
Balance at the end of the year	**2,602.49**	**62.71**	**62.71**
b. Retained earnings (note b)			
Balance at the beginning of the year	201.59	631.62	781.75
Add: reclassified from financial liability (refer note 18)	640.46	-	-
Add: loss during the year	(153.31)	(427.92)	(148.08)
Add: other comprehensive income for the year			
Re-measurement loss on defined benefit plans (net of tax)	(3.76)	(2.11)	(2.05)
Balance at the end of the year	**684.98**	**201.59**	**631.62**
Total other equity(a+b)	**3,287.47**	**264.30**	**694.33**

Nature and purpose of reserves

a) Securities premium

The aggregate amount of premium received on the shares is transferred to a separate account called "security premium". The same will be utilised in accordance with the provisions of the Companies Act, 2013 and related provisions.

b) Retained earnings

Retained earnings are the profits / (losses) that the Group has made till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It includes re-measurement loss on defined benefit plans, net of taxes that will not be reclassified to Restated Consolidated Statement of Profit and Loss. Retained earnings is a free reserve available to the Group and eligible for distribution to shareholders.

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(All amounts are in INR million, unless otherwise stated)

17. Non-current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Secured, at amortised cost			
Term loans from banks	3,991.53	2,879.01	1,618.82
Less: current maturities of non-current borrowings	(407.54)	(324.85)	(224.95)
Total non-current borrowings	**3,583.99**	**2,554.16**	**1,393.87**

Terms of repayment and security details:

Holding Company

Nature of security	Terms of repayment
a) Term loan from Bank A:	
i) INR 1,427.47 million (31 March 2023: INR 985.37 million and 31 March 2022: INR 758.90 million are secured primarily by: a) First pari-passu charge on movables fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future. b) First pari-passu charge on current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill, uncalled capital, present and future. c) First pari-passu charge on Paras Hospital property at Block-C-1, Sushant Lok Phase-I, Sector-43, Gurgaon-122002. d) Exclusive charge on property located at Udaipur. e) First pari-passu charge on leasehold property right of Kanpur. f) Corporate Guarantee of Plus Medicare Private Limited.	i) Repayment ranging from 13 to 84 instalments aggregating to INR 1,427.47 million Rate of interest range from 7.15% p.a. to 8.88% p.a. (31 March 2023: 7.15% p.a. to 8.50% p.a. and 31 March 2022: 7.15% p.a. to 9.15% p.a.)
ii) INR 148.83 million (31 March 2023: INR 214.94 million and 31 March 2022: INR 277.32 million) are secured primarily by: a) Second pari-passu charge on movables fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future. b) Second pari-passu charge on current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill, uncalled capital, present and future. c) Second pari-passu charge on Paras Hospital property at Block-C-1, Sushant Lok Phase-I, Sector-43, Gurgaon-122002.	ii) Repayment in 24 instalments aggregating to INR 148.83 million Rate of interest 9.25% p.a. (31 March 2023: 9.25% p.a. and 31 March 2022: 7.35% p.a.)
b) Term loan from Bank B:	
INR 1,014.31 million (31 March 2023: INR 538.35 million, 31 March 2022: Nil) are secured primarily by: a) First pari-passu charge by way of equitable mortgage over land & building of Gurgaon hospital; b) First pari-passu charge by way of hypothecation over all movable fixed assets, present & future, except the ones which are exclusively charged to existing lender(s); (including Kanpur Unit) c) First pari-passu charge by way of hypothecation over all current assets (including but not limited to cash & bank balances & receivables), present & future; intangibles, goodwill, uncalled capital present and future.	Repayment ranging from 26 to 36 instalments aggregating to INR 1,014.31 million Rate of interest at 5.75% p.a. to 8.79% p.a. (31 March 2023: 5.75% p.a. to 9.0% p.a. and 31 March 2022: Nil)
c) Term loan from Bank C:	
INR 169.73 million (31 March 2023: INR 254.60 million and 31 March 2022: INR 200.00 million) are secured primarily by: a) Exclusive charge on commercial property owned by the Company located at 1st Floor, Commercial Premises, (without roof right) Tower-B, (with 10 car parking spaces / slots bearing Nos. 87 to 96 located at Basement - II of the Project in 'Paras Twin Towers' in a G + 11 Storeyard Building with 3 level Basement , Situated in the Revenue Estate of Village Haiderpur Viran, Sector-54, Golf Course Road, District Gurgaon, Haryana-122022. b) Subservient charge on movable fixed assets (current and future). c) Subservient charge on current asset (current and future).	Repayment in 8 instalments aggregating to INR 169.73 million Rate of interest at 9.50% p.a. (31 March 2023 : 8.37% p.a. and 31 March 2022: 7.41% p.a.)
d) Term loan from Banks D:	
Nil as on 31 March 2024 (31 March 2023: Nil and 31 March 2022: INR 202.60 million) are secured primarily by: Exclusive charge on movable property, plant and equipment of Udaipur location. Collateral by: a. Exclusive charge on movable property, plant and equipment of Udaipur. b. Second Pari-passu charge on current assets of the Holding Company	Repayment ranging from 13 to 32 installments aggregating to INR 202.60 million, The loan has been foreclosed during the year ended 31 March 2023. Rate of interest nil (31 March 2023: Nil and 31 March 2022: 8.95 % p.a.)

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(All amounts are in INR million, unless otherwise stated)

Subsidiary Company - Paras Healthcare (Ranchi) Private Limited	
a) Term loan from Bank B: i) INR 500.00 million (31 March 2023: INR 500.00 million and 31 March 2022: INR 180.00 million) are secured primarily by: a. Exclusive charge by way of hypothecation over all movable assets. b. Exclusive charge by way of hypothecation over all current assets, present or future. c. Unconditional and irrevocable corporate guarantee of (formerly known as Paras Healthcare Private Limited). ii) INR 61.38 millions (31 March 2023: Nil and 31 March 2022: Nil) are secured primarily by: a. Exclusive charge by way of hypothecation over medical equipments. b. Corporate guarantee of Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited).	Repayment in 28 instalments aggregating to INR 500.00 million. Rate of interest at 5.75% p.a. to 8.88% p.a (31 March 2023: 5.75% p.a. to 8.72% p.a, 31 March 2022: 5.75% p.a.) ii) Repayment ranging from 78 to 79 instalments aggregating to INR 61.38 million. Rate of interest at 8.69% p.a (31 March 2023: Nil and 31 March 2022: Nil)

Subsidiary Company - Plus Medicare Hospitals Private Limited	
a) Term loan from Bank A: i) INR 369.81 million (31 March 2023: INR 385.75 million and 31 March 2022: Nil) are secured primarily by: Pari Passu charge by way of Equitable mortgage of the Company's property at a) Plot No 1, land in Khasra No 847, 875, 876, & 877 Mi., Rev. Vill Shobhgpura, near Shobhgpura circle, Tehsil Girwa, Distt. Udaipur, (Raj.) 313001. b) Plot No 2-A land in Khasra No. 878, Rev Vill Shobhagpura, Distt Udaipur, (Raj.) 313001.	i) Repayment in 104 instalments aggregating to INR 369.81 million Rate of interest range from 9.0% p.a to 9.90% p.a. (31 March 2023: 8.60% p.a and 31 March 2022: Nil)
ii) INR 300.00 million (31 March 2023: Nil and 31 March 2022: Nil) are secured primarily by: a) Exclusive charge on movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future. b) Exclusive charge on current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future. c) Corporate Guarantee of Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited). d) Non Disposable Undertaking on shareholding of the aforesaid Subsidiary Company. e) Exclusive charge over property situated at Udaipur.	ii) Repayment in 74 instalments aggregating to INR 300.00 million Rate of interest range from 8.51% p.a to 8.85% p.a. (31 March 2023: Nil and 31 March 2022: Nil)

Notes:

(a) During the year, Group has used the borrowings from banks for the specific purpose for which it was taken at the restated consolidated statement of assets and liabilities date.

(b) The quarterly returns/statements of current assets filed by the Holding Company with banks in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

(c) Total undrawn facility as at 31 March 2024 amounts to INR 690.99 million (31 March 2023: INR 1,354.30 million and 31 March 2022: INR 3,160.80 million)

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(All amounts are in INR million, unless otherwise stated)

17A Current borrowing

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Secured, at amortised cost			
Working capital loans	1,483.80	1,067.81	520.68
Current maturities of non-current borrowings	407.54	324.85	224.95
Total	**1,891.34**	**1,392.66**	**745.63**

Terms of repayment and security details:

Holding Company

Nature of security	**Terms of repayment**
a) Cash credit from Bank A: i) INR 428.67 million (31 March 2023: INR 1,045.85 million and 31 March 2022: INR 520.68 million) are secured primarily by: a) First pari-passu charge on movables fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future. b) First pari-passu charge on current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill, uncalled capital, present and future. c) First pari-passu charge on Paras Hospital property at Block-C-1, Sushant Lok Phase-I, Sector-43, Gurgaon-122002. d) Exclusive charge on property located at Udaipur. e) First pari-passu charge on leasehold property right of Kanpur. f) Corporate Guarantee of Plus Medicare Private Limited.	(a)(i) Rate of interest range from 7.91% p.a. to 9.19% p.a. (31 March 2023: 4.35 % p.a to 5.65 % p.a and 31 March 2022: 4.35 % p.a to 5.85 % p.a)
b) Working capital loan from Bank A: i) INR 933.17 million (31 March 2023: Nil and 31 March 2022: Nil) are secured primarily by fixed deposits.	(b)(i) Rate of interest range from 8.10% p.a to 8.88% p.a (31 March 2023: Nil and 31 March 2022: Nil)
c) Overdraft from Bank B: INR 93.46 million (31 March 2023: INR 21.96 million and 31 March 2022: Nil) are secured primarily by: a) First pari-passu charge by way of equitable mortgage over land & building of Gurgaon hospital; b) First pari-passu charge by way of hypothecation over all movable fixed assets, present & future, except the ones which are exclusively charged to existing lender(s); (including Kanpur Unit) c) First pari-passu charge by way of hypothecation over all Current assets (including but not limited to cash & bank balances & receivables), present & future; intangibles, goodwill, uncalled capital present and future.	Rate of interest at 8.88% p.a. (31 March 2023: 8.25% p.a and 31 March 2022: Nil)

Subsidiary Company - Plus Medicare Hospitals Private Limited

a) Overdraft from Bank A: i) INR 28.50 million (31 March 2023: Nil and 31 March 2022: Nil) are secured primarily by: a) Exclusive charge on movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future. b) Exclusive charge on current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future. c) Corporate Guarantee of Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited). d) Non Disposable Undertaking on shareholding of the Subsidiary Company.	Rate of interest range from 8.51% p.a. to 8.88 % p.a (31 March 2023: Nil and 31 March 2022: Nil)

Note: Total undrawn overdraft facility as at 31 March 2024 of INR 1,071.20 million (31 March 2023: INR 1,287.19 million and 31 March 2022: INR 1,185.52 million).

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(All amounts are in INR million, unless otherwise stated)

18. Other financial liabilities

Particulars	Non Current			Current		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Financial instrument classified as financial liability (refer note c and d below)	-	-	2,843.45	-	3,374.93	-
Payable for purchase of property, plant and equipment	-	-	-	394.70	148.84	40.23
Employees payable	-	-	-	68.57	57.29	39.51
Security deposits	3.25	3.24	1.74	0.28	0.28	0.28
Interest accrued but not due on borrowings	-	-	-	9.37	4.00	4.20
Total	**3.25**	**3.24**	**2,845.19**	**472.92**	**3,585.34**	**84.22**

Notes:

(a) Refer note 36 for detailed disclosure on fair value of financial liabilities.

(b) The Group's exposure to liquidity risks related to above financial liabilities are disclosed in note 37.

(c) Financial instrument classified as financial liability

Series A CCPS issued to investor were converted into equity shares during the year ended 31 March 2018 as per the terms and conditions mentioned in Investment and Share Purchase Agreement (ISPA)
i) As per the ISPA, the investor have following rights / options:
A. For first 63 months of issuance of allotment letter of the subscribed securities:
The investor shall be given an exit at threshold exit price from the arrangement either by a QIPO("Qualified Initial Public Offerings") or financial investor sale. Threshold exit price means such price per security the investor being entitled to receive higher of (i) 2.5 times the investment amount or (ii) an IRR of 25%.

B. After 63 months and till 19 years from the issuance of allotment letter of the subscribed securities:
Right to require the Holding Company to provide an exit by way of a buyback of up to all the investor securities at the fair market value (“Buy Back Option”) till such time as the Investor continues to hold any investor securities.

(d) Modification in terms of financial instruments

During 31 March 2024, an addendum to the ISPA is made effective from 28 March 2024, as per which the Investor has unconditionally and irrevocably waived the Buy Back Option and undertakes that it shall not issue any Buy-Back notice in furtherance thereof. Consequently, there are no longer any contractual obligations on the Holding Company and the financial instruments have been reclassified as Equity and Other Equity.

19. Provisions

Particulars	Non Current			Current		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits						
Provision for gratuity (refer note 39)	39.20	30.10	28.42	15.32	15.23	11.61
Provision for compensated absences (refer note 39)	33.15	27.94	21.56	20.84	17.45	12.42
Total	**72.35**	**58.04**	**49.98**	**36.16**	**32.68**	**24.03**

20. Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (MSME); and	296.08	199.01	221.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,078.73	1,038.30	970.46
Total	**1,374.81**	**1,237.31**	**1,192.27**

Notes:

a) The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 37.

b) For trade payables owing to related parties, refer note 34.

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(All amounts are in INR million, unless otherwise stated)

Trade payable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from the date of invoice					Total
	Unbilled	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade payables						
MSME	0.32	295.76	-	-	-	296.08
Others	497.18	567.07	2.07	6.96	5.45	1,078.73
Total trade payables	**497.50**	**862.83**	**2.07**	**6.96**	**5.45**	**1,374.81**

Trade payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from the date of invoice					Total
	Unbilled	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade payables						
MSME	3.38	195.63	-	-	-	199.01
Others	441.87	582.96	7.41	2.34	3.72	1,038.30
Total trade payables	**445.25**	**778.59**	**7.41**	**2.34**	**3.72**	**1,237.31**

Trade payable ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from the date of invoice					Total
	Unbilled	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade payables						
MSME	0.02	221.79	-	-	-	221.81
Others	301.26	640.37	22.97	2.36	3.50	970.46
Total trade payables	**301.28**	**862.16**	**22.97**	**2.36**	**3.50**	**1,192.27**

There are no disputed trade payables, hence the same is not disclosed in the ageing schedule.

21. Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	94.14	89.15	53.72
Contract liabilities - advance from patients (refer note 40)	79.91	65.67	38.90
Total	**174.05**	**154.82**	**92.62**

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(All amounts are in INR million, unless otherwise stated)

22. Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from sale of services - Healthcare			
Operating income - in patient department	9,225.33	7,509.86	6,323.61
Operating income - out patient department	1,641.97	1,348.45	1,190.23
Revenue from sale of product - Pharmacy	418.05	313.56	274.27
Sub-total (A)	**11,285.35**	**9,171.87**	**7,788.11**
Other operating revenues			
Sponsorship income	2.79	5.59	6.62
Scrap sales	2.25	1.74	4.51
Sub-total (B)	**5.04**	**7.33**	**11.13**
Total (A+B)	**11,290.39**	**9,179.20**	**7,799.24**

Note: Refer note 40 for revenue related disclosures.

23. Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income			
from banks	105.65	77.85	89.04
from income tax refund	33.21	0.11	2.39
Gain on sale of property, plant and equipment (net)	2.71	0.82	1.36
Other non operating income			
Rental income	1.31	1.46	4.58
Unwinding of discount on security deposits	35.95	75.26	30.34
Gain on termination of lease	4.72	-	-
Liabilities no longer required written back	6.60	2.79	0.97
Miscellaneous income	29.69	23.04	3.80
Total	**219.84**	**181.33**	**132.48**

24. Purchases of stock-in-trade

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchases of stock-in-trade	3,048.95	2,415.36	2,077.92
Total	**3,048.95**	**2,415.36**	**2,077.92**

25. Changes in inventories of stock-in-trade

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year	211.30	129.47	78.23
Sub-total (A)	**211.30**	**129.47**	**78.23**
Inventories at the beginning of the year	129.47	78.23	54.53
Sub-total (B)	**129.47**	**78.23**	**54.53**
Net change (B-A)	**(81.83)**	**(51.24)**	**(23.70)**

26. Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,497.66	1,204.70	905.94
Contribution to provident fund and other funds (refer note 39)	80.75	65.78	51.25
Staff welfare expenses	94.17	66.46	43.55
Total	**1,672.58**	**1,336.94**	**1,000.74**

Note: The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the respective years, refer note 33.

(All amounts are in INR million, unless otherwise stated)

27. Finance costs

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Interest expense			
- On borrowings	355.84	196.41	131.75
- On lease liabilities	291.70	269.14	175.73
Other borrowing costs	23.10	26.34	7.74
Total	**670.64**	**491.89**	**315.22**

Note: The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the respective years, refer note 33.

28. Depreciation and amortization expenses

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Depreciation of property, plant and equipment (refer note 4)	697.69	528.02	415.99
Amortization of other intangible assets (refer note 7A)	7.95	4.90	4.82
Depreciation of right-of-use assets (refer note 5)	101.53	121.86	93.32
Total	**807.17**	**654.78**	**514.13**

29. Other expenses

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Power, fuel and water	196.10	163.87	138.06
Rent and facility fees	331.86	178.62	230.82
Repairs and maintenance			
- Buildings	26.88	19.53	25.52
- Plant and equipments	157.03	128.04	116.03
- Others	86.18	73.86	63.93
House keeping expenses	328.12	236.85	198.07
Laundry expenses	66.60	56.77	46.07
Patient food and beverage	91.70	76.25	64.71
Outsourced medical services	475.86	452.89	483.62
Security expenses	85.09	56.63	47.82
Corporate social responsibility expense	10.90	6.21	4.91
Legal and professional fees	65.75	66.14	46.48
Travelling and conveyance	82.95	67.57	45.22
Printing and stationery	40.09	37.11	25.26
Communication expenses	16.76	8.14	8.16
Insurance	18.31	17.75	20.52
Rates and taxes	11.85	9.32	5.28
Advertisement, marketing and outreach expenses	248.23	139.39	70.89
Loss allowance	104.62	35.00	20.24
Bank charges	23.94	19.58	17.40
Foreign exchange fluctuation loss (net)	1.87	-	-
Miscellaneous expenses	49.73	54.10	11.78
Total	**2,520.42**	**1,903.62**	**1,690.79**

Note: The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the respective years, refer note 33.

(All amounts are in INR million, unless otherwise stated)

30. Deferred tax (assets) / liabilities (net)

Deferred tax (assets) / liabilities are attributable to the following:	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Property, plant and equipment	172.63	112.30	98.11
Right-of-use assets	449.44	493.56	490.40
Lease liabilities	(506.71)	(492.39)	(441.26)
Loss allowance	(68.58)	(44.69)	(35.89)
Provision for employee benefits	(28.83)	(26.03)	(18.19)
Financial assets and financial liabilities measured at amortised cost	(36.76)	(79.02)	(83.46)
Deferred tax liability recognised on account of acquisition	37.57	38.40	-
Others	-	-	2.09
Net deferred tax liabilities	**18.76**	**2.13**	**11.80**

Tax expense

a)	**Amounts recognized in the restated consolidated statement of profit and loss**	**For the year ended 31 March 2023**	**For the year ended 31 March 2023**	**For the year ended 31 March 2023**
	Current tax			
	- Current year	201.83	204.78	184.04
	- Earlier period	-	-	4.06
	Deferred tax charge/ (credit) (net)	17.78	(47.39)	(9.51)
	Tax expenses for the year	**219.61**	**157.39**	**178.59**

		For the year ended 31 March 2024			**For the year ended 31 March 2023**			**For the year ended 31 March 2022**		
b)	**Income tax recognized in other comprehensive income**	**OCI before tax**	**Tax (expense) benefit**	**Net of tax**	**OCI before tax**	**Tax (expense) benefit**	**Net of tax**	**OCI before tax**	**Tax (expense) benefit**	**Net of tax**
	Remeasurements of defined benefit plans	(4.91)	1.15	(3.76)	(2.80)	0.69	(2.11)	(2.67)	0.62	(2.05)

c)	**Reconciliation of effective tax rate**		**For the year ended 31 March 2024**		**For the year ended 31 March 2023**		**For the year ended 31 March 2022**
	Profit/ (Loss) before tax		66.30		(270.53)		30.51
	Tax using the Holding Company's domestic tax rate	25.17%	16.69	25.17%	(68.09)	25.17%	7.68
	Tax effect of:						
	Non-deductible expenses :						
	- Donations	4.14%	2.74	(0.58%)	1.56	4.05%	1.23
	- Fair valuation (gain)/ loss on liability component of contribution	(50.81%)	(33.69)	(49.44%)	133.76	378.40%	115.44
	- Non recognition of deferred tax asset on losses of subsidiaries	331.30%	219.64	(37.61%)	101.74	184.53%	56.30
	- Others	21.46%	14.23	4.28%	(11.58)	(6.75%)	(2.06)
	Effective tax rate	**331.26%**	**219.61**	**(58.18%)**	**157.39**	**585.39%**	**178.59**

(All amounts are in INR million, unless otherwise stated)

d) Recognized deferred tax (assets) / liabilities

Deferred tax (assets) / liabilities are attributable to the following:	Deferred tax (assets)			Deferred tax liabilities			Net deferred tax (asset) / liabilities		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	-	-	-	172.63	112.30	98.11	172.63	112.30	98.11
Right-of-use assets	-	-	-	449.44	493.56	490.40	449.44	493.56	490.40
Lease liabilities	(506.71)	(492.39)	(441.26)	-	-	-	(506.71)	(492.39)	(441.26)
Loss allowance	(68.58)	(44.69)	(35.89)	-	-	-	(68.58)	(44.69)	(35.89)
Provision for employee benefits	(28.83)	(26.03)	(18.19)	-	-	-	(28.83)	(26.03)	(18.19)
Financial assets and financial liabilities measured at amortised cost	(36.76)	(79.02)	(83.46)	-	-	-	(36.76)	(79.02)	(83.46)
Deferred tax on account of business combination	-	-	-	37.57	38.40	-	37.57	38.40	-
Others	-	-	(5.08)	-	-	7.17	-	-	2.09
Net deferred tax (assets)/liabilities	**(640.88)**	**(642.13)**	**(583.88)**	**659.64**	**644.26**	**595.68**	**18.76**	**2.13**	**11.80**

e) Movement in temporary differences

Deferred tax (assets) / liabilities are attributable to the following:	As at 31 March 2022	Recognition on acquisition of subsidiary	Recognised in restated consolidated statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023	Recognised in restated consolidated statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2024
Property, plant and equipment	98.11	-	14.19	-	112.30	60.33	-	172.63
Right-of-use assets	490.40	-	3.16	-	493.56	(44.12)	-	449.44
Lease liabilities	(441.26)	-	(51.13)	-	(492.39)	(14.32)	-	(506.71)
Loss allowance	(35.89)	-	(8.81)	-	(44.69)	(23.89)	-	(68.58)
Provision for employee benefits	(18.19)	-	(7.15)	(0.69)	(26.03)	(1.65)	(1.15)	(28.83)
Financial assets and financial liabilities measured at amortised cost	(83.46)	-	4.44	-	(79.02)	42.26	-	(36.76)
Recognition on account of business combination	-	38.40	-	-	38.40	(0.83)	-	37.57
Others	2.08	-	(2.08)	-	-	-		-
Total	**11.80**	**38.40**	**(47.39)**	**(0.69)**	**2.13**	**17.78**	**(1.15)**	**18.76**

Deferred tax (assets) / liabilities are attributable to the following:	As at 01 April 2021	Recognised in restated consolidated statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Property, plant and equipment	78.77	19.34	-	98.11
Right-of-use assets	373.86	116.54	-	490.40
Lease liabilities	(298.43)	(142.83)	-	(441.26)
Loss allowance	(30.78)	(5.11)	-	(35.89)
Provision for employee benefits	(13.63)	(3.94)	(0.62)	(18.19)
Financial assets and financial liabilities measured at amortised cost	(84.47)	1.01	-	(83.46)
Others	(3.40)	5.48	-	2.08
Total	**21.93**	**(9.51)**	**(0.62)**	**11.80**

(All amounts are in INR million, unless otherwise stated)

f) Deferred tax assets unrecognised in subsidiary companies*

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Plus Medicare Hospitals Private Limited	37.55	11.07	-
Paras Healthcare (Ranchi) Private Limited	377.29	282.96	150.33
Total	**414.84**	**294.03**	**150.33**

* The deferred tax assets are recognised to the extent that it is probable future taxable profits will be available against which they can be used. The existence of unabsorbed tax losses and depreciation is an evidence that future taxable profits may not be available. Therefore, in case of history of recent losses, relevant Subsidiary Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profits will be available against which such deferred tax assets can be realised.

g) Details of expiry related to losses and unabsorbed depreciation:

As at 31 March 2024

Particulars	Less than 1 years	1 to 5 years	More than 5 years	No expiry date	Total
Unabsorbed losses	-	142.23	1,003.89	-	1,146.12
Unabsorbed depreciation	-	-	-	1,037.45	1,037.45

As at 31 March 2023

Particulars	Less than 1 years	1 to 5 years	More than 5 years	No expiry date	Total
Unabsorbed losses	-	33.48	619.06	-	652.54
Unabsorbed depreciation	-	-	-	661.75	661.75

As at 31 March 2022

Particulars	Less than 1 years	1 to 5 years	More than 5 years	No expiry date	Total
Unabsorbed losses	-	-	275.17	-	275.17
Unabsorbed depreciation	-	-	-	79.59	79.59

(All amounts are in INR million, unless otherwise stated)

31. Earnings per share

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit/(loss) attributable to the equity shareholders	(153.31)	(427.92)	(148.08)
Number of equity shares at the beginning of the year (absolute)*	3,675,964	3,675,964	3,675,964
Total number of shares outstanding at the end of the year (absolute) pre split and bonus	4,880,533	3,675,964	3,675,964
Total number of shares outstanding post stock split in the ratio of 1:10 (absolute) (refer note below)	48,805,330	36,759,640	36,759,640
Add: Impact of bonus shares issued subsequent to period end in the ratio of 1:1 (absolute) (refer note below)	48,805,330	36,759,640	36,759,640
Total number of shares outstanding post bonus issue (absolute)	97,610,660	73,519,280	73,519,280
Weighted average number of shares used in basic earning per share (absolute)	97,610,660	73,519,280	73,519,280
Weighted average number of shares used in diluted earning per share (absolute)	97,610,660	73,519,280	73,519,280
Basic earning per share (INR)	(1.57)	(5.82)	(2.01)
Diluted earning per share (INR)	(1.57)	(5.82)	(2.01)

*31 March 2023 and 31 March 2022 excludes 1,204,569 equity shares classified as financial liability.

Note: The impact of events mentioned in note no 15 in relation to stock split and bonus shares has been considered retrospectively for the purpose of calculation of basic and diluted earning per share for current year and previous years.

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(All amounts are in INR million, unless otherwise stated)

32. Commitments and contingencies

a) Estimated amount of contracts remaining to be executed which is of capital nature (net of advances) and which have not been provided for in the restated consolidated financial information, amounts to INR 317.76 million (31 March 2023: INR 1,186.28 million and 31 March 2022: INR 328.93 million).

b) The Holding Company had imported capital goods under EPCG (Export Promotion Capital Goods) Scheme and saved custom duty to the tune of INR 253.94 million (31 March 2023: INR 140.42 million and 31 March 2022: INR 100.34 million) until 2023-24. As per the EPCG terms and conditions, the Holding Company needs to export goods 6 times of duty saved on import of Capital goods on FOB basis within a period of 6 years. The export obligation of INR 1,348.41 million (31 March 2023 : INR 653.51 million and 31 March 2022: INR 594.24 million) is pending to be exported by the Holding Company. In case, the Holding Company is unable to export services within the prescribed timeframe, then the Holding Company may have to pay duty on import of capital goods, including interest and penalty thereon.

Considering the past trends and internal assessment done by the Holding Company, the management is of the view that the required export obligation will be achieved within the prescribed time and hence no provision is required at this stage.

c) The Group's significant lease arrangement is in respect of premises of hospital and nursing hostel. The details of the commitments of the said leases is disclosed in note 5.

d) Contingent liabilities not provided for:

1) The Subsidiary Company [Paras Healthcare (Ranchi) Private Limited] had received notice(s) amounting to INR 27.50 million from Heavy Engineering Corporation Limited ("HEC") as liquidated damages in earlier years on account of the delay in opening of 50 bedded hospital, in accordance with the terms and conditions of the Agreement dated 16 January 2018. The Subsidiary Company has replied to such notices from HEC and anticipate a favourable outcome in future. Basis the management's assessment and supported by the external legal opinion, the Subsidiary Company has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of the Group.

2) Guarantees:
Bank guarantee given to Heavy Engineering Corporation Limited by the Holding Company on behalf of its Subsidiary Company [Paras Healthcare (Ranchi) Private Limited] amounting to INR 75.00 million (31 March 2023: INR 75.00 million and 31 March 2022: INR 75.00 million) as per terms and conditions mentioned in the concession agreement entered with HEC.

3) The Holding Company has provided corporate guarantee to bank on behalf of the Subsidiary Companies for obtaining loans by the Subsidiary Companies as follows:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Plus Medicare Hospitals Private Limited	328.50	-	-
Paras Healthcare (Ranchi) Private Limited	561.38	500.00	-
Total	**889.88**	**500.00**	**-**

4) The Subsidiary Company (Plus Medicare Hospitals Private Limited) has issued corporate guarantee amounting to INR 1,856.14 (as secondary collateral) to the bank on behalf of the Holding Company for the renewal of Holding Company's credit facilities.

5) **Claims against the Holding Company not acknowledged as debts**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Legal cases in respect of compensation demanded by the patients/their relatives for negligence	37.71	37.29	31.75
Income Tax (refer note ii below)	-	-	1.10

Notes:

i) Represents the cases that are pending with various Consumer Disputes Redressal Commissions / Courts and the management, including its legal advisers, expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group financial positions and results of operations. In addition to this, as a measure of good corporate governance the Group has taken Professional Indemnity Insurance Policy for claims pending against the Group to secure the Group from any financial implication in case of claims settled against the Group.

ii) During the current year, the Holding Company has been served a notice under section 148 of the Income tax act,1961 initiating re-assessment proceeding for the Assessment Year 2017-18 to Assessment Year 2022-2023. While the Holding Company has submitted response against the notices, the re-assessment proceedings is yet to be concluded. Subsequent to the year end, the Holding Company has also received notices under section 142(1) and section 143(2) of the income tax act, 1961 seeking additional information.

iii) The above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the Group. The cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various stages/forums.

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(All amounts are in INR million, unless otherwise stated)

33. Capitalisation of expenditure incurred during construction period

The costs that are directly attributable to the acquisition of certain property, plant and equipment are capitalised as under

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening balance	**288.34**	**166.94**	**45.93**
Incurred during the year:			
Employee benefits expense	72.63	108.74	39.80
Other expenses	48.98	58.93	76.66
Finance costs	114.21	71.22	5.90
Total	**524.16**	**405.83**	**168.29**
Less: Expenses capitalised to property, plant and equipment during the year	(380.96)	(117.49)	(1.35)
Carried forward to next financial year as part of capital-work in progress	**143.20**	**288.34**	**166.94**

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(All amounts are in INR million, unless otherwise stated)

34. Related parties disclosures

In accordance with Ind AS-24 on related parties disclosures where control exist and where transactions have taken place and description of the relationships as identified and certified by the management are as follows:

I

Nature of relationship	Name of related party
Wholly owned subsidiary	Paras Healthcare (Ranchi) Private Limited
Wholly owned subsidiary	Plus Medicare Hospitals Private Limited (w.e.f. 18 October 2022)
Key managerial personnel (KMP)	Dr. Dharminder Kumar Nagar (Managing Director) Dr. Kapil Garg (Whole time Director) Dr. Veer Singh Mehta (Non-Executive Director) (upto 31 January 2024) Mr. Ramesh Abhishek (Director) (upto 12 July 2024) Mr. Kabir Kishin Thakur (Director) Mr. Saurabh Sood (Director) (upto 31 January 2024) Mr. Saurabh Sood (Additional Director) (w.e.f 01 February 2024) Mr. Nakul Anand (Additional Director) (w.e.f. 01 February 2024) Mr. Debajit Sensharma (Group CFO) (upto 04 February 2023) Mr. Dilip Bidani (Group CFO) (w.e.f. 01 March 2023) Mr. Rahul Kumar (Company Secretary) (w.e.f. 05 July 2022) Mr. Narayan Anand (Director) (upto 17 August 2021) Mr. Mohd. Shahid (Company Secretary) (upto 30 May 2022)
Significant influence of key managerial personnel	Ch. Ved Ram Nagar Medical Education & Research Society
Entity with direct or indirect significant influence over the Holding Company	Commelina Limited (Investor)

II Transactions and balances with related parties as disclosed in the separate financial statements of the consolidated entities other than disclosed in III below.

A Transactions during the year ended

Reporting entity	Nature	Transacting party	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	**Managerial remuneration**				
	Short term employee benefits and Other long term benefits	Dr. Dharminder Kumar Nagar	53.77	53.77	53.77
		Dr. Kapil Garg	10.96	10.77	9.79
		Mr. Debajit Sensharma	-	11.40	12.41
		Mr. Dilip Bidani	19.03	1.83	-
		Mr. Rahul Kumar	3.26	2.44	-
		Mr. Mohd. Shahid	-	-	1.02
	Post employment defined benefits	Dr. Dharminder Kumar Nagar	1.33	1.33	1.33
		Dr. Kapil Garg	0.25	0.23	0.21
		Mr. Debajit Sensharma	-	0.24	0.29
		Mr. Dilip Bidani	0.47	0.04	-
		Mr. Rahul Kumar	0.08	0.05	-
		Mr. Mohd. Shahid	-	-	0.02
	Retainers and consultants fee	Dr. Veer Singh Mehta	18.26	32.21	35.34
	Directors sitting fees	Mr. Saurabh Sood	0.33	0.06	0.06
		Mr. Ramesh Abhishek	0.83	0.40	0.30
	Rental income	Ch. Ved Ram Nagar Medical Education & Research Society	0.02	0.02	0.02

B Balances as at the end of the year

Reporting entity	Nature	Transacting party	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	Other receivables	Ch. Ved Ram Nagar Medical Education & Research Society	0.31	0.28	0.26
	Trade payables	Dr. Veer Singh Mehta	0.38	1.96	2.65

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(All amounts are in INR million, unless otherwise stated)

III Transactions and balances with related parties eliminated on consolidation of group entities in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

A Transactions during the year ended

Reporting entity	Nature	Transacting party	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	Rent and facility fees (including applicable taxes)	Plus Medicare Hospitals Private Limited	75.22	35.67	-
	Interest on loan to wholly owned subsidiary	Paras Healthcare (Ranchi) Private Limited	80.58	68.67	42.33
		Plus Medicare Hospitals Private Limited	44.05	5.03	-
	Investment in equity shares	Plus Medicare Hospitals Private Limited	-	734.20	-
	Loan to wholly owned subsidiary	Paras Healthcare (Ranchi) Private Limited	167.81	153.85	239.49
		Plus Medicare Hospitals Private Limited	345.74	278.00	-
	Revenue from sale of healthcare services	Paras Healthcare (Ranchi) Private Limited	3.87	-	-
		Plus Medicare Hospitals Private Limited	2.61	-	-
Paras Healthcare (Ranchi) Private Limited	Loan from Holding Company	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	167.81	153.85	239.49
	Interest on loan taken	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	80.58	68.67	42.33
	Outsourced medical services	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	3.87	-	-
Plus Medicare Hospitals Private Limited	Loan from related party	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	345.74	278.00	-
	Interest expenses on Loan taken	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	44.05	5.03	-
	Rent and facility fees (excluding applicable taxes)	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	63.75	30.23	-
	Outsourced medical services	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	2.61	-	-

B Balances as at the end of the year

Reporting entity	Nature	Transacting party	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	Loan given to wholly owned subsidiaries (including interest)	Paras Healthcare (Ranchi) Private Limited	1,115.10	866.71	644.20
		Plus Medicare Hospitals Private Limited	672.83	283.04	-
	Security deposit given (undiscounted)	Plus Medicare Hospitals Private Limited	254.00	254.00	-
	Investments	Paras Healthcare (Ranchi) Private Limited	0.10	0.10	0.10
		Plus Medicare Hospitals Private Limited	734.20	734.20	-
Paras Healthcare (Ranchi) Private Limited	Loan from Holding Company (including interest)	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	1,115.10	866.71	644.20
Plus Medicare Hospitals Private Limited	Loan from Holding Company (including interest)	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	672.83	283.04	-
	Security deposit taken (undiscounted)	Paras Healthcare Limited (formerly known as Paras Healthcare Private Limited)	254.00	254.00	-

Terms and conditions of related party transactions:

i) The Holding Company has given bank guarantee of INR 75.00 million (31 March 2023: INR 75.00 million and 31 March 2022: INR 75.00 million) on behalf of its subsidiary (Paras Healthcare (Ranchi) Private Limited) as per the terms and conditions of the concession agreement entered with Heavy Engineering Corporation Limited.

ii) The Holding Company has issued letter of support for financial assistance to Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the Subsidiary Company.

iii) The Holding Company has provided a corporate guarantee to bank on behalf of its subsidiaries (Plus Medicare Hospitals Private Limited and Paras Healthcare (Ranchi) Private Limited) for sanction of loan.

iv) Plus Medicare Hospitals Private Limited has also issued a corporate guarantee (as secondary collateral) to the bank on behalf of the Holding Company for the renewal of the Holding Company's credit facilities.

Notes

a) All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and settlement is generally done in cash.

b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

(All amounts are in INR million, unless otherwise stated)

35. Segment information

The chief operating decision maker (CODM) examines the Group's performance from a service perspective and has identified the 'Healthcare services' as a single business segment. The Group is operating in India which constitutes a single geographical segment. The CODM reviews internal management reports to assess the performance of the segment 'Healthcare services'. There are no transactions with a single external customer which would amount to ten percent or more of the Group's revenues.

36. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: quoted prices (unadjusted) in active markets for financial instruments.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

Valuation techniques used to determine fair value

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values :

- Trade receivables, cash and cash equivalents, bank balances others than cash and cash equivalents, other financial assets, borrowing, trade payables and other financial liabilities: Approximate their carrying amounts largely due to the current maturities of these instruments.
- Borrowings taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

As at 31 March 2024

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Non-current						
Other financial assets	-	371.31	371.31	-	-	371.31
Current						
Trade receivables	-	1,563.11	1,563.11	-	-	-
Cash and cash equivalents	-	154.58	154.58	-	-	-
Bank balances other than cash and cash equivalents	-	1,448.28	1,448.28	-	-	-
Other financial assets	-	249.84	249.84	-	-	-
Total	**-**	**3,787.12**	**3,787.12**	**-**	**-**	**371.31**
Financial liabilities						
Non-current						
Borrowings	-	3,583.99	3,583.99	-	-	3,583.99
Lease liabilities	-	3,503.27	3,503.27	-	-	-
Other financial liabilities	-	3.25	3.25	-	-	3.25
Current						
Borrowings	-	1,891.34	1,891.34	-	-	-
Lease liabilities	-	260.60	260.60	-	-	-
Trade payables	-	1,374.81	1,374.81	-	-	-
Other financial liabilities	-	472.92	472.92	-	-	-
Total	**-**	**11,090.18**	**11,090.18**	**-**	**-**	**3,587.24**

As at 31 March 2023

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Non-current						
Other financial assets	-	314.67	314.67	-	-	314.67
Current						
Trade receivables	-	1,306.68	1,306.68	-	-	-
Cash and cash equivalents	-	230.58	230.58	-	-	-
Bank balances other than cash and cash equivalents	-	1,386.52	1,386.52	-	-	-
Other financial assets	-	187.18	187.18	-	-	-
Total	**-**	**3,425.63**	**3,425.63**	**-**	**-**	**314.67**
Financial liabilities						
Non-current						
Borrowings	-	2,554.16	2,554.16	-	-	2,554.16
Lease liabilities	-	3,402.76	3,402.76	-	-	-
Other financial liabilities	-	3.24	3.24	-	-	3.24
Current						
Borrowings	-	1,392.66	1,392.66	-	-	-
Lease liabilities	-	206.81	206.81	-	-	-
Trade payables	-	1,237.31	1,237.31	-	-	-
Other financial liabilities	3,374.93	210.41	3,585.34	-	-	3,374.93
Total	**3,374.93**	**9,007.35**	**12,382.28**	**-**	**-**	**5,932.33**

(All amounts are in INR million, unless otherwise stated)

As at 31 March 2022

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Non-current						
Other financial assets	-	419.06	419.06	-	-	419.06
Current						
Trade receivables	-	844.22	844.22	-	-	-
Cash and cash equivalents	-	76.70	76.70	-	-	-
Bank balances other than cash and cash equivalents	-	1,904.29	1,904.29	-	-	-
Other financial assets	-	184.74	184.74	-	-	-
Total	**-**	**3,429.01**	**3,429.01**	**-**	**-**	**419.06**
Financial liabilities						
Non-current						
Borrowings	-	1,393.87	1,393.87	-	-	1,393.87
Lease liabilities	-	2,340.25	2,340.25	-	-	-
Other financial liabilities	2,843.45	1.74	2,845.19	-	-	2,845.19
Current						
Borrowings	-	745.63	745.63	-	-	-
Lease liabilities	-	124.33	124.33	-	-	-
Trade payables	-	1,192.27	1,192.27	-	-	-
Other financial liabilities	-	84.22	84.22	-	-	-
Total	**2,843.45**	**5,882.31**	**8,725.76**	**-**	**-**	**4,239.06**

Fair value through profit or loss

Valuation technique for level 3

Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

b. Level 3 recurring fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	Amount
Balance as at 01 April 2021	**2,384.81**
Loss included in Restated Consolidated Statement of Profit and Loss	
- Net change in fair value (unrealised)	458.64
Balance as at 31 March 2022	**2,843.45**
Loss included in Restated Consolidated Statement of Profit and Loss	
- Net change in fair value (unrealised)	531.48
Balance as at 31 March 2023	**3,374.93**
Gain included in Restated Consolidated Statement of Profit and Loss	
- Net change in fair value (unrealised)	(133.84)
Reclassification to Equity and other equity	**(3,241.09)**
Balance as at 31 March 2024	**-**

Transfer out of level 3

The Holding Company had issued equity shares with a buy back option shown under financial instrument classified as financial liability valued at FVTPL, with a fair value at 31 March 2023 of INR 3,374.93 million and 31 March 2022 of INR 2,843.45 million. The fair value of this investment was categorised as Level 3 at 31 March 2023 and 31 March 2022. This was because the shares were not listed on an exchange and there were no recent observable arm's length transactions in the shares.

However, during 31 March 2024, an addendum to the ISPA is made effective from 28 March 2024, as per which the Investor has unconditionally and irrevocably waived the Buy Back Option and undertakes that it shall not issue any Buy-Back notice in furtherance thereof. Consequently, there are no longer any contractual obligations on the Holding Company and the financial instruments have been reclassified as Equity and Other Equity. Thus the fair value measurement is not applicable in the fair value hierarchy at 31 March 2024.

Sensitivity analysis of fair value instruments:-

(i) Liability component of equity shares held by Investor

The management has used Discounted cash flow method (DCF) for determining the fair value of Financial instrument classified as Financial liability .

The Management has computed net present value of cash flows by discounting free cash flow to firm (“FCFF”) using a weighted average cost of capital (“WACC”). As at 31 March 2023, the weighted average cost of capital (WACC) multiple has been determined at 15.93% (31 March 2022: 14.86%)

Management has identified that a reasonably possible change in the key assumption could cause a change in fair value of the instrument. The following table shows the amount by which the fair value would change on change in the assumption. All other factors remaining constant.

Increase/(decrease) in fair value	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
WACC multiple			
Increase by 1%	-	(407.80)	(324.60)
Decrease by 1%	-	493.50	398.40

37. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
▪ Credit risk ;
▪ Liquidity risk ;
▪ Market risk

Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors have authorized the Managing Director to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit risk	Trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets	Ageing analysis	Diversification of bank deposits and credit limits and regular monitoring and follow ups
Liquidity risk	Borrowings, trade payables and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk – foreign exchange	Future commercial transactions, recognized financial assets and liabilities not denominated in Indian rupee.	Cash flow forecasting sensitivity analysis	Forward foreign exchange contracts
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversification of borrowings.

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The carrying amounts of financial assets represents the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Group has a credit risk management policy in place to limit credit losses due to non-performance of counterparties. The Group monitors its exposure to credit risk on an ongoing basis. Assets are written off when there is no reasonable expectation of recovery. Where loans and receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the dues.

Trade receivables

The Group closely monitors the credit-worthiness of the receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Group uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables. Expected credit losses are measured on collective basis for each of the following categories :

Category	**Inputs for measurement of expected credit losses**	**Assumptions**
Government	Collection against outstanding receivables in past years	Trade receivables outstanding for more than three years are considered irrecoverable. Trend of collections made by the Group over a period of three years preceding restated consolidated statement of assets and liabilities date and considering default to have occurred if receivables are not collected for less than three years.
Non-government		
Corporates	Collection against outstanding receivables in past years	Trade receivables outstanding for more than three years are considered irrecoverable. Trend of collections made by the Group over a period of three years preceding restated consolidated statement of assets and liabilities date and considering default to have occurred if receivables are not collected for less than three years.
Third party administrators of insurance companies	Collection against outstanding receivables in past years	Trade receivables outstanding for more than three years are considered irrecoverable. Allowance for expected credit loss on receivables outstanding for less than three years is recognised based on expected deductions by third party administrators.
Others	Customer wise trade receivables and information obtained through sales recovery follow ups	Specific allowance is made by assessing party wise outstanding receivables based on communication between sales team and customers.

(All amounts are in INR million, unless otherwise stated)

Cash and cash equivalents and bank balances other than cash and cash equivalents
Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in deposits with highly rated banks and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Group deals with highly rated banks.

Other financial assets
Other financial assets measured at amortized cost includes security deposits, contract assets, accrued interest on fixed deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place to ensure the amounts are within defined limits. Credit risk is considered low because the Group is in possession of the underlying asset (in case of security deposit) or as per trade experience (in case of unbilled revenue from patient and other receivables from revenue sharing arrangements). Further, the Group creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Credit risk exposure

i) Expected credit loss for trade receivables under simplified approach i.e. provision matrix approach using historical trends.

As at 31 March 2024

Particulars	Government	Non-government			
		Corporates	Third party administrators of insurance companies	Others	Total
Gross carrying value	1,291.21	219.88	295.80	44.43	1,851.32
Less: Expected credit loss (impairment)	(171.00)	(40.45)	(42.94)	(33.82)	(288.21)
Carrying amount (net of impairment)	**1,120.21**	**179.43**	**252.86**	**10.61**	**1,563.11**

As at 31 March 2023

Particulars	Government	Non-government			
		Corporates	Third party administrators of insurance companies	Others	Total
Gross carrying value	1,180.32	32.08	257.27	20.60	1,490.27
Less: Expected credit loss (impairment)	(126.32)	(8.67)	(44.79)	(3.81)	(183.59)
Carrying amount (net of impairment)	**1,054.00**	**23.41**	**212.48**	**16.79**	**1,306.68**

As at 31 March 2022

Particulars	Government	Non-government			
		Corporates	Third party administrators of insurance companies	Others	Total
Gross carrying value	705.27	98.14	167.07	16.32	986.80
Less: Expected credit loss (impairment)	(104.90)	(11.10)	(21.25)	(5.33)	(142.58)
Carrying amount (net of impairment)	**600.37**	**87.04**	**145.82**	**10.99**	**844.22**

ii) Expected credit losses for other financial assets (measured at an amount equal to 12 months expected credit losses)

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	154.58	-	154.58
Bank balances other than cash and cash equivalents	1,448.28	-	1,448.28
Other financial assets	621.15	-	621.15

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	230.58	-	230.58
Bank balances other than cash and cash equivalents	1,386.52	-	1,386.52
Other financial assets	501.85	-	501.85

As at 31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	76.70	-	76.70
Bank balances other than cash and cash equivalents	1,904.29	-	1,904.29
Other financial assets	603.80	-	603.80

(All amounts are in INR million, unless otherwise stated)

iii) **Reconciliation of expected credit loss for financial assets**

Reconciliation of loss allowance	**Trade**
Loss allowance as at 1 April 2021	**122.34**
Add: Allowance for expected credit loss for the year	20.24
Loss allowance as at 31 March 2022	**142.58**
Add: Allowance for expected credit loss for the year	35.00
Add: Adjustment on account of acquisition (part of pre-acquisition profit)	6.01
Loss allowance as at 31 March 2023	**183.59**
Add: Allowance for expected credit loss for the year	104.62
Loss allowance as at 31 March 2024	**288.21**

Expected credit loss for trade receivable as at 31 March 2024

Particular	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Gross carrying amount (a)	994.17	363.71	271.16	141.33	80.95	1,851.32
Expected credit loss rate (%)	1.48%	9.59%	20.61%	72.02%	100%	15.57%
Expected credit losses (b)	14.71	34.87	55.89	101.79	80.95	288.21
Net trade receivables (a-b)	**979.46**	**328.84**	**215.27**	**39.54**	**-**	**1,563.11**

Expected credit loss for trade receivable as at 31 March 2023

Particular	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Gross carrying amount (a)	815.30	347.55	233.00	45.83	48.59	1,490.27
Expected credit loss rate (%)	-	9.10%	32.81%	58.73%	100%	12.32%
Expected credit losses (b)	-	31.63	76.45	26.92	48.59	183.59
Net trade receivables (a-b)	**815.30**	**315.92**	**156.55**	**18.91**	**-**	**1,306.68**

Expected credit loss for trade receivable as at 31 March 2022

Particular	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Gross carrying amount (a)	753.03	107.59	69.13	24.08	32.97	986.80
Expected credit loss rate (%)	0.00%	57.11%	41.59%	80.51%	100%	14.45%
Expected credit losses (b)	0.02	61.45	28.75	19.39	32.97	142.58
Net trade receivables (a-b)	**753.01**	**46.14**	**40.38**	**4.69**	**-**	**844.22**

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(All amounts are in INR million, unless otherwise stated)

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Group operates.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments, where applicable.

31 March 2024	Upto 1 year	1 to 5 years	Over 5 years	Total
Borrowings*	2,225.25	2,929.47	1,850.59	7,005.31
Trade payables	1,374.81	-	-	1,374.81
Lease liabilities	282.75	1,263.81	13,595.77	15,142.33
Others	472.92	-	3.25	476.17
Total	**4,355.73**	**4,193.28**	**15,449.61**	**23,998.62**

31 March 2023	Upto 1 year	1 to 5 years	Over 5 years	Total
Borrowings*	1,602.40	1,567.50	1,536.78	4,706.68
Trade payables	1,237.31	-	-	1,237.31
Lease liabilities	218.49	1,213.35	13,912.79	15,344.63
Others	3,585.34	-	3.24	3,588.58
Total	**6,643.54**	**2,780.85**	**15,452.81**	**24,877.20**

31 March 2022	Upto 1 year	1 to 5 years	Over 5 years	Total
Borrowings*	862.09	1,283.72	423.14	2,568.95
Trade payables	1,192.27	-	-	1,192.27
Lease liabilities	140.44	805.03	9,341.51	10,286.98
Others	84.22	2,843.45	1.74	2,929.41
Total	**2,279.02**	**4,932.20**	**9,766.39**	**16,977.61**

* Includes current maturities of non current borrowings

The Group also has access to the following undrawn borrowing from banks at the end of the reporting period.

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Term loans from banks	690.99	1,354.30	3,160.80
Working capital loan	1,071.20	1,287.19	1,185.52
	1,762.19	**2,641.49**	**4,346.32**

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(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) Foreign exchange risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group has not hedged its foreign exchange receivables and payables for the year ended 31 March 2024.

Foreign currency risk exposure:

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
Liabilities						
Payable for purchase of property, plant and equipment	USD	253.67	-	-	-	-
Total				-	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises from foreign currency denominated financial instruments.

Particulars	Currency	As at 31 March 2024 (in INR)		As at 31 March 2023 (in INR)		As at 31 March 2022 (in INR)	
		Exchange rate increase by 1%	Exchange rate decrease by 1%	Exchange rate increase by 1%	Exchange rate decrease by 1%	Exchange rate increase by 1%	Exchange rate decrease by 1%
Liabilities							
Payable for purchase of property, plant and equipment	USD	(2.54)	2.54	-	-	-	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises from:-
- Borrowings which are made at market rate of interest at the time of borrowings.
- Bank deposits which are made at market rate of interest at the time of deposit.
This exposes the Group to cash flow interest rate risk.

Exposure to Interest Rate Risk	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments			
Financial assets	1,465.26	1,388.78	1,960.91
Financial liabilities	6.06	16.39	26.00
Variable rate instruments			
Financial liabilities	5,469.27	3,930.44	2,113.51

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased / (decreased) profit or (loss) by the amounts shown below. This analysis assumes that all other variables remain constant.

Effect in INR million	Impact on Profit or (loss) net of tax	
	50 bp increase	50 bp decrease
31 March 2024		
Variable-rate instruments	(20.46)	20.46
Cash flow sensitivity (net)	**(20.46)**	**20.46**
31 March 2023		
Variable-rate instruments	(14.71)	14.71
Cash flow sensitivity (net)	**(14.71)**	**14.71**
31 March 2022		
Variable-rate instruments	(7.91)	7.91
Cash flow sensitivity (net)	**(7.91)**	**7.91**

38. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holder. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group monitors its net debt / equity ratio as well as compliance with financial covenants on regular basis.

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Liabilities*	9,239.20	7,556.39	4,604.09
Less: cash and cash equivalent	154.58	230.58	76.70
Net debt	**9,084.62**	**7,325.81**	**4,527.39**
Total equity	**3,385.08**	**301.06**	**731.09**
Net debt to equity ratio	**2.68**	**24.34**	**6.19**

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024, 31 March 2023 and 31 March 2022.

* including current portion

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(All amounts are in INR million, unless otherwise stated)

39. Employee benefits

The Group contributes to the following post-employment defined benefit plans.

a) Defined contribution plans

The Group has recognised the following amount in the Restated Consolidated Statement of Profit and Loss:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Employer's contribution to Employee's Provident Fund	67.86	53.64	42.30
Employer's contribution to Employee's State Insurance	7.52	6.73	6.88
Other funds (NPS and labour welfare fund)	5.37	5.41	2.07
	80.75	**65.78**	**51.25**

b) Other long-term employment benefits

The Group provides compensated absences benefits to the employees of the Group which can be carried forward to future years.

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Present value of obligation as at the end of the year			
Compensated absences	53.99	45.39	33.98
Current and non-current liability bifurcation			
Non current	33.15	27.94	21.56
Current	20.84	17.45	12.42
	53.99	**45.39**	**33.98**

c) Defined benefit plans

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for fifteen days salary multiplied for the number of years of service.

(i) Reconciliation of present value of defined benefit obligation

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Balance as at the beginning of the year	**45.33**	**40.03**	**28.87**
Benefits paid	(9.76)	(10.03)	(6.89)
Current service cost	10.79	10.43	13.86
Interest expense	3.25	2.10	1.52
Actuarial losses recognised in other comprehensive income	4.91	2.80	2.67
Balance as at the end of the year	**54.52**	**45.33**	**40.03**

(ii) Net liability recognised in the restated consolidated statement of assets and liabilities

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Non current	39.20	30.10	28.42
Current	15.32	15.23	11.61
	54.52	**45.33**	**40.03**

(iii) Amount recognized in restated consolidated statement of profit and loss

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Current service cost	10.79	10.43	13.86
Interest expense	3.25	2.10	1.52
	14.04	**12.53**	**15.38**

(iv) Remeasurements recognized in the other comprehensive income

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Actuarial loss on defined benefit obligation	4.91	2.80	2.67
	4.91	**2.80**	**2.67**

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(All amounts are in INR million, unless otherwise stated)

(v) Actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Discount rate	7.25%	7.50%	5.25%
Salary escalation rate	5.00%	5.00%	5.00%
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14
Retirement age	58 years	58 years	58 years
Withdrawal rate	35.00%	35.00%	35.00%

As at 31 March 2024, the weighted average duration of the defined benefit obligation was 21 years (31 March 2023 : 19 years and 31 March 2022 : 21 years).
These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(vi) Sensitivity analysis
The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the restated consolidated statement of assets and liabilities.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1%)	51.15	53.73	42.28	44.43	31.78	33.52
Salary escalation rate (1%)	53.75	51.11	43.45	42.25	33.51	31.77
Withdrawal rate (1%)	52.06	52.77	43.57	43.60	32.37	32.89

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

(vii) Expected future cash flows

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Year 1	15.28	12.12	11.61
Year 2	4.50	3.88	3.51
Year 3	4.77	3.91	3.59
Year 4	4.21	3.43	3.09
Year 5	4.17	3.11	2.65
Year 6 onwards	21.59	18.88	15.58
	54.52	**45.33**	**40.03**

The Group expects to contribute INR 21.90 million (31 March 2023: INR 18.81 million and 31 March 2022: INR 15.04 million) for post employment benefits during the next financial year.

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(All amounts are in INR million, unless otherwise stated)

40. Revenue related disclosures

I Disaggregation of revenue

Revenue recognised mainly comprises of healthcare services. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Description	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Revenue from sale of services - Healthcare			
Operating income - in patient department	9,225.33	7,509.86	6,323.61
Operating income - out patient department	1,641.97	1,348.45	1,190.23
Revenue from sale of product - Pharmacy	418.05	313.56	274.27
Sub-total (A)	**11,285.35**	**9,171.87**	**7,788.11**
Other operating revenue			
Sponsorship income	2.79	5.59	6.62
Scrap sales	2.25	1.74	4.51
Sub-total (B)	**5.04**	**7.33**	**11.13**
Total (A+B)	**11,290.39**	**9,179.20**	**7,799.24**

II Timing of revenue recognition

Description	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
At point in time	2,065.06	1,669.34	1,475.63
At point over time	9,225.33	7,509.86	6,323.61
Total revenue	**11,290.39**	**9,179.20**	**7,799.24**

III Contract balances

The following table provides information about trade receivables, contract liabilities and contract assets from contract with customers:

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Contract assets - unbilled revenue (refer note 8)	109.10	78.94	59.84
Contract liabilities - advance from patients (refer note 21)	79.91	65.67	38.90
Trade receivables (refer note 12)	1,563.11	1,306.68	844.22

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities(advance from patients) are recognised as and when the performance obligation is satisfied.

IV Significant changes in the contract balances during the year are as follows:

Contract liabilities - advance from patients	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Opening balance of contract liabilities - advance from customers	65.67	38.90	57.47
Movement during the year (net)	14.24	26.77	(18.57)
Closing balance of contract liabilities - advance from customers	**79.91**	**65.67**	**38.90**

Contract assets - unbilled revenue	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Opening balance of contract assets - unbilled revenue	78.94	59.84	50.87
Less: Amount of revenue recognised during the year	(78.94)	(59.84)	(50.87)
Add: Addition during the year	109.10	78.94	59.84
Closing balance of contract assets - unbilled revenue	**109.10**	**78.94**	**59.84**

V The aggregate amount of transaction price allocated to the performance obligations (yet to complete) as at 31 March 2024 is INR 79.91 million (31 March 2023 : INR 65.67 million and 31 March 2022 : INR 38.90 million). This balance represents the advance received from patients (gross) against healthcare services. The management expects to further bill and collect the remaining balance of total consideration in the coming periods. These balances will be recognised as revenue in subsequent period as per the policy of the Group.

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(All amounts are in INR million, unless otherwise stated)

41. Business combinations

a. <u>Acquisition of Plus Medicare Hospitals Private Limited</u>

Summary of acquisition

During the year ended 31 March 2023, Holding Company had entered into share purchase agreement to acquire all the assets and liabilities of Plus Medicare Hospitals Private Limited. Pursuant to the said acquisition, Plus Medicare Hospitals Private Limited is the wholly owned subsidiary of Paras Healthcare Private Limited w.e.f 18 October 2022. The purchase consideration amounted to Rs 734.20 millions and was discharged in cash.

a) Business combination

The above transaction qualified as a business combination as per Ind AS 103 - "Business Combinations" and had been accounted by applying the acquisition method wherein identifiable assets acquired, liabilities assumed are fair valued against the fair value of the consideration transferred and the resultant goodwill recognised

b) Measurement of fair values

Particulars	Amount
Consideration paid	734.20
Purchase consideration (A)	**734.20**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Property, plant and equipment	622.60
Right-of-use assets	756.94
Cash and cash equivalents	4.44
Other assets	6.31
Long term borrowings	(385.75)
Other liabilities	(259.71)
Short term borrowings	(17.50)
Trade payables	(1.17)
Deferred tax liabilities on above	(38.40)
Identifiable net assets acquired (B)	**687.76**
Goodwill (A-B)	**46.44**

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 35.26 million and incurred loss of INR 29.49 million to the group for the period 31 March 2023 from the date of acquisition.

If the acquisitions had occurred on 01 April 2022, Group's pro-forma revenue and loss for the year ended 31 March 2023 would have been INR 9,179.20 million and INR 450.30 million respectively.

c. Acquisition related costs of INR 3.87 million that were not directly attributable to the issue of shares are included in other expenses in the Statement of Profit and Loss and in operating cash flows in the Restated Consolidated Statement of Cash Flows.

42. Exceptional item

Due to heavy rainfall in August 2020 and resultant water loggings in Gurugram Hospital, Holding Company's assets including property, plant and equipment, inventory were damaged. The Holding Company had filed the insurance claim for the same.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance claim recognised (refer note below)	-	-	33.34
Net gain	**-**	**-**	**33.34**

Note: Represents the amount received on account of insurance claim towards loss of profit resultant water logging in Gurugram Hospital in August 2020.

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(All amounts are in INR million, unless otherwise stated)

43. Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of restated consolidated financial information' of Division II of Schedule III:

As at 31 March 2024

Particulars	% of voting power	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / loss		Share in total comprehensive income / loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / loss	Amount	As % of consolidated total comprehensive income / loss	Amount
Holding Company									
Paras Healthcare Limited		155.14%	5,214.81	(379.90%)	690.84	91.02%	(3.42)	(370.36%)	687.42
Subsidiaries									
Wholly owned subsidiaries:									
Paras Healthcare (Ranchi) Private Limited	100%	(38.01%)	(1,277.65)	179.55%	(326.51)	7.63%	(0.29)	176.07%	(326.80)
Plus Medicare Hospitals Private Limited (w.e.f 18 October 2022)	100%	(17.13%)	(575.72)	300.34%	(546.18)	1.35%	(0.05)	294.29%	(546.23)
Subtotal		**100.00%**	**3,361.44**	**100.00%**	**(181.85)**	**100.00%**	**(3.76)**	**100.00%**	**(185.61)**
Less: Total elimination / adjustments			23.64		28.54		-		28.54
Total			**3,385.08**		**(153.31)**		**(3.76)**		**(157.07)**

As at 31 March 2023

Particulars	% of voting power	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / loss		Share in total comprehensive income / loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / loss	Amount	As % of consolidated total comprehensive income / loss	Amount
Holding Company									
Paras Healthcare Limited		420.42%	1,286.30	(1.46%)	6.24	97.70%	(2.06)	(0.97%)	4.18
Wholly owned subsidiaries:									
Paras Healthcare (Ranchi) Private Limited	100%	(310.78%)	(950.85)	94.56%	(404.23)	2.30%	(0.05)	94.11%	(404.28)
Plus Medicare Hospitals Private Limited (w.e.f 18 October 2022)	100%	(9.64%)	(29.49)	6.90%	(29.49)	-	-	6.87%	(29.49)
Subtotal		**100.00%**	**305.96**	**100.00%**	**(427.48)**	**100.00%**	**(2.11)**	**100.00%**	**(429.59)**
Less: Total elimination / adjustments			(4.90)		(0.44)		-		(0.44)
Total			**301.06**		**(427.92)**		**(2.11)**		**(430.03)**

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(All amounts are in INR million, unless otherwise stated)

As at 31 March 2022

Particulars	% of voting power	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income / loss		Share in total comprehensive income / loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / loss	Amount	As % of consolidated total comprehensive income / loss	Amount
Holding Company									
Paras Healthcare Limited		174.31%	1,282.12	(37.34%)	55.52	89.35%	(1.83)	(35.62%)	53.69
Wholly owned Subsidiary									
Paras Healthcare (Ranchi) Private Limited	100%	(74.31%)	(546.57)	137.34%	(204.20)	10.65%	(0.22)	135.62%	(204.42)
Subtotal		**100.00%**	**735.55**		**(148.68)**	**100.00%**	**(2.05)**	**100.00%**	**(150.73)**
Less: Total elimination / adjustments			(4.46)		0.60		-		0.60
Total			**731.09**		**(148.08)**		**(2.05)**		**(150.13)**

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(All amounts are in INR million, unless otherwise stated)

44. Statement of Restated adjustments

Part A: Statement of Restatement Adjustments to Audited Consolidated Financial Statements

a) Reconciliation between total equity as per audited financial statements and restated consolidated financial information

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total equity as per consolidated financial statement	3,385.08	301.06	731.09
Restated adjustments	-	-	-
Total equity as per restated consolidated statement of assets and liabilities	**3,385.08**	**301.06**	**731.09**

b) Reconciliation between loss for the year after tax as per audited financial statements and restated profit after tax as per restated consolidated financial information

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Loss for the year after tax (as per audited consolidated financial statements)	(153.31)	(427.92)	(148.08)
Restated adjustments	-	-	-
Restated (loss) after tax for the year	**(153.31)**	**(427.92)**	**(148.08)**

Part B: Material regrouping

Appropriate regroupings have been made in the Restated Consolidated Statement of Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statements of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the consolidated financial statements for the year ended 31 March 2024 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. However, the impact of such regroupings are not material to the restated consolidated financial information.

Part C: Audit observations for the respective years, which do not require any adjustments in the restated consolidated summary statement are as follows:

i) There are no audit qualification in auditor's reports and reports issued under Companies (Auditor's Report) Order, 2020 for the financial year ended 31 March 2024, 31 March 2023 and 31 March 2022.

ii) **Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended):**

As at and for the year ended 31 March 2024

As stated in note 46 to the consolidated financial statements and based on our examination which included test checks, except for instances mentioned below, the Holding Company and its subsidiaries which are companies incorporated in India and audited under the Act, in respect of financial year commencing on 01 April 2023, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:

a. The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of accounting records by the Holding Company and two subsidiaries.

b. One location each of the Holding Company and one Subsidiary Company have used another accounting software for maintenance of books of accounts which is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

c. The accounting software used from 01 April 2023 to 01 June 2023 for maintenance of accounting records for one location of a subsidiary did not have a feature of recording audit trail (edit log) facility. Further, the said subsidiary has migrated to another accounting software from 02 June 2023 for maintenance of accounting records of such location, however, the accounting software did not capture the details of who made the changes i.e., User ID.

As at and for the year ended 31 March 2023/ 31 March 2022

Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the year ended 31 March 2023 and 31 March 2022.

45. Other statutory information

a) The Group does not have any benami property and no proceedings have been initiated or pending against the Group for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

b) The Group does not have any charge which is yet to be registered with ROC beyond the statutory period.

c) The Group has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding that the intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

d) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
(ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,

e) The Group has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

f) The Group has not traded or invested in crypto currency or virtual currency during the current and previous years.

g) The Group has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India.

h) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

i) The Group does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

j) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous years.

k) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous years.

46. During the year ended 31 March 2024, the Holding Company has signed the letter of intent to set-up and run multi-speciality hospitals in Gurgaon and Ludhiana.

47. Events occurring after the reporting period

a) Subsequent to period end, pursuant to resolutions passed vide its board meeting and extra ordinary general meeting dated 03 June 2024 and 04 June 2024 respectively, members have approved the proposal for conversion of the status of the Holding Company from Private Company to Public Company. Consequently, the Company has been converted to Public Company vide certification of incorporation dated 18 July 2024 as issued by the Ministry of Corporate Affairs (‘MCA’).

b) The Board of Directors (Board) of the Holding Company in their board meeting dated 22 July 2024 have approved capital raising comprising of fresh issue and offer for sale of equity shares by the existing shareholders through an Initial Public Offering (IPO).

48. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Group uses accounting software and operation softwares (collectively referred to as ‘Software’) related to maintenance of books of account. Once the financial entries are posted in the Software, no changes are allowed to already posted transactions. Also, in case of cancellation/reversal of already posted entries, separate entries are created in the application. Additionally, the detailed log of events for master data changes are enabled at application level.

The audit trail feature was not enabled at the database level for one of the accounting software and operation softwares, to log any direct data changes. Further for one location for each of the Holding Company and one Subsidiary Company, the database of the other accounting software is operated by a third-party software service provider and the availability of audit trail (edit logs) are not covered in the ‘Independent Service Auditor’s Assurance Report on the Description of Controls, their Design and Operating Effectiveness’ (‘Type 2 report’ issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information) at the database level. We have advised the Enterprise Resource Planning (ERP) service provider to include the database of audit trail functionality in the next year’s Type 2 report.

The accounting software used for maintenance of records for one location of a Subsidiary Company did not have audit trail maintained for period 01 April 2023 to 01 June 2023. Further for the remaining period it maintains Audit Trail, however, it does not capture the username of person who made the changes.

The notes to the restated consolidated financial information including material accounting policy information are an integral part of the restated consolidated financial information .

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 22 July 2024

For and on behalf of Board of Directors of
Paras Healthcare Limited
(formerly known as Paras Healthcare Private Limited)

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary
Membership No. A20928

Place: Gurugram
Date: 22 July 2024

OTHER FINANCIAL INFORMATION

The accounting ratios derived from the Restated Consolidated Financial Information as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(₹ in million)

Particulars	As at and for Fiscal 2024	As at and for Fiscal 2023	As at and for Fiscal 2022
Earnings per share of face value of ₹ 1 each			
- Basic, computed on the basis of loss attributable to equity holders ₹	(1.57)	(5.82)	(2.01)
- Diluted, computed on the basis of loss attributable to equity holders	(1.57)	(5.82)	(2.01)
RoNW (%)	(8.32)	(82.92)	(18.37)
Net asset value per Equity Share ₹	34.68	4.09	9.94
EBITDA	1,544.11	876.14	826.52

***Notes**: The ratios have been computed as under:*

1. *Basic EPS = Basic earnings per share are calculated by dividing the net restated profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.*
2. *Diluted EPS = Diluted earnings per share are calculated by dividing the net restated profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year.*
3. *Return on Net Worth (%) = net profit or loss for the year attributable to equity shareholders divided by average equity at the end of the year derived from Restated Consolidated Financial Information.*
4. *Net Asset Value per share = Total Equity derived from the Restated Consolidated Financial Information divided by number of equity shares outstanding as at the end of year. Equity Shares on fully diluted basis is considered for the purpose of calculation of NAV.*
5. *EBITDA is calculated as profit or loss before tax for the year plus finance costs, depreciation and amortization expense and exceptional items.*

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company and our Material Subsidiaries as at and for the Fiscals 2024, 2023 and 2022 and the reports thereon (collectively, the "**Audited Financial Statements**") are available on our website at https://www.parashospitals.com/investors. For this purpose, a Subsidiary has been considered 'material' if it contributes 10% or more to the turnover or net-worth or profits before tax in the annual consolidated audited financial statements of the respective financial year. The definitions of turnover, net-worth and profits before tax have the same meaning as ascribed to them in the Companies Act, 2013.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor BRLMs nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our "Restated Consolidated Financial Information" on page 272. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2022, 2023 and 2024 included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. For further information, see "Restated Consolidated Financial Information" on page 272.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties and other factors, many of which are beyond our control and may affect our business, financial condition or results of operations. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward-Looking Statements", on page 24 of this Draft Red Herring Prospectus.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of Healthcare delivery sector India with a focus on North India" dated July 2024 (the "**CRISIL Report**"), exclusively prepared and issued by CRISIL M&IA, who were appointed by our Company pursuant to an engagement letter dated April 8, 2024, and the CRISIL Report has been commissioned by and paid for by our Company in connection with the Offer. The CRISIL Report is available on the website of our Company at https://www.parashospitals.com/investors from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "Material Contracts and Documents for Inspection – B. Material Documents" on page 516. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. For more information, see "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us, and paid by us for such a purpose" on page 50.*

OVERVIEW

We are the fifth largest healthcare provider in terms of bed capacity in North India, Bihar and Jharkhand among our Peers, with an aggregate of 2,135 beds, as of March 31, 2024. (*Source: CRISIL Report)* We have eight hospitals that we operate under the "Paras Health" brand, which are spread across five states and one union territory in North India – Gurugram and Panchkula in Haryana; Patna and Darbhanga in Bihar; Kanpur, Uttar Pradesh; Udaipur, Rajasthan; Ranchi, Jharkhand; and Srinagar in the union territory of Jammu and Kashmir. Our core focus is on providing specialized tertiary medical care in Tier 2 and 3 cities, while seeking to strike a balance between providing quality healthcare services and affordability. We offer several clinical specialties across our hospitals including cardiac sciences, oncology, neuro sciences, gastro sciences and orthopedics and joint replacement. We have established centres of excellence across our hospitals, where we provide clinical specialties and these centres have been instrumental in launching new programs including organ transplant programs. Our extensive 18 years of experience in the healthcare industry in North India has helped us develop a strong understanding of the region's market dynamics. This, along with our flexible operating model have enabled us to build an asset light business with strong unit economics.

We established our first hospital in Gurugram, Haryana in 2006 with 200 beds and a vision to provide affordable, accessible and quality healthcare services in North India and serve our patients with compassion. Since then, we have consistently identified attractive opportunities in the healthcare industry, set up our hospitals and focused on ramping up our operations. Over the years, we have successfully identified underserved markets with large catchment areas and high demand for healthcare services, a lack of good hospitals in the region as well as proximity to medical colleges to source quality medical professionals. As a result of our knowledge of the North India market and focus on identifying and entering markets early, we have had a first mover advantage in regions where our hospitals have been setup - our hospital in Gurugram was the first corporate hospital entrant among our Peers in 2006 in the city and our hospital in Srinagar is the largest private hospital in the city in terms of bed capacity with 200 beds. *(Source: CRISIL Report)* Our hospitals have also received various accreditations - our Gurugram hospital was the first hospital in Haryana to receive accreditations from the National Accreditation Board for Hospitals and Healthcare Providers ("**NABH**") in 2009, our Patna hospital was the first hospital in Bihar to receive NABH accreditation in 2016 and our Udaipur hospital was the third hospital in Udaipur to receive NABH accreditation in 2021. *(Source: CRISIL Report)*

We have increased our bed capacity from 1,250 beds as of March 31, 2022 to 2,135 beds as of March 31, 2024 and we currently have a committed pipeline of hospital expansion in Gurugram and Ludhiana, which has been approved by our Board of Directors. In Gurugram, we are setting up another hospital through a long-term lease arrangement and we intend to launch this hospital in Fiscal 2027 with 300 beds. In Ludhiana, we are also setting up a hospital through a long-term lease arrangement and intend to launch it in Fiscal 2028 with up to 500 beds. We expect that these expansion plans would increase our bed capacity from 2,135 as of March 31, 2024 to 2,935 by March 31, 2029.

We have invested in creating an information technology ecosystem to enhance patient and clinical experience as well as business and operational efficiency through process automation to address the requirements of our stakeholders. We have adopted new technologies and implemented an omni-channel patient experience through our patient mobile application, patient portal, website and a popular messaging based platform, digitizing the entire patient onboarding process enabling them to digitally book their in-person or video consultations with doctors and to access their medical records through these channels. We have also implemented a computerized physician order entry system/Electronic Health Record ("**EHR**") platform coupled with a doctor mobile application, which offers user-friendly interface, portability and efficient record management. Our applications are implemented with a cloud first approach, bringing in scalability and agility for our operations. We have procured medical equipment from global suppliers to enhance the quality of our services and are focused on deploying new technologies, machines and treatments to provide affordable and superior quality healthcare services to our patients.

For further information, see "*Our Business*" on page 199.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations and financial condition are affected by a number of important factors including:

Performance of our hospitals and our expansion plans

Our results of operations depend significantly on our ability to manage our network of hospitals. We have eight hospitals that we operate under the "Paras Health" brand, which are spread across five states and one union territory in North India – Gurugram and Panchkula in Haryana; Patna and Darbhanga in Bihar; Kanpur, Uttar Pradesh; Udaipur, Rajasthan; Ranchi, Jharkhand; and Srinagar in the union territory of Jammu and Kashmir.

Our core focus is on providing specialized tertiary medical care in Tier 2 and 3 cities, while seeking to strike a balance between providing quality healthcare services and affordability. We set up our hospitals in such underserved regions of North India and then focused on ramping up our operations. While we have historically been dependent on our hospitals in Gurugram (Haryana), Patna, Darbhanga (both in Bihar) and Panchkula (Haryana) for our revenues, we intend to focus on scaling our operations at our newer hospitals to drive future growth. We have recently expanded our footprint and set up new hospitals in Srinagar (union territory of Jammu and Kashmir) in 2023 and Kanpur (Uttar Pradesh) in 2024. These hospitals along with our hospitals in Ranchi (Jharkhand) and Udaipur (Rajasthan) are in their nascent stages and we believe that they offer significant growth opportunities for us.

The following table sets forth details of revenue generated from our hospitals on the basis of the number of years that they have been operational:

Hospitals operational for	**Revenue for Fiscal**			**Growth rate between Fiscal 2023 and Fiscal 2024**	**Growth rate between Fiscal 2022 and Fiscal 2023**
	2024 ***(₹ million)***	**2023** ***(₹ million)***	**2022** ***(₹ million)***		
Over 5 years	9,276.12	8,115.88	7,215.78	14.30%	12.47%
Between 3 and 5 years	1,664.27	1,063.32	583.46	56.52%	82.24%
Total of 6 hospitals	**10,940.39**	**9,179.20**	**7,799.24**	**19.19%**	**17.69%**

Less than 3 years	350.00	-	-	-	-
Revenue from operations	**11,290.39**	**9,179.20**	**7,799.24**	**23.00%**	**17.69%**

We have four hospitals that have been operational for over five years and the revenue of such hospitals grew by 12.47% between Fiscals 2022 and 2023 and by 14.30% between Fiscals 2023 and 2024. Our hospitals that have been operational for longer periods are continuing to grow steadily despite their maturity and competition in their respective cities. We have two hospitals that have been operational between three to five years and the revenue of such hospitals grew by 82.24% between Fiscals 2022 and 2023 and by 56.52% between Fiscals 2023 and 2024. We believe that these hospitals possess significant growth potential before reaching maturity.

The following table sets forth details of the EBITDA generated from our hospitals on the basis of the number of years that they have been operational:

Hospitals operational for	**EBITDA for Fiscal**			**Growth rate between Fiscal 2023 and Fiscal 2024**	**Growth rate between Fiscal 2022 and Fiscal 2023**
	2024 ***(₹ million)***	**2023** ***(₹ million)***	**2022** ***(₹ million)***		
Over 5 years	1,699.82	1,593.55	1,421.52	6.67%	12.10%
Between 3 and 5 years	78.64	(95.93)	(68.13)	181.97%	(40.80)%
Total of 6 hospitals	1,778.46	1,497.62	1,353.39	18.75%	10.66%
Less than 3 years	(300.89)	(2.31)	-	-	-

The EBITDA of four of our hospitals that have been operational for over five years has grown by 12.10% between Fiscals 2022 and 2023 and by 6.67% between Fiscals 2023 and 2024. Two of our hospitals that have been operational between three to five years have each delivered positive EBITDA in Fiscal 2024 and we believe that such hospitals have not yet reached their potential occupancy levels which would help in achieving operating leverage. Our hospitals that have been operational for less than three years are still in their nascent stages and incurred EBITDA loss of ₹ 300.89 million in Fiscal 2024 and possess significant growth potential.

Further, our results of operations will also be affected by our expansion plans. We have a committed pipeline of hospital expansion in Gurugram in Haryana and Ludhiana in Punjab, which has been approved by our Board of Directors. In Gurugram, we are increasing our footprint and setting up another hospital through a long-term lease arrangement and we intend to launch this hospital in Fiscal 2027 with 300 beds. We are setting up our first hospital in Ludhiana through a long-term lease arrangement and intend to launch it in Fiscal 2028 with up to 500 beds. These committed expansion plans would increase our bed capacity from 2,135 as of March 31, 2024 to 2,935 by March 31, 2029. However, such expansion plans may require us to incur significant expenditure in constructing and establishing our hospitals. We are required to have most of the infrastructure of a new hospital in place before we commence operations and will incur operating expenses before we are able to ramp up our operations. A new hospital typically has a gestation period of 12 to 24 months before patient volumes reach targeted levels for break even at EBITDA level and it may take us some time to become profitable at such locations.

As we develop new hospitals, we benefit from economies of scale through bulk purchasing of medical supplies, shared administrative functions, and optimized workforce utilization, all of which will reduce costs and improve efficiency. Additionally, a larger network allows us to offer a broader range of specialized services and advanced medical treatments, attracting more patients and driving further revenue growth. Building hospitals in new locations extends our geographic reach, serving underserved markets and capturing a larger demographic. This expansion enhances our bargaining power with suppliers and insurers, leading to better rates and improved profit margins.

Patient volume, utilization levels and mix of healthcare services

Our results of operations depend on the number of patients that utilize our services across our hospitals as well as the utilization rates of the healthcare services that we provide to in-patients and out-patients including hospitalizations, surgeries, emergency services, consultations, diagnostics including radiology and pathology and sale of pharmacy products. Patient volume and utilization rates are affected by several factors including demand from local communities for healthcare services, quality of services that we provide, reputation of our doctors, breadth of services provided, staying abreast with advances in medical technology, the location of our hospitals, seasonal illness cycles and competition from other healthcare providers.

The table below provides certain details of our in-patients and out-patients details during the last three Fiscals:

Particulars	As of / for the year ended March 31, 2024	As of / for the year ended March 31, 2023	As of / for the year ended March 31, 2022
In-patient volume – discharged patients(1)	81,047.00	70,393.00	54,709.00
In-patient revenue (₹ million)	9,225.33	7,509.86	6,323.61
Out-patient volume – consultations(2)	569,139.00	442,758.00	365,952.00
Out-patient revenue (₹ million)	1,641.97	1,348.45	1,190.23
ARPOB(3)	44,345.37	40,464.33	40,100.03
ALOS(4)	3.14	3.22	3.55

(28) *In-patient volume – discharged patients refers to the total number of patients who have been admitted to a healthcare facility for treatment and subsequently discharged.*

(29) *Out-patient volume – consultations refers to the total number of outpatient visits for consultations within a specific period.*

(30) *ARPOB is calculated as revenue from sale of services - healthcare divided by number of occupied bed days in the respective fiscal.*

(31) *ALOS is calculated as average number of days spent by admitted in-patients.*

Over the last three years, we have witnessed an increase in our ARPOB as reflected in the table above. ALOS, which refers to the average number of days that a patient spends in the hospital is generally used as a measure of efficiency where a shorter stay reduces the cost per discharge. We have optimized the ALOS at our hospitals through several measures including recruiting and retaining renowned clinicians, having a robust operating infrastructure including information technology and modern equipment. We will continue to focus on optimizing our ALOS by improving our operating efficiency which includes better collaboration amongst our teams, deployment of protocols for early patient diagnostic and treatment, use of standardized protocols for discharge planning, optimizing bed management strategies to minimize delays in admission and discharge using information technology, and hiring of trained and senior medical professionals.

The mix of healthcare services that we provide also affects our revenues since complex procedures generate higher revenues for us. Our key departments include cardiac sciences, oncology, neuro sciences, gastro sciences, orthopedics including joint replacements and renal sciences and our revenues from these six specialties accounted for 72.34%, 70.94% and 66.06% of our revenue from operations for Fiscals 2024, 2023 and 2022, respectively. We derive our revenues from a diversified set of specialties, which has enabled us to grow our business, while reducing concentration risks associated with our industry. Further, no specialty accounted for more than 20% of our revenue from operations during any of the last three fiscals.

Our hospital occupancy rates and revenue generated from occupied beds are also driven by other factors that impact utilization such as the quality of care provided by us, the number, quality and specialties of our doctors, breadth of services, reputation of our doctors, doctor retention and attrition, level of technology and improved protocols such as advances in medical technology and pharmacology, and convenience for patients and doctors. In addition, utilization is impacted by an increase in local population, connectivity with other cities and towns, and local socio-economic conditions.

Attracting new and retaining existing clinicians and other healthcare providers

Our ability to attract and retain medical professionals is critical to our success and we expect professional fees paid to our doctors and consultants to increase as our patient volumes and revenue from operations increase. We have prioritized attracting and retaining our clinicians and other professionals who bring expertise and dedication to patient care. As of March 31, 2024, we had a team of 1,091 doctors and 1,509 nurses. As of the same date, 44.12% of our doctors across our hospitals (excluding Srinagar and Kanpur which commenced operations in 2023 and 2024, respectively) have been associated with us for more than seven years.

The table below provides details of our employee benefits expense and retainers and consultants fee in the last three Fiscals:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	Percentage of total expense (%)	Amount (in ₹ million)	Percentage of total expense (%)	Amount (in ₹ million)	Percentage of total expense (%)
Employee benefits expense	1,672.58	14.62%	1,336.94	13.88%	1,000.74	12.61%
Retainers and consultants fee	2,939.84	25.69%	2,348.23	24.38%	1,900.81	23.96%

As we expand our hospital network, we will focus on attracting well qualified and experienced clinicians to ensure that the healthcare services provided to our patients are of the highest quality. While attracting and retaining new consultants and doctors, in particular, for our new hospitals will in short term increase our employee benefits expense and retainers and consultants fee since the healthcare industry is relatively labour intensive and wages and other operating expenses have shown an upward trend, however, we believe that in long term attracting qualified and experienced clinicians will result in long term revenue growth and profitability.

Cost of medical consumables and drugs

We incur substantial expenditure for the purchase of medical consumables and drugs. For Fiscals 2024, 2023 and 2022, our purchases of stock-in-trade were ₹ 3,048.95 million, ₹ 2,415.36 million and ₹ 2,077.92 million or 26.49%, 25.80% and 26.20% of our total income, respectively. These costs are affected by various factors including our ability to negotiate with our vendors and economies of scale available to us as we continue to expand our network. We source our equipment and supplies from international and local third party suppliers under various arrangements. Our suppliers are selected based on factors such as consumer demand, quality, price, profitability, cost effectiveness, supplier history, service levels and delivery capability, which our supply chain management team reviews on a regular basis and accords approval for such purchase in consultation with relevant medical specialities. The purchase of supplies is monitored and conducted by our supply chain management team who in turn is responsible for establishing a strategic and unified plan for procurement and distribution to our facilities on a centralized basis and also empowering each hospital for emergent local purchases. Our central supply chain management team is continuously working on standardizing the type of medical and other consumables used across our hospitals with the help of information technology platform and identifying opportunities to consolidate our suppliers across our hospitals to optimize procurement costs. As we grow our operations, our purchases of stock-in-trade will continue to increase, however, we will continue to optimize our cost of stock-in-trade by leveraging our large network of hospitals and economics of scale to lower our cost of equipment, drugs and consumables as a percentage of our revenue from operations.

Extensive Government Regulations in the Healthcare Sector

The healthcare industry is heavily regulated by the Government of India and state governments. In our experience, intention of Government of India and respective state governments is to regulate the cost of treatment wherever required in order to ensure that quality treatment is available for the public at large at an affordable rate. Governmental revenue sources are subject to legislative and policy changes by the governmental, state and private agencies. These agencies have broad discretion to alter or eliminate programs that contribute to our revenues. In the past, our results of operations were impacted on account of policy changes for the price of central government health scheme ("**CGHS**"), adoption of CGHS pricing by many state governments and PSUs, price cap on implants by the National Pharmaceutical Pricing Authority, capping of prices of certain blood bank services and fixed price for treatments by state governments during COVID. However, in recent past the Government has increased the prices of CGHS scheme which is generally followed by all the Government schemes for example, ECHS amongst others which has positively affected the revenues and margins across our hospitals. We believe that the prices of such schemes will continue to increase in order to meet the corresponding increase in inflation at regular intervals which will help us to grow our revenue across our hospitals.

The laws, regulations, policies, guidelines and licensing and accreditation requirements that we are subject to cover many aspects of our business. We may incur substantial costs in order to comply with current or future laws, rules and regulations. Further, the qualification and practicing activities of our healthcare professionals are strictly regulated by applicable laws, regulations, policies and guidelines, as well as by applicable codes of professional conduct or ethics.

We are also subject to laws and regulations governing relationships with our employees, in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees. If labour laws become more stringent, it may become difficult for us to maintain and continue to optimize our flexible human resource policies, which could have an adverse effect on our business, financial condition and results of operations. Our financial condition may also be adversely affected by other changes in labour laws. For instance, while the Code on Social Security, 2020, has not come into effect yet, however in the future, this may have an inflationary impact on our employee cost.

We comply with all applicable laws and ensure that third party vendors also comply with applicable rules and regulations. To this extent, we have an understanding with all the vendors to ensure that they comply with all applicable laws for their services. Any financial liabilities relating to non- compliance with any labour laws can be adjusted from their service charges and there is no further financial implication on our Company.

Going forward, we will continue to comply with all applicable laws to the extent applicable to us to ensure that there are no non-compliances which could impact our business operations at any of our existing or future hospitals.

PRESENTATION OF FINANCIAL INFORMATION

The restated consolidated financial information of our Company together with our Subsidiaries (the "**Group**") comprise the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, and notes to the restated consolidated financial information, including material accounting policy information and other explanatory information (collectively, the "**Restated Consolidated Financial Information**")

The Restated Consolidated Financial Information have been compiled from the audited consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Indian Accounting Standards (referred to as "**Ind AS**") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

MATERIAL ACCOUNTING POLICIES

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the restated consolidated statement of profit and loss as incurred.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the restated consolidated statement of profit and loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the written down value except for leasehold improvements and is recognised in the restated consolidated statement of profit and loss.

Freehold land is not depreciated.

The leasehold improvements are depreciated using straight line method over the primary period of the lease or useful life of the assets (generally 10 years), whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Capital work-in-progress

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Expenses against the assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses.

Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization method, estimated useful life and residual value

Intangible assets are amortised at 40% per annum on written down value of the assets. The amortisation period, residual value and the amortisation method are reviewed at least at each Restated Consolidated Statement of Assets and Liabilities date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the restated consolidated statement of profit and loss.

Inventories

Inventories of medical drugs, stores and consumables are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs in bringing them to their present condition and location. The cost of the items constituting the inventory is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

Provisions/write-downs for obsolescence, damaged and slow-moving inventory are made, wherever necessary and inventory is stated net of such provisions/write-downs.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Leases

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the Restated Consolidated Statement of Assets and Liabilities. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Restated Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

Financial instruments

Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement

Financial assets

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

b) how the performance of the portfolio is evaluated and reported to the Group's management;

c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

   Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

a) contingent events that would change the amount or timing of cash flows;

b) terms that may adjust the contractual coupon rate, including variable interest rate features;

c) prepayment and extension feature; and

d) terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in restated consolidated statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in restated consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in restated consolidated statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in restated consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to restated consolidated statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in restated consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to restated consolidated statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in restated consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in restated consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in restated consolidated statement of profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its Restated Consolidated Statement of Assets and Liabilities but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in restated consolidated statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Restated Consolidated Statement of Assets and Liabilities when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial instrument classified as financial liability

Financial instrument which requires the Group to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Group does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. FVTPL).

Impairment

Impairment of financial assets

The Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Restated Consolidated Statement of Profit and Loss.

Measurement of expected credit losses

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the Restated Consolidated Statement of Assets and Liabilities date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the Restated Consolidated Statement of Assets and Liabilities date.

Presentation of allowance for expected credit losses Restated Consolidated Statement of Assets and Liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impairment of non- financial assets

The Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the restated consolidated statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Restated Consolidated Statement of Assets and Liabilities date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Restated Consolidated Financial Information.

Contingent assets

Contingent assets are not recognised but disclosed in the Restated Consolidated Financial Information when an inflow of economic benefits is probable.

Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers/patients in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. Revenue is measured at transaction price net of rebates, discounts and taxes. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. When either party to a contract has performed, an entity shall present the contract in the Restated Consolidated Statement of Assets and Liabilities as a contract asset or a contract liability, depending on the relationship between the entity's performance and the payment. The Group applies the revenue recognition criteria to each component of the revenue transaction as set out below.

Income from healthcare services

Revenue from healthcare services is recognized as and when related services are rendered and include services for patients undergoing treatment and pending for discharge, which is shown as unbilled revenue under other current financial assets. The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for the services, excluding amounts collected on behalf of third parties (for example, indirect taxes).

Income from sale of pharmacy products to out-patients

Revenue from pharmacy products is recognized as and when the control of products is transferred to the customer. The Group considers its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for the products, excluding amounts collected on behalf of third parties (for example, indirect taxes).

Contract assets and liabilities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Other income

Rent income

Rental income from sub-leasing and leasing is recognised in restated consolidated statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Sponsorship income

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

Employee benefits

The Group's obligation towards various employee benefits has been recognised as follows:

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Long term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are recognised as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group has defined benefit plan, Gratuity.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Group determines the net interest expense/(income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in restated consolidated statement of profit and loss.

The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the Restated Consolidated Statement of Assets and Liabilities date.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in restated consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term employee benefits – compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the restated consolidated statement of profit and loss.

Income tax

Income tax comprises current and deferred tax. It is recognised in restated consolidated statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during Fiscal 2024, 2023 and 2022.

NON-GAAP MEASURES

EBITDA, EBITDA Margin, return on equity and return on capital employed (together, "**Non-GAAP Measures**"), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS, U.S. GAAP or any other GAAP. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of Non-GAAP measures

Reconciliation of EBITDA and EBITDA Margin

The table below provides a reconciliation of EBITDA and EBITDA Margin. EBITDA is calculated as profit or loss before tax for the year plus finance costs, depreciation and amortization expense and exceptional items.

(₹ million, unless otherwise indicated)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit / (loss) before exceptional item and tax (A)	66.30	(270.53)	(2.83)
Finance costs (B)	670.64	491.89	315.22
Depreciation and amortization expense (C)	807.17	654.78	514.13
EBITDA (D= A + B +C)	1,544.11	876.14	826.52
Revenue from operations (E)	11,290.39	9,179.20	7,799.24
EBITDA Margin (F = D/E) (%)	13.68%	9.54%	10.60%

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

The table below provides a reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA is calculated as profit / (loss) before exceptional item and tax, plus finance costs, plus depreciation and amortization expense plus fair value changes on financial instruments. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by revenue from operations.

(₹ million, unless otherwise indicated)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit / (loss) before exceptional item and tax (A)	66.30	(270.53)	(2.83)
Finance costs (B)	670.64	491.89	315.22
Depreciation and amortization expense (C)	807.17	654.78	514.13
Add :Fair value changes on financial instruments (D)	(133.84)	531.48	458.64
Adjusted EBITDA (E=A+B+C+D)	1,410.27	1,407.62	1,285.16
Revenue from operations (F)	11,290.39	9,179.20	7,799.24
Adjusted EBITDA Margin (%) (G = E/F)	**12.49%**	**15.33%**	**16.48%**

Reconciliation of Operating EBIT, Operating EBITDA, Operating EBIT Margin and Operating EBITDA Margin

The table below provides a reconciliation of Operating EBIT, Operating EBITDA, Operating EBIT Margin, and Operating EBITDA Margin.

(₹ million, unless otherwise indicated)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit / (loss) before exceptional item and tax (A)	**66.30**	**(270.53)**	**(2.83)**
Finance costs (B)	670.64	491.89	315.22
EBIT (C = A +B)	**736.94**	**221.36**	**312.39**
Add :Fair value changes on financial instruments (D)	(133.84)	531.48	458.64

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Add :Operating losses from new hospitals ('E)	240.00	-	-
Add :Pre operating losses of new hospitals (F)	135.10	-	-
Less: Other Income (G)	219.84	181.33	132.48
Operating EBIT (H = C + D + E + F - G)	**758.36**	**571.51**	**638.55**
Depreciation and amortization expense (I)	807.17	654.78	514.13
Operating EBITDA (J= I+H)(1)	**1,565.53**	**1,226.29**	**1,152.68**
Total income (excluding "other income and income from new hospitals") (K)	10,940.59	9,179.20	7,799.24
Operating EBIT Margin % (L= H/K)	**6.93%**	**6.23%**	**8.19%**
Operating EBITDA Margin (%) (M = J/K)	**14.31%**	**13.36%**	**14.78%**

Note:

In order to depict the performance of the hospitals operating for more than 3 years consequent to starting of two new hospitals (Srinagar and Kanpur hospitals) recently, we have adjusted pre-operating losses and operating losses of these hospitals in the above table . The Operating EBITDA thus derived above shows an improvement of ₹ 339.24 million (growth of 27.66 %) in Fiscal 2024 against Fiscal 2023. Similarly the operating EBITDA performance of Fiscal 2023 against Fiscal 2022 shows an improvement of ₹ 73.61 million (growth of 6.39%).

Pre-operating expenses incurred during the construction period are expenses which are directly attributable to the construction of the hospitals for bringing it to its working condition for intended use. Expenses incurred directly attributable to construction such as site preparation and installation cost that can be capitalized for the relevant hospital. However, if the expenses are not directly attributable, then these are charged to statement of profit and loss account. During Fiscal 2024, expenses including salary and retainership towards doctors, recruitment expenses advertising and publicity expenses printing and stationery, security and other facility management expenses are considered not directly attributable to construction and therefore are charged to the statement of profit and loss account of the relevant hospital. Further, all our hospitals typically incur losses during their gestation period. During Fiscal 2024, while the Srinagar hospital started commercial operations, it incurred losses which are adjusted in the Operating EBIT and Operating EBITDA to depict the operational performance of existing hospitals in the table above.

Reconciliation of Return on Equity

The table below provides a reconciliation of return on equity ("**RoE**").

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loss for the year (₹ million) (A)	(153.31)	(427.92)	(148.08)
Total Equity (₹ million) (B)	3,385.08	301.06	731.09
Average equity (₹ million) (C)	1,843.07	516.08	806.16
Return on Equity (A)/ (C) (%)	(8.32)%	(82.92)%	(18.37)%

Reconciliation of Return on Capital Employed

The table below provides a reconciliation of return on capital employed ("**RoCE**").

(₹ million, unless otherwise indicated)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loss for the year (A)	(153.31)	(427.92)	(148.08)
Tax expense (B)	219.61	157.39	178.59
Finance costs (C)	670.64	491.89	315.22
EBIT (D = A+B+C)	**736.94**	**221.36**	**345.73**
Total Equity (E)	3,385.08	301.06	731.09

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Goodwill (F)	46.44	46.44	-
Other intangible assets (G)	28.36	10.95	8.82
Tangible net worth (H = E-F-G)	**3,310.28**	**243.67**	**722.27**
Non- Current Borrowings (I)	3,583.99	2,554.16	1,393.87
Current Borrowings (J)	1,891.34	1,392.66	745.63
Lease liabilities (K) [1]	3,763.87	3,609.57	2,464.58
Deferred tax liability (L)	18.76	2.13	11.80
Capital Employed (M = H+I+J+K+L)	**12,568.24**	**7,802.19**	**5,338.15**
Return on Capital Employed (D/M)%	**5.86**	**2.84**	**6.48**

(1) Includes non-current and current lease liabilities

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total income

Our total income comprises: (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises: (i) revenue from sale of services - Healthcare; (ii) Revenue from sale of product – Pharmacy; and (iii) other operating revenues.

(i) Revenue from sale of services – Healthcare includes Opertating income – in patient department; and Operating income – out patient department.

(ii) Revenue from sale of product – Pharmacy includes revenue generated from sale of products at our pharmacies located in each of our hospitals.

(iii) Other operating revenues include sponsorship income from various customers for carrying out activities/events as per agreed terms and scrap sales.

Other Income

Other income includes (i) interest income from banks and income tax refund; (ii) gain on sale of property, plant and equipment (net); (iii) other non-operating income from (a) rental income; (b) unwinding of discount on security deposits; (c) gain on modification of lease; (d) liabilities no longer required written back; and € miscellaneous income.

Expenses

Our expenses comprise (i) purchase of stock-in-trade; (ii) changes in inventories of stock-in-trade; (iii) employee benefit expense; (iv) finance costs; (v) depreciation and amortization expense; (vi) retainers and consultans fee; (vii) fair value changes on financial instruments; and (viii) other expenses which mainly includes (i) power, fuel and water; (ii) rent and facility fees; (iii) repairs and maintenance on buildings, plant and equipments and others; (iii) house keeping expense; (iv) laundry expense; (v) patient food and beverages; (vi) outsourced medial services; (vii) security expense; (viii) corporate social responsibility expense; (ix) legal and professional fees; (x) travelling and conveyance; (xi) princting and stationery; (xii) communication expense; (xiii) insurance; (xiv) rates and taxes; (xv) advertisement, marketing and outreach expenses; (xvi) payment to auditor (including applicable taxes); (xvii) loss allowance; (xviii) bank charges; (xix) foreign exchange fluctuation loss (net); and (xx) miscellaneous expenses.

Purchases of stock-in-trade

Purchases of stock-in-trade comprises of purchases of pharmacy, medical and laboratory consumables related to in-patient services and pharmacy and medical consumables related to sale of pharmacy products to out-patient and other items necessary for the provision of healthcare services during the relevant Fiscal.

Changes in inventories of stock-in-trade

Changes in inventories of stock-in-tarde includes inventories at the end of the year and inventories at the beginning of the year.

Employee Benefits Expense

Employee benefits expense primarily comprises (i) salaries and wages; (ii) contribution to provident fund and other funds; and (iii) staff welfare expenses.

Finance Costs

Finance costs primarily comprises interest expense on (i) borowings; and (ii) lease liabilities; and other borrowings costs which includes interest on our loans taken frombanks (term loans, working capital and vehicle loan), interest on lease liabilities and other borrowing costs.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses comprises (i) depreciation on property, plant and equipment; (ii) amortisation of intangible assets; and (iii) depreciation of right-of-use assets.

Other Expenses

Other expenses primarily comprises: (i) power, fuel and water; (ii) rent and facility fees; (iii) repairs and maintenance on buildings, plant and equipments and others; (iii) house keeping expense; (iv) laundry expense; (v) patient food and beverages; (vi) outsourced medial services; (vii) security expense; (viii) corporate social responsibility expense; (ix) legal and professional fees; (x) travelling and conveyance; (xi) princting and stationery; (xii) communication expense; (xiii) insurance; (xiv) rates and taxes; (xv) advertisement, marketing and outreach expenses; (xvi) payment to auditor (including applicable taxes); (xvii) loss allowance; (xviii) bank charges; (xix) foreign exchange fluctuation loss (net); and (xx) miscellaneous expenses.

RESULTS OF OPERATIONS FOR FISCAL 2024, 2023 AND 2022

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2024, 2023 and 2022:

Particulars	**Fiscal**					
	2024		**2023**		**2022**	
	(₹ million)	**Percentage of Total Income (%)**	**(₹ million)**	**Percentage of Total Income (%)**	**(₹ million)**	**Percentage of Total Income (%)**
Income						
Revenue from operations	11,290.39	98.09	9,179.20	98.06	7,799.24	98.33
Other income	219.84	1.91	181.33	1.94	132.48	1.67
Total Income	**11,510.23**	**100.00**	**9,360.53**	**100.00**	**7,931.72**	**100.00**
Expenses						
Purchases of stock-in-trade	3,048.95	26.49	2,415.36	25.80	2,077.92	26.20
Changes in inventories of stock-in-trade	(81.83)	(0.71)	(51.24)	(0.55)	(23.70)	(0.30)
Employee benefits expense	1,672.58	14.53	1,336.94	14.28	1,000.74	12.62
Finance costs	670.64	5.83	491.89	5.25	315.22	3.97

Particulars	Fiscal					
	2024		2023		2022	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Depreciation and amortization expense	807.17	7.01	654.78	7.00	514.13	6.48
Retainers and consultants fee	2,939.84	25.54	2,348.23	25.09	1,900.81	23.96
Fair value changes on financial instruments	(133.84)	(1.16)	531.48	5.68	458.64	5.78
Other expenses	2,520.42	21.90	1,903.62	20.34	1,690.79	21.32
Total expenses	**11,443.93**	**99.42**	**9,631.06**	**102.89**	**7,934.55**	**100.04**
Profit/(loss) before exceptional item and tax	**66.30**	**0.58**	**(270.53)**	**(2.89)**	**(2.83)**	**(0.04)**
Exceptional item	-	-	-	-	(33.34)	(0.42)
Profit/(loss) before tax	**66.30**	**0.58**	**(270.53)**	**(2.89)**	**30.51**	**0.38**
Tax expense						
Current year	201.83	1.75	204.78	2.19	184.04	2.32
Tax pertaining to earlier years	-	-	-	-	4.06	0.05
Deferred tax credit	17.78	0.15	(47.39)	(0.51)	(9.51)	(0.12)
Loss for the year	**(153.31)**	**(1.33)**	**(427.92)**	**(4.57)**	**(148.08)**	**(1.87)**
Other comprehensive income						
Items that will not be reclassified to profit or loss and their related income tax effects						
Remeasurement of the defined benefit plans	(4.91)	(0.04)	(2.80)	(0.03)	(2.67)	(0.03)
Less: Income tax relating to items that will not be reclassified to profit or loss	1.15	0.01	0.69	0.01	0.62	0.01
Other comprehensive income for the year, net of tax	**(3.76)**	**(0.03)**	**(2.11)**	**(0.02)**	**(2.05)**	**(0.03)**
Total comprehensive income for the year	**(157.07)**	**(1.36)**	**(430.03)**	**(4.59)**	**(150.13)**	**(1.89)**

FISCAL 2024 COMPARED TO FISCAL 2023

Key Developments

- We commenced operations at our Srinagar hospital in June 2023 and as a result we recognized revenue from this hospital for 10 months of during Fiscal 2024.

Total Income

Total income increased by 22.97% from ₹ 9,360.53 million in Fiscal 2023 to ₹ 11,510.23 million in Fiscal 2024 on account of an increase in revenue from operations and other income for reasons indicated below:

Revenue from Operations

Revenue from operations increased by 23.00% from ₹ 9,179.20 million in Fiscal 2023 to ₹ 11,290.39 million in Fiscal 2024 primarily on account of an increase in Revenue from sale of services - Healthcare by 22.68% from ₹ 8,858.31 million in Fiscal 2023 to ₹ 10,867.30 million in Fiscal 2024 and an increase in revenue from sale of product – Pharmacy by 33.32% from ₹ 313.56 million in Fiscal 2023 to ₹ 418.05 million in Fiscal 2024. This was offset by a decrease in other operating revenues to ₹ 5.04 million in Fiscal 2024 from ₹ 7.33 million in Fiscal 2023.

The table below provides a break-up of our revenue from operations:

Particulars	**Fiscal**		**Percentage increase/(decrease) (%)**
	2024	**2023**	
	(₹ million)		
Revenue from sale of services – Healthcare			
Operating income – in patient department	9,225.33	7,509.86	22.84
Operating income – out patient department	1,641.97	1,348.45	21.77
Revenue from sale of product – Pharmacy	418.05	313.56	33.32
Other operating revenues			
Sponsorship income	2.79	5.59	(50.09)
Scrap sales	2.25	1.74	29.31
Total (A+B)	**11,290.39**	**9,179.20**	**23.00**

We witnessed an increase in Revenue from sale of services – Healthcare primarily on account of increase in volumes and consequent revenue from key specialities across our hospitals by hiring new doctors and consultants primarily in cardiac sciences, oncology, orthopaedics and neurosciences.

Our total in-patient revenue increased by 22.84% from ₹ 7,509.86 million in Fiscal 2023 to ₹ 9,225.33 million in Fiscal 2024 and out-patient revenue increased by 21.77% from ₹ 1,348.45 million in Fiscal 2023 to ₹ 1,641.97 million in Fiscal 2024.

We also witnessed growth in revenue from operations across our hospitals. As of March 31, 2024, we have four hospitals that have been operational for over five years; two hospitals that have been operational between three to five years and one hospital that has been operational for less than three years. Our revenue from operations from hospitals that have been in operations for (i) over 5 years increased by 14.30% from ₹ 8,115.88 million in Fiscal 2023 to ₹ 9,276.11 million in Fiscal 2024; (ii) between three years and five years by 56.52% from ₹ 1,063.32 million in Fiscal 2023 to ₹ 1,664.27 million in Fiscal 2024; and (iii) less than three years from nil to ₹ 350.00 million in Fiscal 2024 on account of operations of Srinagar hospital.

Other Income

Other income increased by 21.24% from ₹ 181.33 million in Fiscal 2023 to ₹ 219.84 million in Fiscal 2024 primarily on account of an increase in interest income from (i) banks by 35.71% from ₹ 77.85 million in Fiscal 2023 to ₹ 105.65 million in Fiscal 2024; and (ii) income tax refund from ₹ 0.11 million in Fiscal 2023 to ₹ 33.21 million in Fiscal 2024; and miscellaneous income from ₹ 23.04 million in Fiscal 2023 to ₹ 29.69 million in Fiscal 2024.

This increase was primarily offset by a decrease in other non-operation income from unwinding of discount on security deposits (as per the requirement of Ind AS suitably adjusted in the cash flow statement) to ₹ 35.95 million in Fiscal 2024 from ₹ 75.26 million in Fiscal 2023.

Expenses

Total expenses increased by 18.82% from ₹ 9,631.06 million in Fiscal 2023 to ₹ 11,443.93 million in Fiscal

2024 primarily on account of an increase in purchases of stock-in-trade; (ii) employee benefits expense; (iii) finance costs; (iv) retainers and consultants fee; and (v) other expenses. The expenses include the pre operating expenses of both Srinagar and Kanpur hospitals of ₹ 135.10 million and operating loss of ₹ 240.00 million pertaining to 10 months of operations of Srinagar Hospital. These pre-operating losses are generally incurred in relation to preparation of any new hospital prior to commencement of operations and typically reflected in the first year.

Purchases of stock-in-trade

Purchase of stock-in-trade increased by 26.23% from ₹ 2,415.36 million in Fiscal 2023 to ₹ 3,048.95 million in Fiscal 2024 primarily on account of increase in revenue mix of specialties having higher material cost.

Changes in inventories of stock-in-trade

Net change in inventories of stock in trade was ₹ (81.83) million in Fiscal 2024 compared to ₹ (51.24) million in Fiscal 2023. Inventories at the end of the year in Fiscal 2023 was ₹ 129.47 million while inventories at the beginning of the year was ₹ 78.23 million. For Fiscal 2024, inventories at the end of the year was ₹ 211.30 million while inventories at the beginning of the year was ₹ 129.47 million. We witnessed an increase in our inventories on account of an increase in the number of operating hospitals at the end of the Fiscal 2024 together with an increase in overall operations of the existing hospitals.

Employee Benefits Expense

Employee benefits expense increased by 25.11% from ₹ 1,336.94 million in Fiscal 2023 to ₹ 1,672.58 million in Fiscal 2024 primarily on account of increase in salaries and wage by 24.32% from ₹ 1,204.70 million in Fiscal 2023 to ₹ 1,497.66 million in Fiscal 2024 on account of increase in number of employees in Fiscal 2024 on account of hiring new employees in new hospitals as well as existing hospitals with corresponding increase in contribution to provident fund and other funds by 22.76% from ₹ 65.78 million in Fiscal 2023 to ₹ 80.75 million in Fiscal 2024; and staff welfare expenses by 41.69% from ₹ 66.46 million in Fiscal 2023 to ₹ 94.17 million in Fiscal 2024.

Finance Costs

Finance costs increased by 36.34% from ₹ 491.89 million in Fiscal 2023 to ₹ 670.64 million in Fiscal 2024 primarily on account of increase in interest expense on: (i) borrowings from ₹ 196.41 million in Fiscal 2023 to ₹ 355.84 million in Fiscal 2024 on account of increase in borrowings by ₹1,528.51 million during Fiscal 2024 primarily attributable to the increase in term loans taken during the year, working capital requirement of new hospitals and increase in credit business across all hospitals; and (ii) interest expenses on lease liabilities (as per the requirement of Ind AS) by 8.38% from ₹ 269.14 million in Fiscal 2023 to ₹ 291.70 million in Fiscal 2024. This was offset by a decrease in other borrowing costs by 12.30% which includes mainly loan processing fee which is being charged off in the year in which loan is taken. to ₹ 23.10 million in Fiscal 2024 from ₹ 26.34 million in Fiscal 2023.

Retainers and Consultants fee

Retainers and consultants fee increased by 25.19% from ₹ 2,348.23 million in Fiscal 2023 to ₹ 2,939.84 million in Fiscal 2024 on account of an increase in number of retainers and consultants from 679 as of March 31, 2023 to 820 as of March 31, 2024. The increase in our number of retainers and consultants as of March 31, 2024 was on account of commencement of operations at Srinagar Hospital together with hiring new retainers and consultants for our existing hospitals on account of increase in operations at these existing hospitals.

Fair value changes on financial instruments

Fair value changes on financial instruments decreased to ₹ (133.84) million in Fiscal 2024 from ₹ 531.48 million in Fiscal 2023 primarily on account of change in fair value of buy back option given to the Commelina Ltd in terms of the shareholders agreement computed by using net present value of free cash flows. During Fiscal 2024, Commelina Ltd has waived its right to require our Company to provide buy back option. Consequently, there is no further contractual obligations on our Company and the financial instruments have been reclassified as equity and entire liabilities created in previous years have been reversed with corresponding credit to other equity.

Other Expenses

Other expenses increased by 32.40% from ₹ 1,903.62 million in Fiscal 2023 to ₹ 2,520.42 million in Fiscal 2024. This increase was primarily on account of an increase in:

- Power, fuel and water by 19.67% from ₹ 163.87 million in Fiscal 2023 to ₹ 196.10 million in Fiscal 2024 on account of commencement of operations of the Srinagar hospital from June 2023 onwards;
- Rent and facility fees mainly includes variable rent (not covered under Ind AS) by 85.79% from ₹ 178.62 million in Fiscal 2023 to ₹ 331.86 million in Fiscal 2024 which is mainly on account of increase in revenue sharing arrangements of Patna hospital as per the agreed terms;
- Repairs and maintenance on plants and equipments by 22.64% from ₹ 128.04 million in Fiscal 2023 to ₹ 157.03 million in Fiscal 2024;
- House-keeping expense by 38.53% from ₹ 236.85 million in Fiscal 2023 to ₹ 328.12 million in Fiscal 2024 on account of change in the terms and conditions of the agreement to improve service levels together with increase in number of hospitals;
- Laundry expense by 17.32% from ₹ 56.77 million in Fiscal 2023 to ₹ 66.60 million in Fiscal 2024 which is consistent with the increase in revenue from operations;
- Security expense by 50.26% from ₹ 56.63 million in Fiscal 2023 to ₹ 85.09 million in Fiscal 2024 which is mainly due to start of new hospitals as well as inflationary increases in the manpower cost;
- Corporate social responsibility expense from ₹ 6.21 million in Fiscal 2023 to ₹ 10.90 million in Fiscal 2024 which were in accordance with statutory requirements'
- Loss allowance from ₹ 35.00 million in Fiscal 2023 to ₹ 104.62 million in Fiscal 2024 on account of increase in mix of credit revenues with higher mix of receivable from TPA and government falling in higher aging buckets;
- Traveling and conveyance by 22.76% from ₹ 67.57 million in Fiscal 2023 to ₹ 82.95 million in Fiscal 2024; and
- Advertisement, marketing and outreach expenses by 78.08% from ₹ 139.39 million in Fiscal 2023 to ₹ 248.23 million in Fiscal 2024 on account of increased marketing expenditure done by most of our hospitals together with launch of new corporate brands and hospitals.

This increase however, was offset by a decrease in miscellaneous expenses to ₹ 49.73 million in Fiscal 2024 compared to ₹ 54.10 million in Fiscal 2023.

Profit / (loss) before exceptional item and tax

For the reasons discussed above, profit before exceptional item and tax was ₹ 66.30 million in Fiscal 2024 compared to loss before exceptional item and tax of ₹ 270.53 million in Fiscal 2023.

Profit/(loss) before Tax

For the reasons discussed above, profit before tax was ₹ 66.30 million in Fiscal 2024 compared to loss before tax of ₹ 270.53 million in Fiscal 2023.

Tax Expense

Current year tax expense decreased to ₹ 201.83 million in Fiscal 2024 compared to ₹ 204.78 million in Fiscal 2023 on account of higher depreciation claimed in the Fiscal 2024 for the capitalisation of new hospitals during the year Deferred tax charge was ₹ 17.78 million in Fiscal 2024 compared to deferred tax credit of ₹ (47.39) million in Fiscal 2023 on account of changes in deferred tax assets arising out of temporary differences and not having virtual certainty as per the accounting standards.

Loss for the Year

For the various reasons discussed above, we recorded a loss for the year of ₹ 153.31 million in Fiscal 2024 compared to to a loss for the year of ₹ 427.92 million in Fiscal 2023.

FISCAL 2023 COMPARED TO FISCAL 2022

Key Developments

- During the Fiscal 2023 the Company has entered into an asset purchase agreement to acquire all the assets and liabilities of Plus Medicare Hospitals Private Limited. The acquired business has contributed revenue of ₹ 35.26 million and incurred loss of ₹ 29.49 million to the group for the period ended March 31, 2023 from the date of acquisition.
- During the Fiscal 2023 exceptional item of ₹33.34 million represents the amount received on account of insurance claim towards loss of profit claimed pursuant to the water logging in Gurugram hospital in August 2020.

Total Income

Total income increased by 18.01% from ₹ 7,931.72 million in Fiscal 2022 to ₹ 9,360.53 million in Fiscal 2023 on account of an increase in revenue from operations and other income for reasons indicated below:

Revenue from Operations

Revenue from operations increased by 17.69% from ₹ 7,799.24 million in Fiscal 2022 to ₹ 9,179.20 million in Fiscal 2023 primarily on account of an increase in Revenue from sale of services - Healthcare by 17.89% from ₹ 7,513.84 million in Fiscal 2022 to ₹ 8,858.31 million in Fiscal 2023 and an increase in revenue from sale of product – Pharmacy by 14.33% from ₹ 274.27 million in Fiscal 2023 to ₹ 313.56 million in Fiscal 2024. This was offset by a decrease in other operating revenues to ₹ 7.33 million in Fiscal 2023 from ₹ 11.13 million in Fiscal 2022.

The table below provides a break-up of our revenue from operations:

Particulars	**Fiscal**		**Percentage increase/(decrease) (%)**
	2023	**2022**	
	(₹ million)		
Revenue from sale of services – Healthcare			
Operating income – in patient department	7,509.86	6,323.61	18.76
Operating income – out patient department	1,348.45	1,190.23	13.29
Revenue from sale of product – Pharmacy	313.56	274.27	14.32
Other operating revenues			
Sponsorship income	5.59	6.62	(15.55)
Scrap sales	1.74	4.51	(61.49)
Total (A+B)	**9,179.20**	**7,799.24**	**17.69**

This increase was mainly driven by an increase in total in-patient revenue by 18.76% from ₹ 6,323.61 million in Fiscal 2022 to ₹ 7,509.86 million in Fiscal 2023 and out-patient revenue by 13.29% from ₹ 1,190.23 million in Fiscal 2022 to ₹ 1,348.45 million in Fiscal 2023. This was partially offset by lower realisations as ARPOB was at similar levels at ₹ 40,100.03 in Fiscal 2022 and ₹ 40,464.33 in Fiscal 2023 due to payer mix and patient mix.

In addition, we also witnessed growth in revenue from operations across our hospitals that were operational in Fiscal 2022 and Fiscal 2023. Our revenue from operations from hospitals that have been in operations for (i) over 5 years, increased by 12.47% from ₹ 7,215.77 million in Fiscal 2022 to ₹ 8,115.88 million in Fiscal 2023; and (ii) between three and five years by 82.24% from ₹ 583.46 million in Fiscal 2022 to ₹ 1,063.32 million in Fiscal 2023.

Other Income

Other income increased by 36.87% from ₹ 132.48 million in Fiscal 2022 to ₹ 181.33 million in Fiscal 2023 primarily on account of an increase in other non-operating income from unwinding of discount on security deposits from ₹ 30.34 million in Fiscal 2022 to ₹ 75.26 million in Fiscal 2023; and miscellaneous income from ₹ 3.80 million in Fiscal 2022 to ₹ 23.04 million in Fiscal 2023.

This was partially offset by a decrease in interest income from banks by (12.57)% to ₹ 77.85 million in Fiscal 2023 from ₹ 89.04 million in Fiscal 2022.

Expenses

Total expenses increased by 21.38% from ₹ 7,934.55 million in Fiscal 2022 to ₹ 9,631.06 million in Fiscal 2023 primarily on account of an increase in purchases of stock-in-trade; (ii) employee benefits expense; (iii) finance costs; (iv) retainers and consultants fee; and (v) other expenses.

Purchases of stock-in-trade

Purchase of stock-in-trade increased by 16.24% from ₹ 2,077.92 million to ₹ 2,415.36 million which is broadly in line with the increase in overall revenue from operations.

Changes in inventories of stock-in-trade

Net change in inventories of stock in trade was ₹ (51.24) million in Fiscal 2023 compared to ₹ (23.70) million in Fiscal 2022. Inventories at the end of the year in Fiscal 2022 was ₹ 78.23 million while inventories at the beginning of the year was ₹ 54.53 million. For Fiscal 2023, inventories at the end of the year was ₹ 129.47 million while inventories at the beginning of the year was ₹ 78.23 million on account of an increase in overall revenue from operations from our operational hospitals between Fiscal 2022 and Fiscal 2023.

Employee Benefits Expense

Employee benefits expense increased by 33.60% from ₹ 1,000.74 million in Fiscal 2022 to ₹ 1,336.94 million in Fiscal 2023 primarily on account of increase in salaries and wage by 32.98% from ₹ 905.94 million in Fiscal 2022 to ₹ 1,204.70 million in Fiscal 2023 on account of ramp up of operations and employees at Gurugram, Ranchi and Panchkula hospitals with corresponding increase in contribution to provident fund and other funds by 28.35% from ₹ 51.25 million in Fiscal 2022 to ₹ 65.78 million in Fiscal 2023; and staff welfare expenses by 52.61% from ₹ 43.55 million in Fiscal 2022 to ₹ 66.46 million in Fiscal 2023.

Finance Costs

Finance costs increased by 56.05% from ₹ 315.22 million in Fiscal 2022 to ₹ 491.89 million in Fiscal 2023 primarily on account of increase in interest expense on: (i) borrowings by 49.08% from ₹ 131.75 million in Fiscal 2022 to ₹ 196.41 million in Fiscal 2023 on account of increase in borrowings by ₹ 1,807.32 million as compared to Fiscal 2022; and (ii) lease liabilities by 53.16% from ₹ 175.73 million in Fiscal 2022 to ₹ 269.14 million in Fiscal 2023 on account of increase in lease liabilities relating to hospitals. Further, other borrowing costs which includes mainly loan processing fees also increased significantly from ₹ 7.74 million in Fiscal 2022 to ₹ 26.34 million in Fiscal 2023 on account of increase in borrowings.

Retainers and Consultants fee

Retainers and consultants fee increase by 23.54% from ₹ 1,900.81 million in Fiscal 2022 to ₹2,348.23 million in Fiscal 2023 on account of an increase in number of retainers and consultants from 578 as of March 31, 2022 to 679 as of March 31, 2023. The increase in our number of retainers and consultants as of March 31, 2024 was on account of largely in line with increase in revenue and ramp up of operations at our Ranchi hospital during Fiscal 2023.

Fair value changes on financial instruments

Fair value changes on financial instruments increased by 15.88% from ₹ 458.64 million in Fiscal 2022 to ₹ 531.48 million in Fiscal 2023 primarily on account of change in fair value of buy back option given to Commelina Ltd in terms of the shareholder agreements computed by using net present value of free cash flows.

Other Expenses

Other expenses increased by 12.59% from ₹ 1,690.79 million in Fiscal 2022 to ₹ 1,903.62 million in Fiscal 2023. This increase was primarily on account of an increase in:

- Power, fuel and water by 18.69% from ₹ 138.06 million in Fiscal 2022 to ₹ 163.87 million in Fiscal 2023 primarily on account of inflationary increases and ramp up of operations at our Ranchi Hospital;
- Housekeeping expense by 19.58% from ₹ 198.07 million in Fiscal 2022 to ₹ 236.85 million in Fiscal 2023 on account of ramp up of operations at Ranchi hospital and increase in cost at Gurugram and

Panchkula hospitals on account of increase in operations at these hospitals;
- Traveling and conveyance by 49.43% from ₹ 45.22 million in Fiscal 2022 to ₹ 67.57 million in Fiscal 2023;
- Loss allowance from ₹ 20.24 million in Fiscal 2022 to ₹ 35.00 million in Fiscal 2023 on account of increase in mix of credit revenues with higher mix of receivable from insurance/TPA and government panels moving to higher age buckets;
- Advertisement, marketing and outreach expenses by 96.63% from ₹ 70.89 million in Fiscal 2022 to ₹ 139.39 million in Fiscal 2023 on account of increase in expenses relating to Ranchi and Gurugram hospitals and launch of new corporate brand identity; and
- Miscellaneous expenses from ₹ 11.78 million in Fiscal 2022 to ₹ 54.10 million in Fiscal 2023 which is mainly due to full year of operations of the new corporate office.

This increase however, was offset by a decrease in:

- Rent and facility fees by 22.62% to ₹ 178.62 million in Fiscal 2023 from ₹ 230.82 million in Fiscal 2022 on account of elimination of rent of the Udaipur hospital in Fiscal 2023 as our Company acquired Plus Medicare Hospital Private Limited in Fiscal 2023 with whom it had a lease agreement for operating the hospital prior to acquisition. On account of the acquisition in Fiscal 2023, the rent paid to Plus Medicare Hospital Private Limited was eliminated in the Restated Consolidated Financial Information;
- Outsourced medical service by 6.35% to ₹ 452.89 million in Fiscal 2023 from ₹ 483.62 million in Fiscal 2022 on account of change in strategy at our Patna and Darbhanga hospitals wherein we started certain services in-house which were previously outsourced; and
- Insurance by 13.50% to ₹ 17.75 million in Fiscal 2023 from ₹ 20.52 million in Fiscal 2022 on account of re-negotiation of insurance premium.

Profit / (loss) before exceptional item and tax

For the reasons discussed above, loss before exceptional item and tax was ₹ 270.53 million in Fiscal 2023 compared to loss before exceptional item and tax of ₹ 2.83 million in Fiscal 2022.

Exceptional Items

Exceptional item for Fiscal 2022 was ₹ (33.34) million compared to nil in Fiscal 2023. The exceptional item for Fiscal 2022 included insurance claim recognized of ₹ 33.34 million on account of insurance claim filed and received from the insurance provider for damages to our assets at our Gurugram hospital on account of heavy rainfall in August 2022 which resultant in water loggings.

Profit/(loss) before Tax

For the reasons discussed above, loss before tax was ₹ 270.53 million in Fiscal 2023 compared to profit before tax of ₹ 30.51 million in Fiscal 2022.

Tax Expense

Current year tax expense increased from ₹ 184.04 million in Fiscal 2022 to ₹ 204.78 million in Fiscal 2023 on account of higher tax disallowance considered under Income Tax Act, 1961. Tax pertaining to earlier years was nil in Fiscal 2023 compared to ₹ 4.06 million in Fiscal 2022. Deferred tax credit was ₹ (47.39) million in Fiscal 2023 compared to ₹ (9.51) million in Fiscal 2022 on account of changes in deferred tax assets arising out of temporary differences.

Loss for the Year

For the various reasons discussed above, we recorded a loss for the year of ₹ 427.92 million in Fiscal 2023 compared to a loss for the year of ₹ 148.08 million in Fiscal 2022.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through debt financing, owned funds and funds generated from our operations. From time to time, we may obtain loan facilities to

finance
our short term working capital requirements. Further, we believe that after taking into account the expected cash to be generated from our business and operations, the Net Proceeds from the Fresh Issue and the proceeds from our existing bank loans, and new loans for any new expansion or capital expenditure we will have sufficient capital to meet our anticipated capital requirements for our working capital and capital expenditure requirements.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal		
	2024	2023	2022
	(Rs. million)		
Net cash generated from operating activities	924.77	436.84	823.78
Net cash (used in) investing activities	(1,940.55)	(1,262.09)	(1,290.70)
Net cash generated from / (used in) financing activities	939.78	(974.69)	(106.04)
Cash and cash equivalents at the end of the year	154.58	230.58	76.70
Net (decrease)/increase in cash and cash equivalents	(76.00)	149.44	(572.96)

Operating Activities

Fiscal 2024

Net cash generated from operating activities was ₹ 924.77 million. Net profit before tax was ₹ 66.30 million. Primary adjustments consisted of depreciation and amortisation expense of ₹ 807.17 million; foreign exchange fluctuation loss (net) of ₹ 1.87 million; gain on sale of property, plant and equipment (net) of ₹ (2.71) million; finance costs of ₹ 670.64 million on account of increase in long term debt as well as increase in working capital; gain on modification of lease of ₹ (4.72) million; liabilities no longer required written back of ₹ (6.60) million; interest income of ₹ (141.60) million; fair value changes on financial instruments of ₹ (133.84) million and loss allowance of ₹ 104.62 million. Adjustments for changes in working capital in: (i) trade receivables were (361.05) million; (ii) loans and other assets of ₹ (54.97) million; (iii) inventories of ₹ (100.85) million; (iv) trade payables of ₹ 135.63 million and (v) other liabilities and provisions of ₹ 50.01 million. Cash generated from operations in Fiscal 2024 was ₹ 1,029.90 million. Income tax paid (net) was ₹ (105.113) million which is lower mainly due to receipt of refunds relating to previous financial years during the current year.

Fiscal 2023

Net cash generated from operating activities was ₹ 436.84 million. Net loss before tax was ₹ (270.53) million. Primary adjustments consisted of depreciation and amortisation expense of ₹ 654.78 million; gain on sale of property, plant and equipment (net) of ₹ (0.82) million; finance costs of ₹ 491.89 million, liabilities no longer required written back of ₹ (2.79) million; interest income of ₹ (77.85) million; fair value changes on financial instruments of ₹ 531.48 million and loss allowance of ₹ 35.00 million. Adjustments for changes in working capital in: (i) trade receivables were (497.47) million which is mainly due to increase in credit business of our Company; (ii) loans and other assets of ₹ 109.43 million; (iii) inventories of ₹ (53.97) million; (iv) trade payables of ₹ 43.86 million and (v) other liabilities and provisions of ₹ (202.74) million which includes the impact of current liabilities accounted for consequent to the acquisition of Plus Medicare Hospitals Private Limited. Cash generated from operations in Fiscal 2024 was ₹ 760.27 million. Income tax paid (net) including taxes deducted at source was ₹ (323.43) million.

Fiscal 2022

Net cash generated from operating activities was ₹ 823.78 million. Net profit before tax was ₹ 30.51 million. Primary adjustments consisted of depreciation and amortisation expense of ₹ 514.13 million; gain on sale of property, plant and equipment (net) of ₹ (1.36) million; finance costs of ₹ 315.22 million, liabilities no longer required written back of ₹ (0.97) million; interest income of ₹ (89.04) million; fair value changes on financial instruments of ₹ 458.64 million and loss allowance of ₹ 20.24 million. Adjustments for changes in working capital in: (i) trade receivables were (445.31) million; (ii) loans and other assets of ₹ 60.34 million; (iii) inventories of ₹ (13.15) million; (iv) trade payables of ₹ 183.67 million and (v) other liabilities and provisions of ₹ 5.87 million. Cash generated from operations in Fiscal 2024 was ₹ 1,038.79 million. Income tax paid (net) was ₹ (215.01) million.

Investing Activities

Fiscal 2024

Net cash used in investing activities was ₹ 1,940.55 million in Fiscal 2024, primarily on account of payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and creditors for capital goods) of ₹ 1,975.54 million; proceeds from sale of property, plant and equipment of ₹ 28.49 million; proceeds from / investments in bank deposits of ₹ (76.43) million and interest received of ₹ 82.93 million.

Fiscal 2023

Net cash used in investing activities was ₹ 1,262.09 million in Fiscal 2023, primarily on account of payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and creditors for capital goods) of ₹ 1,128.40 million; proceeds from sale of property, plant and equipment of ₹ 5.00 million; proceeds from / investments in bank deposits of ₹ 517.77 million; purchase of investment of ₹ (734.20) million in Plus Medicare Hospitals Private Limited which became our wholly-owned subsidiary pursuant to this acquisition; and interest received of ₹ 77.74 million.

Fiscal 2022

Net cash used in investing activities was ₹ 1,290.70 million in Fiscal 2022, primarily on account of payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and creditors for capital goods) of ₹ 1,391.06 million; proceeds from sale of property, plant and equipment of ₹ 7.51 million; proceeds from / investments in bank deposits of ₹ (11.36) million and interest received of ₹ 104.21 million.

Financing Activities

Fiscal 2024

Net cash generated from financing activities was ₹ 939.78 million in Fiscal 2024, primarily on account of proceeds from long term borrowings of ₹ 1,429.84 million, and movement in short term borrowings (net) of ₹ 415.99 million. This was offset by repayment of non-current borrowings of ₹ 320.25 million, principal elements of lease payments of ₹ 3.44 million, payment of interest on lease liabilities of ₹ 211.74 million and finance costs paid of ₹ 370.62 million.

Fiscal 2023

Net cash generated from financing activities was ₹ 974.69 million in Fiscal 2023, primarily on account of proceeds from long term borrowings of ₹ 1,103.30 million, and movement in short term borrowings (net) of ₹ 547.13 million. This was offset by repayment of non-current borrowings of ₹ 249.30 million, principal elements of lease payments of ₹ 7.04 million, payment of interest on lease liabilitisses of ₹ 199.40 million and finance costs paid of ₹ 220.00 million.

Fiscal 2022

Net cash used in financing activities was ₹ 106.04 million in Fiscal 2022, primarily on account of repayment of long term borrowings of ₹ 171.26 million, movement in short term borrowings (net) of ₹ 66.91 million, principal elements of lease payments of ₹ 12.32 million and finance costs paid of ₹ 138.40 million. This was offset by proceeds from long term borrowings of ₹ 404.04 million.

INDEBTEDNESS

As of March 31, 2024, we had total borrowings (consisting of non-current borrowings of ₹ 3,583.99 million and current borrowings of ₹ 1,891.34 million) of ₹ 5,475.33 million. Our net debt/ equity ratio was 1.65 as of March 31, 2024.

The following table sets forth certain information relating to our total borrowings as of March 31, 2024, and our repayment obligations in the periods indicated:

Particulars	As of March 31, 2024 Payment due by period (₹ million)			
	Total	Upto 1 year	1-5 years	More than 5 years
Borrowings including estimated interest undiscounted	**7,005.31**	2,225.25	2,929.47	1,850.59
Trade payables	**1,374.81**	1,374.81	-	-
Lease liabilities	**15,142.33**	282.75	1,263.81	13,595.77
Others	**476.17**	472.92	-	3.25
Total	**23,998.62**	**4,355.73**	**4,193.28**	**15,449.61**

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2024, contingent liabilities that have not been accounted for in our Restated Consolidated Financial Information were as follows:

(₹ in million)

S. No.	Particulars	As at March 31, 2024
1.	Our Subsidiary, PHRPL had received notice(s) amounting to ₹ 27.50 million from Heavy Engineering Corporation Limited ("**HEC**") as liquidated damages in earlier years on account of the delay in opening of a 50 bedded hospital, in accordance with the terms and conditions of an agreement dated January 16, 2018. Our Subsidiary has replied to such notices from HEC and anticipate a favorable outcome in future. Basis the management's assessment and supported by the external legal opinion, our Subsidiary has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of our Subsidiary.	27.50
2.	Legal cases in respect of compensation demanded by the patients/their relatives for negligence (net of provisions)	37.71
3.	*Guarantees*:	
(i)	Bank guarantee given to HEC by our Company on behalf of our Subsidiary, Paras Healthcare (Ranchi) Private Limited amounting to ₹ 75.00 million in accordance with the terms and conditions of the concession agreement entered between our Company, our Subsidiary, Paras Healthcare (Ranchi) Private Limited and HEC	75.00
(ii)	Corporate guarantee provided by our Company to banks on behalf of our Subsidiaries for the purpose of obtaining loans by our Subsidiaries:	
	Plus Medicare Hospitals Private Limited	328.50
	Paras Healthcare (Ranchi) Private Limited	561.38
(iii)	Our Subsidiary, Plus Medicare Hospitals Private Limited, has issued corporate guarantee to the bank on behalf of our Company for the renewal of our Company's credit facilities	1,856.14
Total		**2,886.23**

For further information see "*Restated Consolidated Financial Information – Note 32 – Commitments and Contingencies*" on page 314.

Commitments and contingencies

Estimated amount of contracts remaining to be executed which is of capital nature (net of advances) and which have not been provided for in the financial statements, amounts to ₹ 317.76 million, ₹ 1,186.28 million and ₹ 328.93 million for Fiscal 2024, 2023 and 2022, respectively

Our Company had imported capital goods under Export Promotion Capital Goods Scheme ("**EPCG**") and saved custom duty amounting to ₹ 253.94 million for March 31, 2024 (₹ 140.42 million for March 31, 2023 and ₹ 168.91 million for March 31, 2022), until Fiscal 2024. As per the terms of the EPCG terms and conditions, our Company needs to export goods six times of duty saved on import of capital goods on FOB basis within a period of six years. The balance export obligation which amounted to ₹ 1,348.41 million as of

March 31, 2024 (₹ 653.51 million as of March 31, 2023 and ₹ 965.80 million as of March 31, 2022) is pending to be exported by our Company. In case, our Company is unable to export services within the prescribed timeline, then our Company may have to pay duty on import of capital goods, including interest and penalty.

For further information on our commitments and contingencies, see "*Restated Consolidated Financial Information – Note 32 – Commitments and contingencies*" on page 314.

Except as disclosed in the Restated Consolidated Financial Information or elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to our future commitments:

Particulars	As of March 31, 2024				
	Payment due by period				
	Total	Less than 1 year	1-5 years		More than 5 years
	(₹ million)				
Capital Commitments	317.76	317.76	-	-	-

CAPITAL EXPENDITURES

In Fiscal 2024, 2023 and 2022, payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and payable for purchase of property, plant and equipment) were ₹ 1,975.54 million, ₹ 1,128.40 million and ₹ 1,391.06 million, respectively. The following table sets forth our non-current assets as at the periods indicated:

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	(₹ million)		
Property, plant and equipment	5,886.73	3,698.82	2,395.51
Right-of-use-assets	3,915.65	4,043.31	2,450.76
Capital Work in Progress	287.76	777.38	412.49
Goodwill	46.44	46.44	-
Total	**10,136.58**	**8,565.95**	**5,258.76**

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include managerial remuneration, retainers and consultants fees, directors sitting fees, rental income, loan from related party, interest expenses on loan taken, and repayment of loan and interest.

For further information relating to our related party transactions, see "*Restated Consolidated Financial Information – Note 34 – Related parties disclosures*" on page 316.

AUDITOR'S OBSERVATIONS

There are no emphasis of matters, reservations, qualifications, modification or adverse remarks highlighted by our Statutory Auditors in our Restated Consolidated Financial Information.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to the following risks arising from financial instruments:

- Credit risk;

- Liquidity risk; and
- Market risk.

Risk Management Framework

Our Board has overall responsibility for the establishment and oversight of our risk management framework. The Board have authorized the Managing Director to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

Our risk management policies are established to identify and analyze the risks faced by us , to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and our activities. We have, through our training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial asset fails to meet its contractual obligations. Our exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The carrying amounts of financial assets represents the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

We have a credit risk management policy in place to limit credit losses due to non-performance of counterparties. The Group monitors its exposure to credit risk on an ongoing basis. Assets are written off when there is no reasonable expectation of recovery. Where loans and receivables are written off, we continue to engage in enforcement activity to attempt to recover the dues.

Trade receivables

We closely monitor the credit-worthiness of the receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. We use a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables.

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in deposits with highly rated banks and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Group deals with highly rated banks.

Other financial assets

Other financial assets measured at amortized cost includes security deposits, contract assets, accrued interest on fixed deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place to ensure the amounts are within defined limits. Credit risk is considered low because we are in possession of the underlying asset (in case of security deposit) or as per trade experience (in case of unbilled revenue from patient and other receivables from revenue sharing arrangements). Further, we create provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Credit risk exposure

Expected credit loss for trade receivables under simplified approach i.e. provision matrix approach using historical trends.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates – will affect our income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

We have international transactions and are exposed to foreign exchange risk arising from foreign currency transactions (imports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not our functional currency. We have not hedged our foreign exchange receivables and payables for Fiscal 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our interest rate risk arises from:

- Borrowings which are made at market rate of interest at the time of borrowings.
- Bank deposits which are made at market rate of interest at the time of deposit.

This exposes us to cash flow interest rate risk.

For further information, see "*Restated Consolidated Financial Information – Note 37. Financial risk management*" on page 320.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above under "*– Significant Factors Affecting our Results of Operations*" and the section "*Our Business*" on pages 335 and 199, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in " *– Significant Factors Affecting our Results of Operations and Financial Condition*" and the uncertainties described in "*Risk Factors*" on pages 335 and 26, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 199 and 334, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments other than in the normal course of business.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 199, 130 and 26, respectively, for further information on competitive conditions that we face across our various business verticals.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASEDs SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals are as described in "*– Fiscal 2024 compared to Fiscal 2023*", and "*– Fiscal 2023 compared to Fiscal 2022*" above on pages 353 and 356, respectively.

SEGMENT REPORTING

Our chief operating decision market ("**CODM**"), i.e., our Board, examines our performance from a service perspective and has identified 'Healthcare services' as a single business segment. We are operating in India which constitutes a single geographical segment. The CODM reviews internal management reports to assess the performance of the segment "Healthcare services".

For further information, see "*Restated Consolidated Financial Information – Note 35 – Segment information*" on page 318.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Given the nature of our business operations, we are not dependent on any single or few customers for our revenue from operations. There are no transaction with a single external customer which would amount to 10 percent or more of our revenue from operations.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not subject to seasonal variations, however, our income and profits may vary from quarter to quarter depending on factors including change in weather, outbreak of viral and seasonal diseases.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since March 31, 2024 that could materially and adversely affect or are likely to affect, the trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months:

- Pursuant to resolutions passed in our Board meeting and shareholders meeting dated June 3, 2024 and June 4, 2024, respectively, our Company was converted into a public limited company.

- Paras Yash Kothari Hospital, our new hospital located in Kanpur, Uttar Pradesh started generating revenue April 2024 onwards.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during Fiscals 2024, 2023 and 2022 as per the requirements under Ind AS 24, see "*Financial Information - Restated Consolidated Financial Information - Note 34 - Related parties disclosures*" on page 316.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2024, on the basis of amounts derived from our Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 26, 272 and 334, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer (as at March 31, 2024)	Post Offer(1)
Borrowings		[●]
Current borrowings* (A)	1,891.34	[●]
Non-current borrowings (B)	3,583.99	[●]
Total borrowings (C=A+B)	5,475.33	[●]
		[●]
Equity		[●]
Equity share capital* (D)	97.61	[●]
Other equity* (E)	3,287.47	[●]
Total Equity (F= D+E)	3,385.08	[●]
		[●]
Non-current borrowings / Total Equity (G = B/F)	1.06	[●]
Total borrowings / Total Equity (H = C/F)	1.62	[●]

As certified by Suri & Sudhir, Chartered Accountants, pursuant to their certificate dated July 31, 2024.
The corresponding post-offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.
** These terms carry the same meaning as per Schedule III of the Companies Act.*

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries have availed credit facilities in their ordinary course of business for purposes such as, amongst other things, financing working capital requirements, reimbursement of capital expenditure, for setting up of facilities and for new medical equipment financing.

For details regarding the borrowing powers of our Board, please see "*Our Management – Borrowing powers*" on page 247.

Set forth below is a table of the aggregate borrowings of our Company and our Subsidiaries on a consolidated basis, as on March 31, 2024 and June 30, 2024:

Category of borrowing	Sanctioned Amount	Outstanding amount as of March 31, 2024	Outstanding amount as of June 30, 2024
	(in ₹ million)		
Company			
Secured borrowings			
Fund based ("FB")			
Cash credit / working capital demand loan	2,455.00	1,455.30	1,794.47
Term Loan	4,457.75	2,760.34	3,158.43
Total Fund based (A)	**6,912.75**	**4,215.64**	**4,952.90**
Non-Fund Based (Including Bank Guarantees and Letter of Credit) ("NFB") (B)	**326.44**	**294.90**	**393.38**
Total secured borrowings of the Company (C) = (A) + (B)	**7,239.19**	**4,510.54**	**5,246.28**
Subsidiaries			
Secured Borrowings			
Fund based ("FB")			
Cash credit / working capital demand loan	100.00	28.50	29.20
Term Loan	1,316.80	1,231.19	1,223.18
Total Fund based (D)	**1,416.80**	**1,259.69**	**1,252.38**
Non-Fund Based (Including Bank Guarantees and Letter of Credit) ("NFB") (E)	**100.00**	**2.60**	**2.50**
Total secured borrowings of the Subsidiaries (F) = (D) + (E)	1,516.80	1,262.29	1,254.88
Total (C) + (F)	**8,755.99**	**5,772.83**	**6,601.16**

* *As certified by Suri & Sudhir, Chartered Accountants pursuant to the certificate dated July 31, 2024.*

For details of the aggregate borrowings of our Company and our Subsidiaries on a consolidated basis, as on March 31, 2024, see "*Restated Consolidated Financial Information – Note 17- Non-current borrowing*" and see "*Restated Consolidated Financial Information – Note 17A- Current borrowing*" on pages 303 and 305.

Principal terms of our outstanding borrowings ("**Borrowings**") **availed by our Company and our Subsidiaries**:

1. ***Tenor***: The cash credit/working capital demand loan facilities sanctioned to our Company and our Subsidiaries are renewed at annual rests and are repayable on demand. The term loan facilities sanctioned to our Company and our Subsidiaries are repayable over periods ranging from four years to 12 years.

2. ***Interest:*** In terms of the Borrowings availed by our Company and our Subsidiaries, the interest rate applicable to the Borrowing facilities is typically tied to the respective lender's lending rate prevailing at the time and may vary for each facility. The interest rate applicable to our borrowings is fixed by the lender, and typically ranges from 5.75% to 9.50% p.a. payable at such intervals as may be stipulated by the lender.

3. ***Security***: Our secured borrowings are typically secured by way of:

    a) First *pari passu* charge on immovable property, moveable fixed assets and current assets (both present and future) of our Company and our Subsidiaries; and

b) Charge by way of registered mortgage.

The above-mentioned list is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company and our Subsidiaries.

4. ***Repayment:*** The working capital facilities availed by us are typically repayable on demand, and the term loans availed by us are typically repayable on their respective due dates within the maximum tenure. Our Borrowings are generally repayable in monthly or quarterly instalments as per the repayment schedule stipulated in the relevant loan documentation.

5. ***Prepayment:*** The term loans availed by our Company and our Subsidiaries typically have prepayment and early redemption provisions respectively, which allow for prepayment or early redemption respectively, with prior notice/consent on payment of certain penalties. While few of our term loans can be repaid (in full or in part) with only the lender's discretion, the prepayment penalty is typically at least 1.00% of the outstanding amounts being prepaid.

6. ***Penalty:*** The facilities availed by our Company and our Subsidiaries contain certain provisions prescribing penalties, over and above the prescribed interest rate, for reasons including but not limited to delayed payment, default in the repayment obligations, occurrence of certain events of default, overdrawing over the drawing power, failure to meet financial covenants, non-submission/delayed submission of periodic information/statements and breach of terms and conditions etc., which is typically 1.00% of the amount outstanding involved with respect to term loans.

7. ***Restrictive covenants:*** The loans availed by our Company and our Subsidiaries typically, contain certain key covenants, which require prior approval of, or intimation to, the lenders and other relevant parties for certain specified events on corporate actions, including *inter-alia*:

a) For approaching the capital market for mobilizing additional resources either in the form of debt or equity;

b) Change in capital structure or shareholding pattern or members or ownership or holding structure of our Company and our Subsidiaries;

c) Transfer any controlling interest or make any material or drastic changes in the managerial set up including resignation of the promoters and directors;

d) Creation of further charge, lien or any other encumbrance on the security provided for the borrowings;

e) Sell, transfer, assign, grant or lease, otherwise dispose or create any charge, lien or encumbrance on all or any of the secured assets;

f) Enter into any contract or arrangement of long term nature;

g) Change or expansion in business activities;

h) Amendment or modification of constitutional documents of our Company and our Subsidiaries;

i) shall not utilize the loan for extending loans to subsidiaries or associate companies or for making any inter-corporate deposits;

j) Invest in any funds by way of deposits, or loans or in share capital of any other concerns;

k) Withdraw or allow being withdrawn any monies brought in by the promoters/ directors/ principal shareholder/ sponsors or their friends or relatives;

l) Formulate any scheme of merger, demerger, amalgamation, acquisition, reorganisation, or reconstruction or implementing a new scheme of expansion;

m) Implement any new project or any scheme of expansion/diversification/ modernization or acquisition which may result in diversion of funds under the facility for financing long term assets;

n) Undertake guarantee obligations or letter of comfort on behalf of any third party or any other company;

o) Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise

p) Payment of commission to the guarantor(s) for guaranteeing the credit facilities sanctioned;

q) Not induct into its board of directors a person whose name appears in the willful defaulters list of RBI or Credit Information Companies;

r) Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees etc. except where such change is mandated by applicable law;

s) Assign or transfer all or any of our rights, benefits, or obligations under any finance document;

t) Dilution of promoter shareholding and non-maintenance of shareholding of promoters/ directors at the prescribed threshold; and

u) Declaration or payment of dividends by our Company and our Subsidiaries.

8. ***Events of default:*** Borrowing arrangements entered into by our Company and our Subsidiaries contain standard events of default, including *inter-alia*:

  a) Change in constitution, capital structure or shareholding pattern or any change in the management or control or ownership of our Company and our Subsidiaries without prior approval of the lender;

  b) If our Company and our Subsidiaries becomes the subject of proceedings under any bankruptcy or insolvency law or winding up proceedings;

  c) Creation of any further charge, mortgage, pledge, hypothecation, lien or other encumbrance on the secured assets of our Company and our Subsidiaries without prior approval of the lender;

  d) Opening/ maintaining current account with banks outside the lending arrangement without the lender’s approval;

  e) Default by Company and our Subsidiaries to any other bank in the consortium;

  f) Deterioration or impairment of the secured assets of the Company and our Subsidiaries or any part thereof ;

  g) Occurrence of any cross-default;

  h) Violation of any term of the relevant agreement or any other borrowing agreement entered into by our Company and our Subsidiaries with the lender;

  i) Default in submission of requisite confirmations in timelines stipulated in the borrowing agreement;

  j) All or any part of a facility is not utilised for the purpose for which it is sanctioned;

  k) Breach of any financial covenant mentioned under various borrowing agreements;

  l) If our Company and our Subsidiaries ceases to carry on their respective businesses or fail to conduct their respective businesses to the satisfaction of the lender;

  m) Non-creation of the required security as required under the loan agreement entered into between our Company and/or our Subsidiaries and lender within the stipulated time;

  n) Down-grading of credit ratings below specified limits, as stipulated by the lender;

  o) If a receiver is appointed in respect of the whole or any part of the property/assets of our Company and our Subsidiaries or if any attachment, distress, execution, or other process against our Company and our Subsidiaries, or any of the securities is imposed or levied upon;

  p) If any of the information provided by our Company and our Subsidiaries to avail the loans or any of its representations or warranties in the financing documents are found to be or becoming incorrect or untrue; and

  q) Any material adverse effect occurs or is likely to occur in relation to theCompany and our

Subsidiaries.

9. ***Consequences on occurrence of event of default***: In terms of the facility agreements and sanction letters, in case of occurrence of events of default set out above, our lenders may, among others:

    a) call upon the borrower to pay forthwith the outstanding balance of the facility and/ or declare that the dues and all obligations shall immediately become due and payable to the lender and cancel all undrawn amounts payable;

    b) declare security created to be enforceable;

    c) take possession of and/or transfer the assets comprised within the security;

    d) instruct any person, who is liable to make any payment to our Company and our Subsidiaries, to pay directly to the lenders;

    e) appointment or removal of nominee director on the board our Company and our Subsidiaries, as may be required by the lender;

    f) to wind up Company/Subsidiaries' business;

    g) unqualified right to disclose or publish our Company and our Subsidiaries and Directors' names as defaulters / wilful defaulters;

    h) to review the management set-up of our Company and our Subsidiaries and if found necessary, to require restructuring thereof including the formation of committees or sub-committees of the management of our Company and our Subsidiaries with such powers, authorities and functions as may be considered desirable by the lender

    i) accelerate or recall the entire facility including any outstanding amount thereto;

    j) conversion of outstanding debt obligations into equity or other securities;

    k) stipulate any additional condition as they may deem fit;

    l) exercise such remedies as may be permitted or available to the lender under applicable law, including RBI guidelines.

    m) appoint qualified accountants to examine the books of accounts and operations of our Company and our Subsidiaries.

The details provided above are indicative and there may be additional terms, conditions, and requirements under the various outstanding borrowing arrangements of our Company and our Subsidiaries.

For the purpose of the Offer, our Company and our Subsidiaries has obtained necessary consents from our lenders as required under the relevant loan documentation for undertaking activities relating to the Offer, including consequent corporate actions, such as change in our capital structure, amendments to the charter documents of our Company etc.

Our Company and our Subsidiaries, from time to time, enter into financing agreements with various lenders, which includes financing covenants which are tested on an annual basis based on the audited financial results of our Company and our Subsidiaries, as applicable.

These financing covenants, which our Company and our Subsidiaries need to maintain and comply with as per the terms of the financing agreements, include:

- tangible net worth to be maintained by our Company at ₹ 4,400 million;
- debt service credit ratio is required to be more than 1.25 times and 1.1 times, for our Company and Subsidiaries, respectively;
- debt to EBITDA ratio which is required to be less than five times for our Company and less than four times for our Subsidiaries;
- net debt (including lease liabilities) to EBITDA ratio which is required to be less than four times for our Company;
- fixed asset coverage ratio which is required to be 1.25 times over the term loans availed by our Company; and

- debt equity ratio which is required to be not more than 3.00 times for our Company and more than 2.50 times for our Subsidiaries.

Any breach of such financing covenants may adversely affect our business, results of operations, cash flows and financial condition.

While there has been no delay or default in repayment of our borrowings in the past, for further details on risk factors related to our indebtedness, refer "*Risk Factors – Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition. If we are unable to raise additional capital on favorable terms, or at all, our business, results of operations and financial condition could adversely affected*" on page 39.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including matters which are at first information report (“**FIR**”) stage whether cognizance has been taken or not by any court or judicial authority) (ii) all actions (including all penalties and show cause notices) by statutory and/or regulatory authorities; (iii) claims related to direct and indirect taxes, in a consolidated manner, giving details of the number of cases and total amount involved; or (iv) all other pending litigation or arbitration proceedings, as per the Materiality Policy (as disclosed below), in each case involving our Company, our Promoter, our Subsidiaries and our Directors (“**Relevant Parties**”). Further, since there is no group company of our Company in terms of the Materiality Policy of the Company, there are no litigation involving any group company which may have a material impact on our Company. Except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or the Stock Exchanges, against our Promoter in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus including any outstanding action.*

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board of Directors on July 22, 2024, any pending civil litigation / arbitration proceedings (other than litigations mentioned in points (i) to (iii) above) involving any of the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:

1. *the aggregate monetary claim/ dispute amount/ liability made by or against or involving the Relevant Parties, in any such pending litigation / arbitration proceeding exceeds the lower of the following:*

(a) *two percent of turnover, being ₹ 230.20 million for the most recent financial year as per the Restated Consolidated Financial Information; or*
(b) *two percent of net worth, being ₹ 67.70 million as at the end of the most recent financial year as per the Restated Consolidated Financial Information, except in case the arithmetic value of the net worth is negative; or*
(c) *five percent of the average of absolute value of profit or loss after tax, being ₹ 12.16 million for the last three financial years as per the Restated Consolidated Financial Information.*

Note: *For the purpose of clause (c) above, it is clarified that the average of absolute value of profit or loss after tax is to be calculated by disregarding the ‘sign’ (positive or negative) that denotes such value.*

2. *the monetary liability is not quantifiable, or does not fulfil the threshold as specified in (1) above, but the outcome of which could, nonetheless, directly or indirectly, or together with similar other proceedings, have a material adverse effect on the business, operations, performance, results of operations, prospects, financial position or reputation of the Company; or*

3. *the decision in such matter is likely to affect the decision in similar matters, such that the cumulative amount involved in such matters exceeds the threshold as specified in (1) above, even though the amount involved in an individual matter may not exceed the threshold; or*

In the event any tax matters involve an amount exceeding the respective thresholds proposed in (1) above, in relation to each Relevant Party, individual disclosures of such tax matters will be included.

Further, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax/judicial/quasi-judicial/administrative authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as material litigation, until such time that a Relevant Party is impleaded as a party in any proceedings before any judicial / arbitral forum.

Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to, or in excess of, five per cent. of the total trade payables of our Company i.e. ₹ 68.74 million as at the end of the latest financial period included in the Restated Consolidated Financial Information (i.e., as at March 31, 2024), would be considered as material creditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

A. Litigation involving our Company

Criminal Litigation

Outstanding criminal litigation against our Company

1. Kumar Abhishek ("**Complainant**") filed a criminal complaint dated July 30, 2019 in the Court of Chief Judicial Magistrate, Darbhang, Bihar against our hospital in Darbhanga, Bihar, our Managing Director and certain others (collectively, the "**Respondents**"). The Complainant alleged negligence in providing treatment to his aunt, Soni Kumari Jha, at our hospital in Darbhanga, Bihar, under, *inter alia*, Sections 269, 270, 324, 326, 328, 406, 420 read with 34 of the Indian Penal Code, 1861. In connection to this matter, our Company has also filed a criminal complaint dated August 8, 2019 in the Court of Chief Judicial Magistrate, Darbhanga, Bihar against Kumar Abhishek, Soni Kumari Jha, Dainik Jagran (Bihar) and certain others alleging criminal defamation. The matters are currently pending. For further details, see *"-Litigation involving our Company – Criminal litigation – Outstanding criminal litigation by our Company – No. 1"* on page 375.

2. Sudhir Kinha ("**Complainant**") filed a criminal complaint dated July 25, 2016 in the Court of Judicial Magistrate First Class, Gurugram against our hospital in Gurugram, our Managing Director and certain other doctors and nursing and other staff of our hospital in Gurugram through our Company (collectively, the "**Respondents**"). The Complainant has alleged medical negligence, fraud, misrepresentation and criminal conspiracy on part of the Respondents in providing treatment to the Complainant's deceased father at our hospital in Gurugram. Further, the Complainant has prayed that the Respondents be punished under, *inter alia*, Sections 120-B, 193, 199, 269, 270, 287, 304-A, 417, 418, 419, 420, 465, 468, 471 and 488 of the Indian Penal Code, 1861 read with Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2022. The matter is currently pending.

3. Imtiyaz Ahmad Mir ("**Complainant**") filed a criminal complaint dated December 18, 2023 in the Court of Chief Judicial Magistrate, Pulwama, Jammu and Kashmir against our hospital in Srinagar and certain others ("**Respondent**"). The Complainant has alleged in the complaint, *inter alia*, endangerment of life, wrongful confinement, criminal breach of trust, criminal intimidation and criminal conspiracy on part of the Respondent in providing treatment to the Complainant's mother at our hospital in Srinagar. Further, the Complainant has prayed that the Respondents be punished under, *inter alia*, Sections 34, 120-B, 336, 345, 406 and 506 of the Indian Penal Code, 1861. The matter is currently pending.

Outstanding criminal litigation by our Company

1. Our Company filed a criminal complaint dated August 8, 2019 before the Chief Judicial Magistrate, Darbhanga, Bihar ("**Court**") against Kumar Abhishek, Soni Kumari Jha, Dainik Jagran (Bihar) and certain others (collectively, the "**Respondents**") alleging criminal defamation by publishing a defamatory article in the August 1, 2019 edition of the newspaper Dainik Jagran (Bihar) in relation to the treatment received by Soni Kumari Jha at our hospital in Darbhanga. The matter is currently pending. For further details in relation to the criminal complaint filed by Kumar Abhishek against our hospital in Darbhanga, Bihar, see *"- Litigation involving our Company – Criminal litigation – Outstanding criminal litigation against our Company – No. 1"* on page 375.

2. There are six cases filed by our Company pending before various judicial forums in relation to recovery of amounts due to our Company for which cheques issued in favour of our Company by our clients/debtors which have been dishonoured under Section 138 of the Negotiable Instruments Act, 1881. The aggregate amount involved in these matters is ₹ 2.80 million. The matters are currently pending.

Actions (including all penalties and show cause notices) taken by regulatory and / or statutory authorities

1. Our hospital in Panchkula received a notice dated May 16, 2024 from the Joint Director, Industrial Safety and Health-cum Assessing Authority, Head Quarter, Chandigarh, Haryana ("**Relevant Authority**") with respect to the non-furnishment of information required under Form-I as per rule 6 of the Building and Other Construction Worker's Welfare Cess Rules, 1998. Our Company has not received any further correspondence from the Relevant Authority in this matter. The matter is currently pending.

2. The superintendent of oncology of our hospital in Gurugram received a notice dated June 24, 2024 in connection with an investigation under the Prevention of Money Laundering Act, 2002 from the Assistant Director, Directorate of Enforcement, Delhi Zonal Office – II ("**Relevant Authority**") with respect to production of certain records including details of working profile and financial dealings with one Neeraj Chauhan, erstwhile manager of marketing and international sales of Paras Cancer Center ("**Accused**"), details of standard operating procedure for procurement, consumption, inventorization and disposal of life saving drugs including anti-cancer medicines and the details of procurement of Keytruda Injections including vendors from whom the Keytruda Injections were procured. Our Company has provided the requisite information and records to the Relevant Authority. The matter is in furtherance to a notice received by our Company under Section 91 of the Cr.P.C dated March 16, 2024 ("**Notice**") from the Office of the Assistant Commissioner of Police, ISC, Crime Branch, New Delhi ("**Police**") in relation to a crime syndicate that they were investigating in relation manufacturing and sale of spurious cancer medicines. The Police, by way of the Notice, sought for certain information and documents, which our Company had replied to by way of a letter dated March 26, 2024. Our Company has not received any further correspondence from the Police in this regard. The matter is currently pending. For further details, *"Risk Factors – Employee misconduct or failure to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected"* on page 38.

Other pending material litigation involving our Company

Material civil proceedings against our Company

1. Prashant Tiwari ("**Complainant**") filed a consumer complaint dated October 30, 2014 against our hospital in Gurugram before the National Consumer Disputes Redressal Commission, New Delhi ("**NCDRC**") alleging medical negligence in providing treatment to him at our hospital in Gurugram. The Complainant has sought a compensation of ₹ 20.05 million under the complaint towards, *inter alia*, loss due to pain and suffering, emotional distress and cost. Our Company has contested these allegations by way of our submissions dated January 20, 2015 and May 6, 2019. The matter is currently pending.

2. Mukul Kumar Pathak ("**Complainant**") filed a consumer complaint dated March 29, 2019 against our hospital in Patna and certain others before the National Consumer Disputes Redressal Commission, New Delhi ("**NCDRC**") alleging medical negligence in providing treatment to him at our hospital in Patna. The Complainant has sought a compensation of ₹ 21.65 million with *pendent lite* 18% interest from the date of filing the complaint till realization of the amount under the complaint towards, *inter alia*, loss due to pain and suffering, emotional distress and costs incurred. Our Company has contested these allegations by way of our submissions dated December 5, 2019. The matter is currently pending.

3. Dr. Amitabh Maini ("**Complainant**") filed a consumer complaint dated March 9, 2022 against our hospital in Gurugram and another doctor before the District Consumer Disputes Redressal Commission, Dwarka, New Delhi ("**DCDRC**") alleging medical negligence in providing treatment to his deceased father at our hospital in Gurugram. The Complainant has sought a compensation of ₹ 10.22 million under the complaint towards, *inter alia,* loss due to actual and emotional loss, pain and injury suffered by the Complainant. Our Company has contested these allegations by way of our submissions dated March 2, 2023. The Complainant has filed its rejoinder in this matter on April 22, 2024. The matter is currently pending.

4. Ankit Kumar ("**Complainant**") filed a consumer complaint dated August 30, 2023 against our hospital in Patna and our Managing Director and before the District Consumer Disputes Redressal Commission, Patna ("**DCDRC**") alleging medical negligence in providing treatment to his deceased family member at our hospital in Patna. The Complainant has sought a compensation of ₹ 60.12 million under the complaint towards, *inter alia*, loss due to physical and emotional pain and suffering, emotional distress and cost. The matter is currently pending.

5. Upwan Chachra and Nagesh Kumar Chachra ("**Complainants**") filed a consumer complaint dated October 21, 2023 against our hospital in Gurugram and four of our doctors before the District Consumer Disputes Redressal Commission, Dwarka, New Delhi ("**DCDRC**") alleging medical negligence in providing treatment to their deceased family member at our hospital in Gurugram. The Complainants have sought a compensation of ₹ 21.25 million together with *pendent lite* interest of 12% per annum under the complaint towards, *inter alia*, mental agony, harassment and loss of income and cost. Our Company has contested these allegations by way of our submissions dated February 5, 2024 and February 20, 2024. The DCDRC pursuant to its order dated May 15, 2024 held that our submissions are barred by time and were struck off.

The matter is currently pending.

6. Ghanshyam Devnani ("**Complainant**") filed a consumer complaint dated October 21, 2023 against our hospital in Gurugram and two of our doctors and two other hospitals and their doctors before the District Consumer Disputes Redressal Commission, South District – I, Qutub Institutional Area, Udyog Sadan, New Delhi ("**DCDRC**") alleging medical negligence in providing treatment to his deceased family member at our hospital in Gurugram. The Complainant has sought a compensation of ₹ 26.27 million together with *pendent lite* interest of 12% per annum under the complaint towards, *inter alia*, loss due to physical and emotional pain and suffering, emotional distress and cost. Our Company has contested these allegations by way of our submissions dated February 19, 2024. The matter is currently pending.

7. Priyanka Sharma ("**Complainant**") filed a consumer complaint dated February 18, 2024 against our hospital, Managing Director and others in Gurugram before the District Consumer Disputes Redressal Commission, Panchkula, Haryana ("**DCDRC**") alleging medical negligence in providing treatment to her at our hospital in Gurugram. The Complainant has sought a compensation of ₹ 41.60 million under the complaint towards, *inter alia*, actual expenses, loss of earning, loss due to pain and suffering and mental harassment. Our Company has contested these allegations by way of our submissions dated May 7, 2024. The matter is currently pending.

8. Neeraj Kumar Tanwar ("**Complainant**") filed a consumer complaint dated October 5, 2023 against our hospital in Gurugram before the District Consumer Disputes Redressal Commission, Alwar, Rajasthan ("**DCDRC**") alleging medical negligence in providing treatment to him at our hospital in Gurugram. The Complainant has sought a compensation of ₹ 10.01 million, along with damages of ₹ 5.00 million with *pendent lite* interest of 18% per annum under the complaint towards, *inter alia*, loss due to mental, physical and financial suffering. Our Company has contested these allegations by way of our submissions dated January 5, 2024. The matter is currently pending.

9. Ajay Bansal, Deepti Goyal, Tamana Bansal and Madhav Bansal ("**Complainants**") filed a consumer complaint dated April 26, 2024 against our Company through our Managing Director, our hospital in Panchkula and five of our doctors before the District Consumer Disputes Redressal Commission, Panchkula, Haryana ("**DCDRC**") alleging medical negligence in providing treatment to Madhav Bansal at our hospital in Panchkula. The Complainant has sought a compensation of ₹ 25.95 million together with *pendent lite* interest of 18% per annum under the complaint towards, *inter alia*, loss due to physical and emotional pain and suffering and cost. The matter is currently pending.

Material civil proceedings by our Company

Nil

B. Litigation involving our Promoter

Criminal Litigation

Outstanding criminal litigation against our Promoter

1. Sudhir Kinha ("**Complainant**") filed a criminal complaint dated July 22, 2016 against our hospital in Gurugram, our Managing Director and certain other doctors of our hospital in Gurugram. For details, see *"- Litigation involving our Company – Criminal litigation – Outstanding criminal litigation against our Company – No. 2"* on page 375.

2. Kumar Abhishek ("**Complainant**") filed a criminal complaint dated July 30, 2019 against our hospital in Darbhanga, our Managing Director and certain others (*collectively*, the "**Respondents**"). For details, see *"- Litigation involving our Company – Criminal litigation – Outstanding criminal litigation against our Company – No. 1"* on page 375.

Outstanding criminal litigation by our Promoter

Nil

Actions (including all penalties and show cause notices) taken by regulatory and/or statutory authorities

Nil

Disciplinary action taken against our Promoter in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any of the Stock Exchanges

Nil

Other pending material litigation involving our Promoter

Material civil proceedings against our Promoter

1. Ankit Kumar filed a consumer complaint dated August 30, 2023 against our hospital in Patna and our Managing Director and before the District Consumer Disputes Redressal Commission, Patna alleging medical negligence in providing treatment to his deceased family member at our hospital in Patna. For details, see *"-Litigation involving our Company – Other pending material litigation involving our Company – Material civil proceedings against our Company – No. 4"* on page 376.

2. Priyanka Sharma ("**Complainant**") filed a consumer complaint dated February 18, 2024 against our hospital, Managing Director and others in Gurugram before the District Consumer Disputes Redressal Commission, *Panchkula*, Haryana ("**DCDRC**") alleging medical negligence in providing treatment to her at our hospital in Gurugram. For details, see *"-Litigation involving our Company – Other pending material litigation involving our Company – Material civil proceedings against our Company – No. 7"* on page 377.

3. Ajay Bansal, Deepti Goyal, Tamana Bansal and Madhav Bansal ("**Complainants**") filed a consumer complaint dated April 26, 2024 against our Company through our Managing Director, hospital in Panchkula and five of our doctors before the District Consumer Disputes Redressal Commission, Panchkula, Haryana ("**DCDRC**") alleging medical negligence in providing treatment to Madhav Bansal at our hospital in Panchkula. For details, see *"-Litigation involving our Company – Other pending material litigation involving our Company – Material civil proceedings against our Company – No. 9"* on page 377.

Material civil proceedings by our Promoter

Nil

C. Litigation involving our Directors

Criminal Litigation

Outstanding criminal litigation against our Directors

Outstanding criminal litigation against Dr. Dharminder Kumar Nagar

1. Sudhir Kinha ("**Complainant**") filed a criminal complaint dated July 22, 2016 against our hospital in Gurugram, our Managing Director and certain other doctors of our hospital in Gurugram. For details, see *"-Litigation involving our Company – Criminal litigation – Outstanding criminal litigation against our Company – No. 2"* on page 375.

2. Kumar Abhishek ("**Complainant**") filed a criminal complaint dated July 30, 2019 against our hospital in Darbhanga, our Managing Director and certain others (*collectively*, the "**Respondents**"). For details, see *"-Litigation involving our Company – Criminal litigation – Outstanding criminal litigation against our Company – No. 1"* on page 375.

Outstanding criminal litigation by our Directors

Nil

Actions (including all penalties and show cause notices) taken by regulatory and/or statutory authorities

Usha Rajeev

1. The disciplinary committee of the ICAI initiated disciplinary proceedings on March, 2018 against various multinational accounting firms including the firms where our Director, Usha Rajeev was a partner (such multinational accounting firms, the "**Respondents**" and such disciplinary proceedings, the "**Proceedings**"). The Respondents were required to appoint various answerable partners to participate in such Proceedings. Our Director, Usha Rajeev was arraigned in the Proceedings in December, 2018 despite her contention that she was not one of the answerable partners in relation to the Proceedings. Our Director, Usha Rajeev filed a writ petition against ICAI in November, 2021 before the High Court of Delhi to challenge her inclusion in the Proceedings, which was dismissed by way of an order dated July 3, 2024 ("Impugned Order"). Our Director challenged the Impugned Order by way of a letters patent appeal before the High Court of Delhi and the Hight Court of Delhi, by way of an order dated July 24, 2024, has stayed the Proceedings initiated by the ICAI. The matter is currently pending.

2. The director of the disciplinary directorate ("**DD Director**") of ICAI issued a notice in June, 2015 to our Director, Usha Rajeev, in relation to an audit report signed by her in 2012, pursuant to a complaint received from the income tax department (the "**Complainant**", and such complaint, the "**Complaint**"). The DD Director, subsequently, issued a prima facie opinion in September, 2017 wherein it was stated that our Director, Usha Rajeev was not guilty of any professional misconduct ("**Preliminary Order**"). However, the board of discipline of the ICAI directed the DD Director to reconsider the Preliminary Order, and upon re-examination of the facts and evidence, the DD Director reiterated his earlier decision and by way of the second prima facie opinion in September, 2018 again held that our Director, Usha Rajeev was not guilty of any professional misconduct (the "**Order**"). Subsequent to the Order, our Director, Usha Rajeev, received a letter in February, 2019 from assistant secretary, disciplinary directorate which stated that she was found not guilty of any professional misconduct. However, the secretary of the disciplinary directorate, ICAI opined that the matter needs to be examined further and stated that a formal notice would be issued to our Director, Usha Rajeev. Our Director, Usha Rajeev responded to the disciplinary committee in February, 2019 stating that no information had been provided to her in relation to any further documentation required or examination or objections to the submissions made by her. Our Director, Usha Rajeev, further requested the disciplinary directorate to dispose of the matter altogether due to absence of any response from the Complainant to the submissions made by our Director, Usha Rajeev in response to the Complaint. The matter is currently pending.

Other pending material litigation involving our Directors

Material civil proceedings against our Directors

Dr. Dharminder Kumar Nagar

1. Ankit Kumar filed a consumer complaint dated August 30, 2023 against our hospital in Patna and our Managing Director and before the District Consumer Disputes Redressal Commission, Patna alleging medical negligence in providing treatment to his deceased family member at our hospital in Patna. For details, see *"-Litigation involving our Company – Other pending material litigation involving our Company – Material civil proceedings against our Company – No. 4"* on page 376.

2. Priyanka Sharma ("**Complainant**") filed a consumer complaint dated February 18, 2024 against our hospital, Managing Director and others in Gurugram before the District Consumer Disputes Redressal Commission, Panchkula, Haryana ("**DCDRC**") alleging medical negligence in providing treatment to her at our hospital in Gurugram. For details, see *"-Litigation involving our Company – Other pending material litigation involving our Company – Material civil proceedings against our Company – No. 7"* on page 377.

3. Ajay Bansal, Deepti Goyal, Tamana Bansal and Madhav Bansal ("**Complainants**") filed a consumer complaint dated April 26, 2024 against our Company through our Managing Director, hospital in Panchkula and five of our doctors before the District Consumer Disputes Redressal Commission, Panchkula, Haryana ("**DCDRC**") alleging medical negligence in providing treatment to Madhav Bansal at our hospital in Panchkula. For details, see *"-Litigation involving our Company – Other pending material litigation involving our Company – Material civil proceedings against our Company – No. 9"* on page 377.

Material civil proceedings by our Directors

1. Kabir Thakur has filed a civil suit before the High Court of Bombay against Jasani Realty Private Limited and others, inter *alia*, for recovery of money and rights and title over property. The amount claimed by Kabir Thakur in this matter aggregates to ₹75.00 million, along with an interest of 12% per annum. The matter is currently pending.

D. Litigation involving our Subsidiaries

Outstanding criminal litigation against our Subsidiaries

Nil

Outstanding criminal proceedings by our Subsidiaries

Nil

Actions (including all penalties and show cause notices) taken by regulatory and/or statutory authorities

Paras Healthcare (Ranchi) Private Limited

1. PHRPL's hospital in Ranchi received a notice dated March 2, 2024 from the Ranchi Municipal Corporation, Ranchi ("**Relevant Authority**") with respect to the self-assessment of our hospital in Ranchi and payment of holding tax. PHRPL has not received any further correspondence from the Relevant Authority in this matter.

Other pending material litigation involving our Subsidiaries

Material civil proceedings against our Subsidiaries

Nil

Material civil proceedings by our Subsidiaries

Nil

E. Tax proceedings involving our Company, our Subsidiaries, our Promoter and our Directors

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, our Subsidiaries our Promoter, and our Directors.

Nature of case	Number of cases^	Demand amount involved#^ (in ₹ million)
Our Company		
Direct tax	17*	9.85
Indirect tax	Nil	Nil
Our Subsidiaries		
Direct tax	3**	0.78
Indirect tax	2	20.72
Our Promoter		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Our Directors (other than our Promoter)		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil

^ As certified by Suri & Sudhir, Chartered Accountants, by way of their certificate dated July 31, 2024.
 # To the extent quantifiable.
** There are 17 pending income tax matters involving the Company, out of which 14 are related to income tax assessment. The amount involved in such matters cannot be ascertained at this stage and therefore, financial impact is not quantifiable.*
*** This includes an appeal filed in the High Court of Judicature for Rajasthan, Jodhpur by the Income Tax Department challenging the order passed by the Income Tax Appellate Tribunal, Mumbai ("**ITAT**") in favour of Plus Medicare Hospitals Private Limited. The amount*

involved in this matter cannot be ascertained at this stage and therefore financial impact is not quantifiable.

Material taxation matters involving our Company

Nil

Material taxation matters involving our Promoter

Nil

Material taxation matters involving our Subsidiaries

Plus Medicare Hospitals Private Limited

One of our Subsidiaries, Plus Medicare Hospitals Private Limited (the "**Subsidiary**"), received a show cause notice under section 73 of the GST Act, 2017 dated January 4, 2024 ("**Notice**") from the Office of the State Tax Office Circle – D, State Tax Department, Solina, Srinagar, Jammu and Kashmir ("**Relevant Authority**") in relation to the alleged suppression of tax due during the accounting year 2023-2024 with the cumulative demand (including interest and penalty) aggregating up to ₹ 20.70 million. Our Company has responded to the Notice by way of a letter dated February 3, 2024, stating that there has not been any suppression of tax and the tax as per the applicable rates has been deposited. The matter is currently pending.

Material taxation matters involving our Directors

Nil

F. Outstanding dues to creditors

As per the Materiality Policy of our Company, a creditor of our Company shall be considered to be material ("**Material Creditors**") for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditor by our Company is equal to, or in excess of 5% of the total trade payables of our Company as at the end of the latest financial period mentioned in the Restated Consolidated Financial Information (i.e., March 31, 2024). Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 68.74 million as on March 31, 2024. As of March 31, 2024, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

Sr. No.	Type of creditor	Number of creditors	Amount outstanding (in ₹ million)
1.	Dues to micro, small and medium enterprises	301	279.28
2.	Dues to Material Creditor	Nil	Nil
3.	Dues to other creditors	1,504	593.10
	Total	1,805	872.38

There are no outstanding dues to Material Creditors. It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

G. Litigation involving our Group Companies

As on the date of this Draft Red Herring Prospectus, our Company does not have any group companies.

H. Material Developments

Except as disclosed in the section *"Management's Discussions and Analysis of Financial Condition and Results of Operations"* on page 334, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

I. Other Confirmations

There are no findings/observations of any inspections by SEBI or any other regulators that are material, and which need to be disclosed or non-disclosure of which may have bearing on the investment decision. Further, our Company has not received any findings/observations from SEBI pursuant to the Offer, as on the date of this Draft Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals issued by relevant central and state authorities under various rules and regulations, each as amended. Set out below is an indicative list of all approvals, licenses, consents, registrations and permits obtained by our Company and our Material Subsidiaries, from various governmental, statutory and regulatory authorities, as applicable, which are considered material and necessary for the purpose of undertaking our business activities ("**Material Approvals**") and except as disclosed below we have obtained all Material Approvals. Except as disclosed below, no further Material Approvals are required to undertake our current business activities and operations. Certain approvals, licenses and registrations may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. Unless stated otherwise, these Material Approvals are valid as on the date of this Draft Red Herring Prospectus.*

For further details of risk associated with expiry, not obtaining, or delay in obtaining the requisite approvals or renewal of expired approvals, see "Risk Factors - Any failure to obtain or renew approvals, licenses, registrations and permits required to operate our business in a timely manner, or at all, may adversely affect our business, results of operations and financial condition" Our industry is highly regulated and requires us to obtain, renew and maintain statutory and regulatory permits, accreditations, licenses and comply with applicable safety, health, environmental, labour and other governmental regulations. Any regulatory changes or violations of such rules and regulations may adversely affect our business, financial condition and results of operations" on page 37. Further, for further details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies" on page 223.

I. Approvals in relation to the Offer

For details in relation to the approvals and authorizations in relation to the Offer, see *"The Offer"* and *"Other Regulatory and Statutory Disclosures"* on pages 59 and 389, respectively.

II. Incorporation details of our Company and our Material Subsidiaries

1. Certificate of incorporation dated December 21, 1987, issued by RoC to our Company, under the name of Arbian Frozen Food Private Limited.
2. Our Company became a deemed public company as per Section 43A(1)(a) of the Companies Act, 1956 with effect from July 1, 1993, consequent to which its name was changed to "Arbian Frozen Foods Limited", by deletion of the word 'Private'.
3. Consequent to the amendment in Section 43A(2)(a) of the Companies Act, 1956 by the Companies (Amendment) Act, 2000, our Company was re-converted from a deemed public company to a private limited company and the name of our Company was changed to 'Arbian Frozen Foods Private Limited' and the certificate of incorporation consequent to the change in name of our Company was endorsed by the RoC on June 16, 2003.
4. Certificate of incorporation dated July 21, 2003, issued by RoC consequent upon change of our Company's name from "Arbian Frozen Food Private Limited" to "Paras Healthcare Private Limited" to reflect the change in our business activity from frozen foods to healthcare services.
5. Certificate of incorporation dated July 18, 2024 issued by the RoC to our Company, pursuant to conversion from a private company to a public limited company and change of our name to 'Paras Healthcare Limited'.
6. The corporate identity number of our Company is U85110HR1987PLC035823.
7. Certificate of incorporation dated December 29, 2017 issued by RoC to PHRPL.
8. The corporate identity number of PHRPL is U85110HR2017PTC072032.
9. Certificate of incorporation dated March 11, 2011 issued by the Registrar of Companies, Rajasthan at Jaipur to PMHPL.
10. Certificate of incorporation dated October 16, 2023 issued by the RoC to PMHPL consequent to change in registered office address from the State of Rajasthan to the State of Haryana.
11. The corporate identity number of PMHPL is U85110HR2011PTC115787.

For further details in relation to incorporation of our Company and our Material Subsidiaries, see "*History and Certain Corporate Matters*" on page 237.

III. Material approvals in relation to our hospitals and laboratory

The material registrations and approvals required to be obtained by: (i) our Company for our currently operational hospitals at Gurugram ("**Gurugram I**"), Patna, Panchkula ("**Panchkula I**"), Udaipur, Darbhanga, Kanpur (collectively referred to as the "**Company Hospitals**") and for our hospitals proposed to be set up at Gurugram ("**Gurugram II**"), Panchkula ("**Panchkula II**"), and Ludhiana (together with the hospital at Gurugram II and Panchkula II, referred to as the "**Proposed Hospitals**"); (ii) our Material Subsidiaries for our currently operational hospitals at Ranchi and Srinagar (together with the Company Hospitals, collectively referred to as the "**Operational Hospitals**"); and/or (iii) our Company for our laboratory in Gurugram ("**Gurugram Lab**") include the following (to the extent applicable):

A. *Operational Hospitals*

Business related approvals

1. Registrations issued by the relevant state authority under the Clinical Establishments (Registration and Regulation) Act, 2010 or under respective state clinical establishment legislation and rules thereunder, as applicable.
2. Licence to operate, registrations for operation of medical equipment, registrations for operation of nuclear facilities and approval of radiology safety officer issued by the Atomic Energy Regulatory Board under the Atomic Energy Act, 1962 and rules thereunder.
3. Registrations issued by the relevant municipal authority in relation to, *inter alia*, genetic counselling, pre-natal diagnostic procedures, pre-natal diagnostic tests, and ultrasonography under the Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994, Pre-natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 and the rules thereunder.
4. License issued by the state government under the Medical Termination of Pregnancy Act, 1971 to undertake medical termination of pregnancy in accordance with the applicable law.
5. Licenses issued by the Directorate of Health Services of the relevant state under the Transplantation of Human Organs and Tissues Act, 1994 to facilitate transplantation of kidney and liver from living participants and cadavers.
6. Licenses issued by the Food and Drugs Administration of the relevant state under the Drugs and Cosmetics Act, 1940 to sell, stock, exhibit or offer for sale or distribute (in retail or wholesale) drugs at our facilities, to establish and operate blood banks for collection, storage and sale of, inter alia, whole human blood and its components.
7. Licenses issued by Food and Drugs Administration of the relevant state under the Narcotic Drugs and Psychotropic Substances Act, 1985, and applicable rules made by the State Government for possessing and dealing with narcotics and psychotropic substances.
8. Licenses issued by the Petroleum and Explosives Safety Organisation under the Indian Explosives Act, 1884 and Static and Mobile Pressure-Vessel (Unfired) Rules, 2016 for transport of compressed gas in a pressure vessel by a vehicle, storage, and transport of liquid oxygen by compressed gas road tanker.
9. Licenses under Indian Boilers Act, 1923 to operate boilers; and licenses under the Petroleum Act, 1934 to, inter alia, store medical oxygen and for installation, import and storage of petroleum.
10. License for the use and store of ethanol, denatured spirit under applicable state excise laws.
11. Fire safety no objection certificate issued by the municipal authority under the relevant state legislation.
12. Accreditations issued by the National Accreditation Board for Hospitals and Healthcare Providers and National Accreditation Board for Testing and Calibration Laboratories.

Environment approvals

Authorizations under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 and the Biomedical Waste Management Rules, 2016 issued by the relevant state pollution control board.

Building approvals

Approvals and licenses under applicable legislations, including, *inter alia*, building plan approvals, building completion certificates, occupancy certificates, fire NOCs, height clearances and lift operating certificates from local authorities, as applicable.

Other approvals

We have also obtained registrations and license issued by the Food and Drugs Administrations under the Food Safety and Standard Act, 2006 to operate canteens and undertake catering at our Operational Hospitals.

B. *Proposed Hospitals*

The Material Approvals currently required to obtained: (i) by the lessors under the relevant arrangements entered into by our Company with such lessors, for the Proposed Hospitals at Gurgaon II and Ludhiana, and (ii) by us, for the Proposed Hospital at Panchkula II, for which we have acquired land, include the following:

1. Fire safety no objection certificate issued by the municipal authority under the relevant state legislation.

2. Sanction of building plan issued by town planning department of the relevant State Government.

3. Environmental clearance issued by environment impact assessment authority of the relevant State Government.

4. Consent to establish issued by the pollution control board of the relevant State Government.

IV. Tax related approvals of our Company and our Material Subsidiaries

1. Our Company's PAN is AADCP0478K.

2. The PAN of PHRPL is AAJCP6043N.

3. The PAN of PMHPL is AAFCP9241A.

4. The tax identification numbers which our Company and our Material Subsidiaries have obtained for our Registered and Corporate Office, Operational Hospitals and Gurugram Lab are:

S. No	Description	Tax identification number
	Company	
1.	Registered and Corporate Office	RTKP10157A
2.	Gurugram Lab	RTKP15149B
3.	Gurugram I	RTKP03820F
4.	Patna	PTNP02548A
5.	Panchkula I	RTKP09579D
6.	Udaipur	JDHP08926B
7.	Darbhanga	PTNP03178A
8.	Kanpur	KNPP03127F
	Material Subsidiaries	
9.	Ranchi	RCHP02253G
10.	Srinagar	AMRP15805G

5. Our Company and our Material Subsidiaries have been issued GST registration numbers by the Government of India in various states of our operations, as applicable.

6. Our Company and our Material Subsidiaries have been issued professional tax registrations, issued under the relevant applicable state legislations.

V. Material labour and employment related approvals

1. Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
2. Registration for employees' insurance issued by the Employees State Insurance Corporation of different states in India where we operate under the Employees' State Insurance Act, 1948.
3. Registration as a principal employer under the Contract Labour (Regulation and Abolition) Act, 1970, issued by the relevant registering officer.
4. Shops and establishments registrations issued by the ministry or department of labour of relevant state government under applicable provisions of the shops and establishments legislation of relevant states for our Registered and Corporate Office, Operational Hospitals and Gurugram Lab.
5. Trade license issued by appropriate local municipalities under applicable local municipality laws.

VI. Material approvals or renewals applied for but not received

Except as disclosed below, as on date of this Draft Red Herring Prospectus, there are no material approvals applied for, including renewal applications, that have not been received by our Company and Material Subsidiaries:

S. No.	Description	Authority	Date of application
Patna			
1.	License to operate blood bank for storage and processing of whole human blood, preparation of blood components and apheresis	The State Drugs Controller Cum Chief Licensing Authority, Patna, Bihar	April 9, 2024
Udaipur			
2.	Certificate of provisional registration under the Clinical Establishments (Registration and Regulation) Act, 2010.	Civil Surgeon cum Chief Medical Officer	June 13, 2024
Darbhanga			
3.	Certificate of provisional registration under the Clinical Establishments (Registration and Regulation) Act, 2010.	Civil Surgeon cum Chief Medical Officer	January 30, 2024
4.	License under the Narcotic Drugs and Psychotropic Substances Act, 1985, to possess, import and transport narcotic drugs.	The State Drugs Controller-cum-Licensing Authority, Bihar	March 13, 2024
Kanpur			
5.	License to operate blood bank for storage and processing of whole human blood, preparation of blood components and apheresis	The State Drugs Controller Cum Chief Licensing Authority, Kanpur, Uttar Pradesh	May 14, 2024
6.	Building completion certificate	Kanpur Development Authority	October 19, 2023
Ranchi			
6.	Certificate of registration under Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 and the Biomedical Waste Management Rules, 2016.	Jharkhand State Pollution Control Board	June 8, 2024
7.	Trade license	Ranchi Municipal Corporation	May 16, 2024
8.	Consent to Operate under Water (Prevention & Control of Pollution) Act, 1975 and the Air (Prevention & Control of Pollution) Act, 1981	Jharkhand State Pollution Control Board	June 8, 2024
Srinagar			

S. No.	Description	Authority	Date of application
9.	Certificate of provisional registration under the Clinical Establishments (Registration and Regulation) Act, 2010.	Civil Surgeon cum Chief Medical Officer	May 16, 2024
10.	Certificate of registration under Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982.	Jammu & Kashmir State Pollution Control Board	June 8, 2024
11.	License for medical termination of pregnancy under the Medical Termination of Pregnancy Act, 1971	Chief Medical Officer, Srinagar	July 3, 2024
Ludhiana			
12.	Environmental Clearance	Directorate of Environment and Climate Change, Punjab	May 29, 2024
Gurugram Lab			
13.	Certificate of provisional registration under the Clinical Establishments (Registration and Regulation) Act, 2010.	Civil Surgeon cum Chief Medical Officer	June 5, 2024
14.	Certificate of registration under Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982.	Haryana State Pollution Control Board	January 30, 2024
15.	Certificate of registration under the Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Board, 1975.	Haryana State Pollution Control Board	January 30, 2024

VII. Material approvals expired and renewals yet to be applied for

Nil

VIII. Material approvals required but yet to be obtained or applied for

S. No.	Description	Authority
Patna		
1.	Building completion certificate	Patna Regional Development Authority
2.	Approval of the radiological safety officer	Atomic Energy Regulatory Board
Ludhiana*		
3.	Consent to Establish	Punjab Pollution Control Board
Panchkula II*		
4.	Approval for change of land use	Director, Urban Local Bodies
5.	Environmental clearance	Ministry of Environment, Forest and Climate Change
6.	Building plan approval	Municipal Corporation of Gurugram
7.	Fire no objection certificate	Directorate of fire and emergency services
8.	Consent to establish	Haryana State Pollution Control Board

**The hospitals at Ludhiana and Panchkula II are pending completion and the applications for the approvals required will be filed, as and when required.*

IX. Intellectual property rights

As on the date of this Draft Red Herring Prospectus, our Company has registered 18 trademarks, has made applications for 24 trademarks and has opposed registration of 12 trademarks. Further, our applications for trademark registrations are at different stages of registration and some of them have been objected to or opposed (including our application for registration of our corporate logo), for which our Company has suitably responded. For details, see "*Risk Factors - Our inability to protect or use our intellectual property rights or comply with intellectual property rights of others may have an adverse effect on our business and reputation*" and "*Our Business – Intellectual Property*" on page 34 and 220 respectively.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term 'group companies', includes (i) such companies (other than the subsidiary(ies) of the issuer company) with which the issuer company had related party transactions, during the period for which financial information will be disclosed in the offer documents, as covered under the applicable accounting standards and (ii) any other companies considered 'material' by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Subsidiaries) with which there were related party transactions during the periods covered in the Restated Consolidated Financial Information, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

In addition, for the purposes of (ii) above, a company (other than our Subsidiaries and companies categorized under (i) above) a company shall be considered "material" and will be disclosed as a "group company" if such company forms part of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and with which the Company has had one or more transactions in the most recent financial year or the relevant stub period, as applicable, which individually or in the aggregate, exceed 10% of the revenue from operations of the Company for the last completed fiscal year or the relevant stub period, as applicable, as per the Restated Consolidated Financial Information.

Accordingly, on the basis of the Materiality Policy for identification of Group Companies, there is no company which has been identified as our Group Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by our Board pursuant to a resolution adopted at its meeting held on July 22, 2024 and by our Shareholders pursuant to a special resolution adopted at its meeting held on July 25, 2024, in accordance with Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated July 30, 2024. Our Board and the IPO Committee have approved this Draft Red Herring Prospectus on July 30, 2024 and July 31, 2024, respectively.

Each of the Selling Shareholder have confirmed and approved their participation in the Offer for Sale in relation to their respective portion of the Offered Shares, as set out below:

Name of the Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)	Number of Equity Shares offered in the Offer for Sale	Date of board resolution/ authorization to participate in the Offer for Sale	Date of consent letter
Dr. Dharminder Kumar Nagar	[●]	Up to 2,928,320 Equity Shares	-	July 30, 2024
Commelina Ltd	[●]	Up to 12,045,690 Equity Shares	July 12, 2024	July 30, 2024

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter (who is also a Selling Shareholder), members of the Promoter Group, the Investor Selling Shareholder, persons in control of our Company, Directors are not debarred or prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the past five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoter or Directors have neither been declared as Wilful Defaulters or Fraudulent Borrowers.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter (who is also a Selling Shareholder), our Directors and members of Promoter Group and the Investor Selling Shareholder, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable in relation to their respective holding in our Company, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for undertaking the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

"An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-five per cent. of the offer to qualified institutional buyers and to refund the full subscription money if it fails to do so."

We are an unlisted company not satisfying the conditions specified in Regulation 6(1)(a) and (b) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations. As set forth below, while our Company had net tangible assets of more than ₹30 million, calculated on a restated basis, in the three preceding years, more than 50% of our net tangible assets were held in monetary assets. Additionally, our Company does not have an average operating profit of at least ₹ 150 million, calculated on a restated and on consolidated basis, during the preceding three financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.

Unless stated otherwise, the computation of net tangible assets, operating profit, net worth, monetary assets, as restated as derived from the Restated Consolidated Financial Information, is set forth below:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Tangible Assets (A) *(₹ in million)*	3,310.28	243.67	722.27
Operating Profit (B) *(₹ in million)*	(153.54)	(451.86)	(101.97)
Net Worth (C) *(₹ in million)*	3,385.08	301.06	731.09
Monetary Assets, as restated (D) *(₹ in million)*	1,618.49	1,618.06	1,995.50
Monetary Assets, as restated as a % of Net Tangible Assets (E)=(D)/(A) (in %)	48.89%	664.04%	276.28%

Notes:

1. *Net tangible assets have been defined in Regulation 2(1)gg of the SEBI ICDR Regulations as the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 .*
2. *Operating Profit = Net profit after Tax + Tax Expense – Other Income.*
3. *Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2024; 2023 and 2022, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.*
4. *Monetary assets means cash and cash equivalents, bank balance other than cash and cash equivalents and balances with banks in deposits with maturities of more than 12 months.*

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Net Offer is proposed to be Allotted to QIBs. Provided that in accordance with Regulation 40(3) of the SEBI ICDR Regulations, the QIB Portion will not be underwritten by the Underwriters, pursuant to the Underwriting Agreement. in the event that we fail to do so, the full Bid Amounts shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws. Further, not more than 15% of the Net Offer shall be available for allocation to NIBs of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations

The Offered Shares are eligible to be offered for sale in accordance with Regulations 8 and 8A of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

Further, in accordance with the conditions specified in Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and with ensure compliance with conditions specified in Regulation 7(2) of the SEBI ICDR Regulations.

Further, our Company confirms that it is not ineligible to undertake the Offer, in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The details of compliance with Regulation 5 and Regulation 7 (1) of the SEBI ICDR Regulations are as follows:

a. None of our Company, our Promoter (who is also a Selling Shareholder), members of our Promoter Group, the Investor Selling Shareholder or our Directors are debarred from accessing the capital markets by the SEBI;
b. None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI;
c. Neither our Company nor our Promoter or Directors are categorised as a Wilful Defaulter or a Fraudulent Borrower;
d. Neither our Promoter nor our Directors have been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018);
e. There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;
f. Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated July 10, 2024 and July 9, 2024 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
g. The Equity Shares of our Company held by our Promoter are in dematerialised form;
h. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and
i. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED, IIFL SECURITIES LIMITED AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JULY 31, 2024. IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act, 2013. All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoter, Directors and Book Running Lead Managers

Our Company, our Promoter, Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.parashospitals.com, or the website of any affiliate of our Company or the Selling Shareholders, would be doing so at their own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Book Running Lead Managers to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter, members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its directors, the Promoter, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer from the Selling Shareholders

The Selling Shareholders accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.parashospitals.com, or the respective websites of our Promoter Group or any affiliate of our Company (to the extent applicable) would be doing so at his or her own risk. The Selling Shareholders, their directors, affiliates, associates, and officers accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholders in relation to themselves as a Selling Shareholders and their respective portion of the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholders and their directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholders and their directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Haryana, India only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds (registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹ 250 million), National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India registered with the Insurance Regulatory and Development Authority of India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and 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 in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. Each of the Selling Shareholder confirms that it shall extend reasonable support and co-operation (to the extent of its portions of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

Other than (a) the listing fees, audit fees of the statutory auditors (other than to the extent attributable to the Offer), corporate or advertisements expenses in the ordinary course of business by the Company (not in connection with the Offer), and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which will be borne solely by the Company, and ((b) fees and expenses in relation to the legal counsel to any of the Selling Shareholders which shall be borne by the respective Selling Shareholders, all costs, charges, fees and expenses that are associated with and incurred solely in connection with the Offer including, *inter-alia*, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the Registrar of Companies and any other Governmental Authority, advertising, printing, road show expenses, accommodation and travel expenses, fees and expenses of the legal counsel to the Company and the Indian and international legal counsel to the BRLMs, fees and expenses of the statutory auditors (to the extent related to the Offer), registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLMs, Syndicate Members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be shared by the Company and each of the Selling Shareholders in proportion to the number of Equity Shares issued and/or transferred by the Company and each of the Selling Shareholders in the Offer in respect of their respective portion of the Offered Shares, respectively, except as may be prescribed by the SEBI or any other regulatory authority. The Company agrees to pay the cost and expenses of the Offer on behalf of the Selling Shareholders in the first instance, (in accordance with the appointment or engagement letter or memoranda of understanding or agreements with such entities), and each of the Selling Shareholders agrees that it shall reimburse the Company, in proportion to its respective portion of the Offered Shares, for any documented expenses incurred by the Company on behalf of such Selling Shareholder, subject to receipt of supporting documents for such expenses upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer in accordance with applicable law, except for such costs and expenses, in relation to the Offer which are paid for directly by the Selling Shareholders. In the event that the Offer is postponed or withdrawn or abandoned for any reason or the Offer is not successful or consummated, all Offer expenses will be borne in accordance with, and subject to applicable law and as mutually agreed amongst the Company and the Selling Shareholders.

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, Banker(s) to the Company, legal counsels to our Company as to Indian law, the Book Running Lead Managers, the Registrar to the Offer, Statutory Auditor, independent chartered accountant, independent practising company secretary, CRISIL MI&A in their respective capacities, have been obtained; (b) consents of the Monitoring Agency; the Syndicate Members, the Banker(s) to the Offer/ Public Offer Account Bank(s)/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Banks, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent dated July 31, 2024, from CRISIL MI&A, for inclusion of CRISIL Report on "*Assessment of Healthcare delivery sector India with a focus on North India*" dated July 2024 in this Draft Red Herring Prospectus.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

i. Our Company has received written consent dated July 31, 2024 from Walker Chandiok & Co LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated July 22, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated July 31, 2024 on the statement of tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

ii. Our Company has received written consent dated July 28, 2024 from Suri & Sudhir, Chartered Accountants, to include its name as an independent chartered accountant as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

iii. Our Company has received written consent dated July 22, 2024 from Faraaz Shamsi & Associates, to include their name as the independent practicing company secretary as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Other than as disclosed in "*Capital Structure - Notes to the Capital Structure - Share capital history of our Company - Equity Share capital*" on page 74, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring

Prospectus, none of our Subsidiaries have any equity listed on any stock exchange. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any group companies or associates.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years by our Company.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken a public or rights issue, as defined under the SEBI ICDR Regulations, in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed Subsidiaries or any corporate promoter.

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Price information of past issues handled by the Book Running Lead Managers

A. ICICI Securities Limited

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited:*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Entero Healthcare Solutions Limited^	16,000.00	1,258.00(1)	February 16, 2024	1,149.50	-19.65% [+0.30%]	-19.84% [+0.77%]	NA*
2	Juniper Hotels Limited^^	18,000.00	360.00	February 28, 2024	365.00	+43.76% [+1.71%]	+21.22% [+4.47%]	NA*
3	Popular Vehicles and Services Limited^^	6,015.54	295.00	March 19, 2024	289.20	-15.59% [+1.51%]	-13.67% [+7.55%]	NA*
4	Bharti Hexacom Limited^	42,750.00	570.00	April 12, 2024	755.20	+58.25% [-2.13%]	+85.03% [+7.65%]	NA*
5	JNK India Limited^^	6,494.74	415.00	April 30, 2024	621.00	+54.47% [+0.44%]	+81.75% [+9.87]	NA*
6	Aadhar Housing Finance Limited^^	30,000.00	315.00(2)	May 15, 2024	315.00	+25.56% [+5.40%]	NA*	NA*
7	Go Digit General Insurance Limited^^	26,146.46	272.00	May 23, 2024	286.00	+22.83% [+2.32%]	NA*	NA*
8	Awfis Space Solutions Limited^^	5,989.25	383.00(3)	May 30, 2024	435.00	+34.36% [+6.77%]	NA*	NA*
9	Stanley Lifestyles Limited^	5,370.24	369.00	June 28, 2024	499.00	+55.96% [+2.91%]	NA*	NA*
10	Allied Blenders and Distillers Limited^^	15,000.00	281.00(4)	July 2, 2024	320.00	+9.68% [+3.43%]	NA*	NA*

**Data not available*
^BSE as designated stock exchange
^^NSE as designated stock exchange
(1) Discount of Rs. 119 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 1,258.00 per equity share.
(2) Discount of Rs. 23 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 315.00 per equity share.
(3) Discount of Rs. 36 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 383.00 per equity share.
(4) Discount of Rs. 26 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 281.00 per equity share.

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	**Between 25%-50%**	**Less than 25%**	**Over 50%**	**Between 25%-50%**	**Less than 25%**	**Over 50%**	**Between 25%-50%**	**Less than 25%**	**Over 50%**	**Between 25%-50%**	**Less than 25%**
2024-25*	7	1,31,750.69	-	-	-	3	2	2	-	-	-	-	-	-
2023-24	28	2,70,174.98	-	-	8	5	8	7	-	1	2	10	3	6
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2

* This data covers issues up to YTD

Notes:

1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.
2. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day

B. IIFL Securities Limited

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by IIFL Securities Limited:*

Sr. No.	Issue name	Issue size ₹ millions	Issue price (₹)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Cello World Limited	19,000.00	648.00(1)	NSE	November 6, 2023	829.00	+21.92%,[+7.44%]	+32.99%,[+12.58%]	+40.57%,[+15.78%]
2	Protean eGov Technologies Limited	4,892.02	792.00(2)	BSE	November 13, 2023	792.00	+45.21%,[+7.11%]	+73.18%,[+10.26%]	+45.85%,[+11.91%]
3	ASK Automotive Limited	8,339.13	282.00	NSE	November 15, 2023	303.30	+2.73%,[+7.66%]	+6.29%,[+9.86%]	+5.05%,[+12.10%]
4	DOMS Industries Limited	12,000.00	790.00(3)	BSE	December 20, 2023	1400.00	+80.59%,[+0.97%]	+82.13%,[+3.18%]	+143.28%,[+9.20%]
5	Medi Assist Healthcare Services Limited	11,715.77	418.00	BSE	January 23, 2024	465.00	+22.32%,[+3.20%]	+15.66%,[+3.86%]	+33.86%,[+14.54%]
6	R K Swamy Limited	4,235.60	288.00	BSE	March 12, 2024	252.00	-1.30%,[+1.86%]	-6.70%,[+4.11%]	N.A.
7	Bharti Hexacom Limited	42,750.00	570.00	BSE	April 12, 2024	755.20	+58.25%,[-2.13%]	+85.03%,[+7.65%]	N.A.
8	JNK India Limited	6,494.74	415.00	NSE	April 30, 2024	621.00	+54.47%,[+0.44%]	+81.75%,[+9.87%]	N.A.
9	Go Digit General Insurance Limited	26,146.46	272.00	NSE	May 23, 2024	286.00	+22.83%,[+2.32%]	N.A.	N.A.
10	Awfis Space Solutions Limited	5,989.25	383.00(4)	NSE	May 30, 2024	435.00	+34.36%,[+6.77%]	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) *A discount of Rs. 61 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(2) *A discount of Rs. 75 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(3) *A discount of Rs. 75 per equity share was offered to eligible employees bidding in the employee reservation portion.*
(4) *A discount of Rs. 36 per equity share was offered to eligible employees bidding in the employee reservation portion.*

Note: Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

3. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by IIFL Securities Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-23	12	1,06,650.92	-	-	4	-	4	4	-	-	3	1	4	4
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	-	5	4	5
2024-25	4	81,380.45	-	-	-	2	1	1	-	-	-	-	-	-

Source: www.nseindia.com; www.bseindia.com, as applicable

Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

NA means Not Applicable.

C. **Motilal Oswal Investment Advisors Limited**

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Motilal Oswal Investment Advisors Limited*

S. No.	Issue name	Designated Stock Exchange	Issue size (₹ in million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	R K Swamy Limited (6)	BSE	4,235.60	288.00	March 12, 2024	252.00	-1.30% [+1.86%]	-6.70% [+4.11%]	Not applicable
2.	Happy Forgings Limited	NSE	10,085.93	850.00	December 27, 2023	1000.00	+14.06% [-1.40%]	+4.44% [+2.04%]	+42.78% [+8.53%]
3.	Cello World Limited (5)	NSE	19,000.00	648.00	November 06, 2023	829.00	+21.92% [+7.44%]	+32.99% [+12.58%]	+40.57% [+15.78%]
4.	Updater Services Limited	BSE	6,400.00	300.00	October 04, 2023	299.90	-13.72% [-1.76%]	+9.05% [+10.80%]	6.77% [+12.92%]
5.	Sai Silks (Kalamandir) Limited	BSE	12,009.98	222.00	September 27, 2023	230.10	+8.09% [-4.49%]	+25.09% [+7.54%]	-12.30% [+10.15%]
6.	Rishabh Instruments Limited	NSE	4907.83	441.00	September 11, 2023	460.05	+20.12% [-1.53%]	+13.24% [+4.87%]	+5.94% [+12.49%]
7.	IKIO Lighting Limited	BSE	6,065.00	285.00	June 16, 2023	391.00	+44.77% [+4.22%]	+23.84% [+6.44%]	+23.86% [+9.73%]
8.	Radiant Cash Management Limited	NSE	2,566.41	94.00	January 04, 2023	103.00	+2.55% [-2.40%]	2.23% [-3.75%]	-1.31% [+6.35%]
9.	Tamilnad Mercantile Bank Limited	BSE	8,078.40	510.00	September 15, 2022	510.00	-8.43% [-3.36%]	+2.14% [+4.34%]	-11.07% [-1.33%]
10.	Dreamfolks Services Limited	BSE	5,621.01	326.00	September 6, 2022	505.00	+12.07% [-1.91%]	+14.80% [+6.20%]	+12.94%, [+1.24%]

Notes:

1. *The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the Designated Stock Exchange.*
2. *Price is taken from NSE or BSE, depending upon Designated Stock Exchange for the above calculations.*
3. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
4. *Not applicable – Period not completed.*
5. *A discount of Rs. 61 per Equity Share was offered to eligible employees bidding in the employee reservation portion.*
6. *A discount of Rs. 27 per Equity Share was offered to eligible employees bidding in the employee reservation portion.*

2. *Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	7	62,704.34	-	-	2	-	1	4	-	-	1	-	2	3
2022-23	3	16,265.81	-	-	1	-	-	2	-	-	2	-	-	1

** The information is as on the date of the DRHP.*
The information for each of the financial years is based on issues listed during such financial year.
Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available
Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the Book Running Lead Managers, as set forth in the table below:

Sr. No.	Name of Book Running Lead Managers	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	IIFL Securities Limited	www.iiflcap.com
3.	Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances or such period as prescribed under applicable laws.

All Offer related grievances (other than of Anchor Investors) may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Managers where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI, by way of its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 2021 Circular**") read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 ("**June 2021 Circular**") and amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Master Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and any subsequent circulars, as applicable has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Subsequently, SEBI vide its June 2021 Circular, modified the process timelines and extended the implementation timelines for certain measures introduced by the March 2021 Circular.

As per the March 2021 Circular read with the June 2021 Circular and amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank(s) to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for nonallotted/ partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular

SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Master Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Master Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on the SEBI SCORES platform and will comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our

Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Rahul Kumar, as the Company Secretary and Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information*" on page 66.

Our Company has also constituted a Stakeholders' Relationship Committee comprising of Upendra Prasad Singh, Dr. Kapil Garg and Kabir Thakur as members, to review and redress shareholder and investor grievances. For details, see "*Our Management – Corporate Governance – Committees of our Board – Stakeholders' Relationship Committee*" on page 256.

Other Confirmations

None of our Promoter or Directors appear in the list of directors of the struck-off companies issued by the registrar of companies / Ministry of Corporate Affairs. None of the individual members of our Promoter Group are associated with any company as a promoter or director, name of which appears in the list of shell companies or vanishing companies. Further, none of the entities forming part of the Promoter Group appear in the list of struck-off companies issued by the registrar of companies / Ministry of Corporate Affairs.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not sought nor applied for any exemption from SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, RBI Approval, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. For details in relation to the sharing of Offer expenses amongst our Company and each of the Selling Shareholders, see "*Objects of the Offer*" on page 90.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and Allotted/ transferred in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall be *pari passu* with the existing Equity Shares in all respects including voting and right to receive dividends. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" beginning on page 444.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the MoA and AoA and provisions of the SEBI Listing Regulations and any other guidelines, regulations or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" beginning on pages 271 and 444, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹1 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band, Employee Discount (if any) and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the Book Running Lead Managers, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper (Hindi also being the regional language of Haryana, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company in consultation with the Book Running Lead Managers, after the Bid/ Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or "e-voting", in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see "*Description of Equity Shares and Terms of Articles of Association*" on page 444.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated July 10, 2024 amongst our Company, NSDL and Registrar to the Company; and
- Tripartite agreement dated July 9, 2024 amongst our Company, CDSL and Registrar to the Company.

For details in relation to the Basis of Allotment, see "*Offer Procedure*" on page 420.

Employee Discount

Employee discount, if any, may be offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band can make payment at Bid Amount, that is, Bid Amount net of employee discount, if any, as applicable at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less employee discount, if any, as applicable, at the time of making a Bid.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised and electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details on the Basis of Allotment, see "*Offer Procedure*" on page 420.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Haryana, India.

Period of operation of subscription list

See "– *Bid/ Offer Programme*" on page 408.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and 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 in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination, by giving a notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the Registrar and Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENS ON	[●](1)
BID/OFFER CLOSES ON	[●](2) (3)

(1) Our Company in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations

(2) Our Company may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations
(3) UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Offer Closing Date, i.e. [●]

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to dematerialized accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.. The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.*
*The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.*The above timetable other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, read with SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. RIBs and Eligible Employees Bidding under Employee Reservation Portion for up to ₹ 500,000 and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company in consultation with the BRLMs The, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI ICDR Master Circular, our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders have agreed to provide all required information, reasonable support and cooperation as may be requested by the BRLMs and the Company in this respect, as required under Applicable Law.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs, Eligible Employees Bidding in the Employee Reservation Portion other than QIBs and NIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹500,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories[#]	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

** UPI mandate end time and date shall be at 05:00 p.m. on Bid/ Offer Closing Date.*
[#] QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs and Eligible Employees under the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit confirmation to the BRLMs and the RTA on the daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 3:00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Offer Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company in consultation with the BRLMs reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

None of our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular. If there is a delay beyond the prescribed time after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum or such other amount prescribed under applicable law, including the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the SEBI ICDR Master Circular.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made in the following order:

a. in the first instance towards subscription for 90% of the Fresh Issue;
b. if there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made in the following order: (i) first towards the sale of the Equity Shares offered by the Investor Selling Shareholder, and (ii) once the Equity Shares have been allotted in accordance with (b)(i), towards the sale of the Promoter Offered Shares; and

c. only after the sale of all of the Equity Shares offered under the Offer for Sale as described above, towards the balance Fresh Issue

Each Selling Shareholder shall reimburse, severally and not jointly, and only to the extent of the Equity Shares offered by such Selling Shareholder in the Offer, any expenses and interest incurred by our Company on behalf of such Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law, provided that such Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder in relation to its portion of the Offered Shares.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

No liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue and each of the Selling Shareholders, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the respective portion of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders, And shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

If our Company in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer share capital of our Company, lock-in of our Promoter's minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 74 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 444.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ [●] million comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,000 million and an Offer for Sale of up to 14,974,010 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders.

The Offer includes a reservation of up to [●] Equity Shares, aggregating up to ₹[●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed [●]% of our post-Offer paid-up Equity Share capital. The Offer less the Employee Reservation Portion is the Net Offer.

The Offer and Net Offer shall constitute [●]% and [●]% of the post-Offer paid-up Equity Share capital of our Company, respectively.

Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

The Offer is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation* (2)	Up to [●] Equity Shares##	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company	Not less than 75% of the Net Offer size shall be available for allocation to QIB Bidders. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not more than 15% of the Net Offer. Further, (a) one third of such portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to applicants in the	Not more than 10% of the Net Offer less allocation to QIB Bidders and Non-Institution Bidders.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
			other sub-category of Non-Institutional Bidders.	
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate#; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000 (net of the Employee Discount, if any). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: a) one third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Biddings more than ₹200,000 and up to ₹1,000,000; and b) two third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Bidding more than ₹1,000,000. The unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, see "*Offer*	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For further details, see "*Offer Procedure*" on page 420.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
			Procedure" on page 420.	
Minimum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000, less Employee Discount, if any	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the Anchor Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Bidding	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism.			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of Allotment	Compulsorily in dematerialised form			
Allotment Lot	For Retail Individual Bidders and QIBs: A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter For NIIs: [●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply(4)	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
		Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws.		
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids(3) **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form			

* *Assuming full subscription in the Offer.*

\# *Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of the Employee Discount, if any). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

\## *Our Company in consultation with the BRLMs, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.*

(1) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

(3) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor*

Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Anchor Investors are not permitted to participate in the Offer through the ASBA process. SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIB and RIB and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(4) In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder is required in the Bid cum Application Form and such First Bidder will be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares. Further, a Bidder Bidding in the Employee Reservation Portion may also Bid under the Net Offer and such Bids shall not be treated as multiple Bids. To clarify, an Eligible Employee Bidding in the Employee Reservation Portion above ₹ [●] (net of Employee Discount, if any) shall not be allowed to Bid in the Net Offer as such Bids shall be treated as multiple Bids.

(5) Subject to valid bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable laws. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made in the following order:(a) in the first instance towards subscription for 90% of the Fresh Issue; (b) if there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made in the following order: (i) first towards the sale of the Equity Shares offered by the Investor Selling Shareholder, and (ii) once the Equity Shares have been allotted in accordance with (b)(i), towards the sale of the Promoter Offered Shares; and (c) only after the sale of all of the Equity Shares offered under the Offer for Sale as described above, towards the balance Fresh Issue, for further details see "Terms of the Offer" on page 406.

Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. Allotment to an Eligible Employee in the Employee Reservation Portion may not exceed ₹ 200,000 in value.

Only in the event of an under-subscription in the Employee Reservation Portion, post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 in value. Subsequent under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer.

The Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by FPIs*" on page 428 and having same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) will be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, each of the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 406.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix)submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) Designated Date; (xiv) disposal of applications; and (xv) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023.*

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the *intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with the applicable laws. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI ICDR Master Circular, has reduced the timelines for refund of Application money to two days. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholders and the BRLMs, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Further, our Company, the Selling Shareholders and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process and is in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(2) of the SEBI ICDR Regulations, not less than 75% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, up to [●] Equity Shares, aggregating up to ₹[●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any.

Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill over from any other category or categories of Bidders at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

Bidders must ensure that their PAN is linked with Aadhaar ID and are in compliance with CBDT notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws. **Phased implementation of UPI**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification"**). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no.

SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected.

Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) QIBs and Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders). ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

(3) Bid cum Application Forms for Eligible Employees shall be available at the Registered and Corporate Office of the Company.

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant

Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

Pursuant to NSE circular dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.

b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.

c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day.

Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by Promoter and Promoter Group of the Company, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs) or pension funds sponsored by entities which are associate of the BRLMs nor; (ii) any person related to the Promoter or Promoter Group shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs. Further, persons related to our Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

Except to the extent of participation in the Offer for Sale by our Promoter, the Promoter Group will not participate in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 (net the Employee Discount, if any).

However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Allotment in the Employee Reservation Portion will be as detailed in the section "*Offer Structure*" on page 414.

However, Allotments to Eligible Employees in excess of ₹200,000 shall be considered on a proportionate basis, in the event of under-subscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer.

Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

(i) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).

(ii) Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.

(iii) In case of joint bids, the Sole Bidder or the First Bidder shall be the Eligible Employee.

(iv) Bids by Eligible Employees may be made at Cut-off Price.

(v) Only those Bids, which are received at or above the Offer Price (net the Employee Discount, if any) would be considered for allocation under this portion.

(vi) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000 (net the Employee Discount, if any).

(vii) Eligible Employees bidding in the Employee Reservation Portion can Bid through the UPI mechanism

(viii) If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(ix) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(x) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000.

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "*Offer Procedure*" on page 420.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non- Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRIs in the Offer shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 442.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. By way of Press

Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 ("**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; (vii) Entities registered as Collective Investment Scheme having multiple share classes; (viii) Multiple branches in different jurisdictions of foreign bank registered as FPIs; (ix) Government and Government related investors registered as Category 1 FPIs; and (x) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in the Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus*."

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, NBFC-ND-SI, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholders, severally and not jointly, and the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**") and the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

5. Our Company in consultation with the BRLMs will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the Book Running Lead Managers before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

9. Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% Equity Shares allotted to Anchor Investors shall be locked–in for a period of 90 days from the date of Allotment, whereas, the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

10. Neither the (a) Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) or pension fund sponsored by entities which are associate of the Book Running Lead Managers nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.

11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholders, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus and the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

The Offer shall be opened after at least three Working Days from the date of filing of the Red Herring Prospectus with the RoC.

General Instructions

QIB Bidders and Non-Institutional Bidders are not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date.

***Do's*:**

1. Ensure that your PAN is linked with Aadhaar ID and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021, read with press release dated September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023;

2. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

5. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

6. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;

8. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;

9. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account

maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

10. If the First Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders);

11. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

12. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

13. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs;

14. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

15. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

16. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the Designated SCSB Branches or the relevant Designated Intermediary, as applicable;

17. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

18. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

20. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

21. Ensure that the Demographic Details are updated, true and correct in all respects;

22. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

23. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure

proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

24. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

25. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

26. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

27. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

28. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

29. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. IST on the Bid/ Offer Closing Date;

30. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

31. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

32. Bids by Eligible NRIs for a Bid Amount of less than ₹200,000 would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the non-institutional category for allocation in the Offer;

33. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and

34. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

35. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner.

36. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
5. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
12. In case of ASBA Bidders, do not submit more than one ASBA Form from an ASBA Account;
13. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders using the UPI Mechanism, in the UPI linked bank account where funds for making the Bid are available;
14. If you are an UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
15. Anchor Investors should not Bid through the ASBA process;
16. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
17. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
22. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

23. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

24. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

25. Do not Bid for Equity Shares more than what is specified for each category;

26. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);

27. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

28. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;

29. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder, do not submit the ASBA Form directly with SCSBs;

30. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

31. Do not Bid if you are an OCB;

32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;

33. Do not submit the Bid cum Application Forms to any non-SCSB bank;

34. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);

35. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount, if any);

36. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and

37. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

(a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

(b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

(c) Bids submitted on a plain paper;

(d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

(e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));

(f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;

(g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

(h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

(i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

(j) Bids submitted without the signature of the First Bidder or Sole Bidder;

(k) The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

(l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

(m) GIR number furnished instead of PAN;

(n) Bids by RIBs with Bid Amount of a value of more than ₹200,000;

(o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

(p) Bids accompanied by stock invest, money order, postal order, or cash; and

(q) Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Offer Closing Date and Bids by RIBs and Eligible Employees uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs and Eligible Employees under the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

Further, in case of any pre-Offer or post -Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see "*General Information*" and "*Our Management*" on pages 66 and 244, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchanges, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Allotment to each Non-Institutional Bidders shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations. The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company in consultation with the BRLMs will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: “[●]”

(b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper (Hindi also being the regional language of Haryana, where our Registered Office is located) each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper (Hindi also being the regional language of Haryana, where our Registered Office is located) each with wide circulation

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price, but prior to filing of the Prospectus.

(b) After signing the Underwriting Agreement, a Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

For more information, see "*General Information*" on page 66.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "*Terms of the Offer*" on page 406.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' Contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Offer is withdrawn after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently; and
- Except for the Pre-IPO Placement, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

Each Selling Shareholder severally and not jointly, in respect of itself as a Selling Shareholder and its portion of the Equity Shares offered by it in the Offer, undertakes the following in respect of itself and its respective portion of the Offered Shares:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8A of the SEBI ICDR Regulations;

- it shall deposit its portion of the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;

- it is the legal and beneficial owner of its respective portion of the Offered Shares; and

- it shall not access or have recourse to the money raised in the Offer, until receipt of the final listing and trading approvals from the Stock Exchanges, until which time all monies shall be kept in a separate bank account in a scheduled bank within the meaning of Section 40(3) of the Companies Act.

The statements and undertakings provided above, in relation to the Selling Shareholders, are statements which are specifically confirmed or undertaken by the Selling Shareholders in relation to themselves and their respective portion of Offered Shares. All other statements or undertakings or both in this Draft Red Herring Prospectus in relation to the Selling Shareholders, shall be statements made by our Company, even if the same relate to the Selling Shareholders.

Utilisation of Offer Proceeds

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who –*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) ("**DPIIT**"), issued the FDI Policy, which is in effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For further details, see "*Key Regulations and Policies*" on page 223.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Foreign Exchange Laws

The foreign investment in our Company is governed by, *inter alia*, the FEMA, the FEMA Rules, the FDI Policy issued and amended by way of press notes.

Pursuant to the FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company.

In accordance with the FEMA Non-debt Instruments Rules, participation by non-residents in the Offer is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Instruments Rules, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA Non-debt Instruments Rules. Further are not permitted to participate in the Offer. As per the existing policy of the Government, OCBs cannot participate in this Offer. For more information on bids by FPIs and Eligible NRIs, see "*Offer Procedure*" on page 420. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure"* on page 420.

In terms of the FEMA Non-debt Instruments Rules and the FDI Policy, a person resident outside India may make investments into India, subject to certain terms and conditions, and further provided that an entity of a country, which shares land border with India or where the beneficial owner of an investment into India, who is situated in or is a citizen of any such country, shall invest only with the approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the above restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and 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 in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF THE EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. There are no material clause of our Articles of Association that have been left out from disclosures below having bearing on the Offer or this Draft Red Herring Prospectus:

The following regulations comprised in these Articles of Association were adopted pursuant to Section 14 of the Companies Act, 2013 and by a special resolution passed by the members in their extraordinary general meeting held on July 25, 2024 in substitution for, and to the entire exclusion of all the existing Articles of Association of Paras Healthcare Limited (the "**Company**").

The Articles of Association of the Company comprise two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to the applicable laws, prevail and be applicable. However, Part B shall automatically terminate and cease to have any force and effect from the date of receipt of the final listing and trading approval from the stock exchanges, for the listing and trading of the Equity Shares of the Company pursuant to the initial public offering of the Equity Shares of the Company, without any further corporate or other action by the Company or by the shareholders of the Company.

I. PRELIMINARY

1. **APPLICABILITY OF TABLE F**

   The Regulations contained in Table 'F' in the Schedule-I to the Companies Act, 2013 and rules made thereunder, as amended ("**Companies Act**" or "**Act**") shall not apply to the Company except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Companies Act.

2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to addition, alteration, substitution, modification, repeal and variation thereto by Special Resolution as prescribed or permitted by the Companies Act be such as are contained in these Articles.

PART A

I. INTERPRETATION

1) In these regulations –

   a. "**Act**" means the Companies Act, 2013 and any rules, regulations, circulars and notifications framed and issued thereunder;

   b. "**Articles**" shall mean the articles of association of the Company as amended from time to time;

   c. "**Board of Directors**" or "**Board**" shall mean the board of directors of the Company, as constituted from time to time;

   d. "**Company**" means "PARAS HEALTHCARE LIMITED";

e. "**Director**" means a director for the time being of the Company and includes any person appointed as a director of the Company in accordance with these Articles and the provisions of the Act, from time to time;

f. "**Seal**" means the common seal of the Company;

g. "**General Meeting**" shall mean any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting;

2) Words importing the singular number shall include the plural number and vice versa and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

3) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

I. PUBLIC COMPANY

The Company is a public company limited by shares within the meaning of sections 2(71) and 3(1)(a) the Act.

II. SHARE CAPITAL AND VARIATION OF RIGHTS

4) Authorized share capital:

The authorized share capital of the Company shall be such amount and be divided into such classes, denominations and number of shares as may from time to time, be provided in Clause V of memorandum of association of the Company, with power to reclassify, subdivide, consolidate, increase and reduce such capital from time to time, with power to issue any shares of the original capital or any new capital to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential convertible, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of the applicable law for the time being in force.

5) New Capital part of the Existing Capital

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

6) Shares under control of Board:

Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with section 52, 53 and 54 and other provisions of the Act) and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting.

7) Board may allot shares otherwise than for cash:

Subject to the provisions of the Act, these Articles and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, the Board may issue allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

8) Kinds of share capital:

The Company may issue the following kinds of shares in accordance with these Articles, the Act, and the applicable laws:

(a) Equity share capital:
with voting rights; and / or
with differential rights as to dividend, voting or otherwise in accordance with the Act; and
(b) Preference share capital.

9) Issue of certificate:

Subject to the provisions of the Act, every person whose name is entered as a member in the register of members shall be entitled to receive within two months of the allotment or within one month after the application for the registration of transfer or transmission, sub-division, consolidation or renewal of any of its shares as the case may be or within or within a period of six (6) months from the date of allotment in the case of any allotment of debenture or within such other period as any other applicable law for the time being in force may provide-

a. one or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or
b. several certificates, each for one or more of his shares, upon payment such charges as may be fixed by the Board for each certificate after the first.

Option to receive share certificate or hold shares with depository:

Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe and approve.

Issue of share certificate in case of joint holding:

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

The provisions of these Articles shall mutatis mutandis apply to the debentures (except where the Act otherwise requires) of the Company.

10) Securities in dematerialized Form

(i) The Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, the Company may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable laws.

(ii) Dematerialisation/Re-materialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the regulations framed thereunder, if any, and other applicable law.

(iii) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(iv) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(v) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(vi) Register and index of beneficial owners

a) The Company shall cause to be kept a register and index of Members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a branch Register of Members, of Members resident in that state or country.

11) Issue of new certificate in place of one defaced, lost or destroyed:

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate or such other maximum permissible amount prescribed under applicable law, and as may be amended from time to time. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall mutatis mutandis apply to debentures (except where the Act otherwise requires) of the Company.

12) Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

13) Terms of issue of debentures:

Subject to the applicable provisions of the Act and other applicable laws, any debentures, debenture-stock or other securities may be issued at a premium, discount or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.

14) Power to pay commission in connection with securities issued:

(i) Subject to the provisions of the Act and other applicable Laws, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required under the Act.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in the rules made under sub-section (6) of section 40 of the Act.

(iii) The Company may also, in any issue, pay such brokerage as may be lawful.

(iv) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other in accordance with applicable laws.

15) Variation of members' rights:

(i) If at any time the share capital is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of the shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

(ii) Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

16) Issue of further shares not to affect rights of existing members:

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

17) Preference Shares

Subject to the provisions of section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted to equity shares on such terms and in such manner as the Board before the issue of the shares may determine.

III. FURTHER ISSUE OF SHARE CAPITAL

18) Where any increase of subscribed capital through further issue of shares is proposed by the Board or the Company then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

A.

a. Such further shares shall be offered to the persons who, at the date of offer, are holders of equity shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (b) to (d) below;

b. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than seven days (or such lesser number of days as may be prescribed under the Act or the rules made thereunder, or other applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days, or such other time prescribed under applicable law, before the opening of the issue;

c. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;

d. After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the members and the Company; or

B. employees under any scheme of employees' stock option subject to special resolution passed by the shareholders of the Company and subject to the applicable rules and such other conditions, as may be prescribed under applicable law; or

C. any persons, if authorized by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, subject to such conditions as may be prescribed under the Act and the rules made thereunder and any other applicable law

Unless the terms of the offer or issuance of shares otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person.

(ii) Nothing in sub-clause (c) of Clause (A) shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(iii) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a special resolution passed by the shareholders of the Company in a general meeting.

(iv) Notwithstanding anything contained in this Article, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

Where the Government has, by an order, directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the National Company Law Tribunal or where such appeal has been dismissed, the memorandum of the Company shall, stand altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

(v) Mode of further issue of shares

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act.

(vi) The provisions contained in these Articles shall be subject to the provisions of Section 42 and Section 62 of the Act, other applicable provisions of the Act, any SEBI regulations or guidelines.

IV. LIEN

(i) The Company shall, subject to applicable law, have a first and paramount lien upon every share / debenture (not being a fully paid share / debenture) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company’s lien, if any, on such shares / debentures. Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

(ii) The fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares

(iii) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

19) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made –

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

20) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares in any such transfer.

(iii) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Upon any such sale as aforesaid, the existing certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate(s) in lieu thereof to the purchaser or purchasers concerned.

21) (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

22) The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.

23) In exercising its lien, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by applicable law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company’s lien shall prevail notwithstanding that it has received notice of any such claim.

V. CALLS ON SHARES

24) (i) The Board may, subject to the provisions of the Act and any other applicable laws, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the

nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times;
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting and as may be permitted by applicable law.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one (1) or more members as the Board may deem appropriate in any circumstances.

(iii) A call may be revoked or postponed at the discretion of the Board.

25) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments. If no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

26) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

27) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, or any such extension thereof as aforesaid, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine. Nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

28) (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

29) The Board –

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing in this Article shall confer a right on the member any right to participate in profits or dividends. The Board may at any time repay the amount so advanced.

30) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

31) If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

32) All calls shall be made on an uniform basis on all shares falling under the same class.

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

33) The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

VI. TRANSFER OF SHARES

34) A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing and be executed by or on behalf of both the transferor and transferee and all provisions of section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(ii) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer of any share. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

35) Shares or other securities of any Member shall be freely transferable, provided that any contract or arrangement between two or more persons in respect of transfer of securities shall be enforceable as a contract.

36) In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

37) The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register-

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the company has a lien.

38) The Board may decline to recognise any instrument of transfer unless –

(a) the instrument of transfer is in writing and in the form as prescribed in rules made under sub-Section (1) of Section 56 of the Act;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

39) On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

40) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal., the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.

If the Company without sufficient cause refuses to register the transfer of securities within a period of thirty days from the date on which the instrument of transfer or the intimation of transmission, as the case may be, is delivered to the Company, the transferee may, within a period of sixty days of such refusal or where no intimation has been received from the Company, within ninety days of the delivery of the instrument of transfer or intimation of transmission, appeal to the National Company Law Tribunal.

41) Until the name of the transferee is entered in the register of members or the register and index of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996, the transferor shall be deemed to be the holder of the shares concerned.

42) The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

VII. TRANSMISSION OF SHARES

43) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

44) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

45) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

46) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

47) The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

48) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

49) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

VIII. FORFEITURE OF SHARES

50) If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

51) The notice aforesaid shall –

    (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
    (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

52) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

53) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

54) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

55) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

56) The provisions of these Articles as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

57) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures issued by the Company.

IX. ALTERATION OF CAPITAL

58) The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

59) Subject to the provisions of Section 61, the Company may, by ordinary resolution, -
  (a) consolidate, divide and sub-divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act.
  (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

60) Where shares are converted into stock, --
  (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
  Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

  (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of these Articles of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/ “member” in those Articles shall include “stock” and “stock-holder” respectively.

61) The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -
(a) its share capital;
(b) any capital redemption reserve account;
(c) any share premium account; and/or
(d) any other reserve in the nature of share capital

X. CAPITALISATION OF PROFITS

62) (i) The company in General Meeting may, upon the recommendation of the Board, resolve -
(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
(b) that such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained herein either in or towards –
A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
E. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

63) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power -
(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

XI. GENERAL MEETINGS

64) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the dates of two annual general meetings. All general meetings other than annual general meeting shall be called extraordinary general meeting.

65) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

XII. PROCEEDINGS AT GENERAL MEETINGS

66) (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
(ii) The quorum for the general meetings shall be as provided in Section 103 of the Act.

67) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

68) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

69) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

XIII. ADJOURNMENT OF MEETING

70) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

XIV. VOTING RIGHTS

71) Subject to any rights or restrictions for the time being attached to any class or classes of shares, -
   (a) on a show of hands, every member present in person shall have one vote; and
   (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

72) A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once.

73) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

74) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

75) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

76) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid, or in regard to which the Company has lien and has exercised any right of lien.

77) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

78) A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.

79) Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

XV. PROXY

80) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

81) An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.

82) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

XVI. BOARD OF DIRECTORS

83)

(a) Subject to applicable laws and unless otherwise determined by the General Meeting, the number of Directors shall not be less than three and not more than fifteen, and at least one director shall be resident of India in a previous year.
(b) The Directors shall not be required to hold any qualification shares in the Company.
(c) The first Directors of the Company shall be:

1. Mr. Sunil Kapur 2. Mr. Ashok Narang
3. Mrs. Veena Chandok 4. Mr. G.K.Sahni
5. Mr. Shailendra Chandok

84) (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --
(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
(b) in connection with the business of the company.

85) The Board may pay all expenses incurred in getting up and registering the company.

86) The company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

87) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

88) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

89) (i) Subject to the provisions of Section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

XVII. PROCEEDINGS OF THE BOARD

90) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

91) (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

92) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

93) (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

94) (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

95) (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

96) (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

97) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

98) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

XVIII. BORROWING POWERS

99) Subject to Section 73, 74, 179 and 180 of the Act, and Rules made thereunder and directions issued by the Reserve Bank of India, the Board may and shall have power, at any time and from time to time, to raise or borrow any sum or sums of money and may secure the repayment of such moneys in such manner and upon such terms and conditions, in all respects, as they may deem fit and, in particular, by the issue of the debentures or debenture stock or bonds or by making, drawing, accepting or endorsing promissory notes or bills of exchange, giving or issuing, if deemed necessary, any properties, assets, or revenues of the Company, present or future, including its uncalled capital, as security and may guarantee the whole or any part of the loan or debt raised or incurred or any interest payable thereon by means of mortgage or hypothecation of/or charge upon any such property, assets or revenues. However, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under Section 180 (1)

of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a special resolution at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board.

100) Subject to the applicable provisions of the Act and other applicable law, any of the debentures, debenture stock or bonds mentioned above, may be issued at a discount, premium or otherwise and may be issued on condition that they or any part of them shall be convertible into shares of any denomination and with any privileges as to redemption, surrender, drawings, allotment of shares and attending (but not voting) at general meetings of the Company, appointment of directors or otherwise as the Board may deem fit. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

101) The rights and powers of raising or borrowing money may, with the approval of the Directors, be exercised by any Director or any person authorized by the Board, and any such money may be raised or borrowed from any person, firm, Company, bank or shareholders of the Company.

XIX. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

102) Subject to the provisions of the Act, -

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, if permitted under applicable laws, an individual may be appointed or reappointed or continue as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.

103) A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

XX. DIVIDENDS AND RESERVE

104) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

105) Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

106) (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

107) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

108) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company. The Board may retain dividends payable upon shares in respect of which any person is, under Articles 43 to 49 hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

109) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

110) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

111) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

112) No dividend shall bear interest against the Company.

113) Unpaid or Unclaimed Dividend

(a) Where the Company has declared a dividend but which has not been paid or claimed within thirty days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Paras Healthcare Limited Unpaid Dividend Account”

(b) The Company shall, within a period of ninety days of making any transfer of an amount under (a) above to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

(c) If any default is made in transferring the total amount referred to in (a) above, or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(d) Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(e) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.

(f) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

XXI. ACCOUNTS

114) (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

XXII. WINDING UP

115) Subject to the provisions of Chapter XX of the Act and rules made thereunder and other applicable law -

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

XXIII. INDEMNITY

116) Subject to applicable law, every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the National Company Law Tribunal.

XXIV. POWER TO MERGE/AMALGAMATE/DEMERGE

117) Subject to the applicable provisions of the Act, the company can acquire or amalgamate with any other company or person, transfer one or more of its undertaking to one or more Company or person. To acquire and undertake the whole or any part of the business, good-will and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain or sell, mortgage or deal with any shares, debentures, debenture stock or securities so received.

PART B

OVERRIDING EFFECT

1. Notwithstanding anything contained in these Articles:

(a) All actions under these Articles shall be carried on in abidance with applicable law.

(b) In the event of any inconsistency between the provisions of these Articles and the Act, the provisions of the Act shall prevail, unless the Act itself permits these Articles to prevail or to have different or more stringent requirements than those of the Act.

PRELIMINARY

2. **APPLICABILITY OF PART B**

Save as provided herein, the regulations contained in Table "F" in Schedule I to the Act or any statutory modification thereof, shall apply to the Company. In the event of any conflict or inconsistency, these Articles (defined below in PART B) shall prevail over the regulations contained in Table "F" in Schedule I to the Act. Further, in the event of any inconsistency between Part A and Part B of these Articles, the provisions of this Part B shall prevail.

3. **Definitions and Interpretation**

3.1 **Definitions**

In the construction of these Articles unless inconsistent with the context, the following words or expressions shall have the following meanings:

"Acceptance Notice" shall have the meaning as set forth in Article 46.2;

"**Act**" means the Companies Act, 2013 with reference to such sections as are notified and made applicable on the relevant date and delegated legislation made thereunder, or the Companies Act, 1956 (with respect to such sections that continue to remain in force) including any other statutory amendment or re-enactment thereof;

"Additional Capital Shares" shall have the meaning as set forth in Article 46.1;

"Affiliates" shall mean, with respect to any Person, any company, corporation, association or other Person, which, directly or indirectly, Controls, is Controlled by or, is under common Control with the first named Person. If the first named Person is an individual, the term "Affiliate" shall include a Relative of such individual. In relation to the Investor, in addition to the foregoing, the term "Affiliate" shall also mean (I) any fund, collective investment scheme, trust, partnership (including, without limitation, any co-investment partnership), special purpose or other vehicle or any subsidiary of any of the foregoing, which is (a) managed/advised by the Investor or by the Investor's current investment manager as on the Execution Date; or (b) in which the Investor is a limited partner; but shall exclude any portfolio companies of the Investor or its Affiliates and any Prohibited Transferees and Restricted Persons;

"AGM" shall mean an annual general meeting of the Shareholders of the Company convened and held in accordance with the Act and the Articles;

"Annual Budget' shall have the annual business plan prepared by the Company at the end of each Financial Year, for the following Financial Year, in a format acceptable to the Investor, which includes:

a) Estimated sources and applications of funds;

b) Estimated profit and loss account, unit-wise;
c) Estimated balance sheet;
d) Detailed assumptions underlying the forecasts for the above along with explanations; and
e) Operating and capital budgets.

"Anti-Corruption Laws" shall mean the (Indian) Prevention of Corruption Act 1988 as amended and any other Law related to anti-corruption applicable in India or any other relevant jurisdictions;

"**Anti-Money Laundering Laws"** shall mean any Law related to anti-money laundering in India or in other relevant jurisdictions;

"Articles" shall mean these articles of association of the Company, as amended from time to time;

"Assets" shall mean assets or properties of every kind, nature, character and description (whether immovable, movable, tangible, intangible, absolute, accrued, fixed or otherwise) as held, owned or leased by the Company from time to time, including cash, cash equivalents, receivables, securities, accounts and note receivables, real estate, plant and machinery, equipment, patents, copyright, domain names, trademarks, brands and other intellectual property held by the Company, raw materials, inventory, furniture and fixtures;

"Big Five Accounting Firm" shall mean KPMG, Price water house Coopers, Ernst & Young, Deloitte Touche Tohmastu and Grant Thornton LLP or such Indian firm of chartered accountants associated with any of them, and their respective successors;

"Board" shall mean the board of directors of the Company as nominated and appointed from time to time in accordance with the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the agreement between the Shareholders and these Articles;

"Business" shall mean the business of establishing, operating and / or managing healthcare delivery centers, including clinics and hospitals (whether single-specialty or multi-specialty), and conducting clinical research, as carried out at present or to be carried out at any time in the future;

"Business Day" shall mean a day (other than a Saturday or a Sunday) on which the scheduled commercial banks are open for business in Delhi, India, Gurgaon, India and Port Louis, Mauritius;

"Charter Documents" shall mean, collectively, the memorandum of association of the Company and these Articles, as amended from time to time;

"Change in Control" means a transaction pursuant to which a Transfer by the Promoter or his Affiliates of Equity Shares results in more than 50% (fifty per cent) of the Share Capital being held by a Third Party;

"Closing Date" shall mean 14 July 2017**;**

"Committee" shall mean a committee of the Board constituted from time to time in accordance with applicable Law, and these Articles;

"Company" means Paras Healthcare Limited and, unless it be repugnant to the subject or context, include its successors and permitted assigns;

"Company Appointed Valuer" shall have the meaning as set forth in **Schedule III;**

"Consents" shall mean, with respect of a particular action or purpose, any approval, consent, ratification, waiver, notice or other authorization of or from or to any Person (including a Governmental Approval) that may be required for such purpose;

“**Consummation of the IPO**” shall mean the receipt of final listing and trading approval from each of the Recognized Stock Exchanges for the listing and trading of the Equity Shares of the Company pursuant to the IPO.

"Contract" shall mean, with respect to a Person, any agreement, contract or legally binding commitment entered into by such Person;

"Control" (including with correlative meaning, the terms "**Controlled by**" and "**under common Control with**") shall mean the holding or control of more than 50% (fifty per cent) of the voting rights exercisable at shareholder meetings (or the equivalent) of such Person or the right to appoint and/or remove all or the majority of the members of the board or other equivalent governing body of such Person, or the power to control the management or policies of such Person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights through Contract or otherwise;

"Deed of Adherence" shall mean a deed of adherence in an Agreed Form;

"Director" shall mean a director on the Board of the Company, appointed from time to time in accordance with these Articles;

"EGM" shall mean an extraordinary general meeting of the Shareholders of the Company convened and held in accordance with the Act and these Articles;

"Encumbrance' shall mean any mortgage, hypothecation, pledge, non-disposal undertaking, escrow, power of attorney (by whatever name called) charge, lien, negative lien, or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect, option, pre-emptive right, adverse claim, title retention agreement, conditional sale agreement, co-sale agreement, trust (other title exception of whatsoever nature) or other encumbrance of any kind, or a Contract to give or refrain from giving any of the foregoing, including any restriction imposed under applicable Law, and the term "**Encumber**" shall be construed accordingly;

"Equity Shares" shall mean fully paid-up equity shares of face value of Re. 1 (Rupee One only) each of the Company;

"Fall-Away Threshold" means the Investor Securities at any point constituting less than 10% (ten per cent) of the Fully Diluted Share Capital;

"Fair Market Value" shall mean the fair market value of the Securities calculated on a going concern basis between a willing buyer and a willing seller, taking into account the then existing market conditions, rights attached to a particular class of Securities, the Company's net assets (market value of the assets) and goodwill and the then present value of the Company's future cash flows determined by a Valuer in accordance with Schedule Ill of these Articles;

"Financial Investor" shall mean a private equity fund, proprietary capital fund, hedge fund, a venture capital fund or any entity carrying on business under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, and shall specifically exclude the Persons listed in **Schedule IV**. It is clarified that (i) any special purpose investment vehicle which is set up by a Financial Investor to make such financial or portfolio equity-related investments and which is Controlled, either directly or indirectly, by such Financial Investor shall also be a Financial Investor; and (ii) operating portfolio companies of a Financial Investor; or any Person in the same or similar Business, shall not be a Financial Investor;

"Financial Statements" of a Person, with respect to a period, shall mean the balance sheet, profit and loss account, statements of income and cash flows and statement of changes in shareholders' equity (prepared on a consolidated basis or otherwise, as may be applicable, in accordance with Indian Accounting Standards ("**Ind AS**"), as applicable), in each case, of such Person for such period;

"Financial Investor Sale" shall have the meaning as set forth in Article 103.1;

"Financial Year" shall mean the period commencing from April 1 of each year and ending on March 31 of the subsequent year;

"First Adjourned Board Meeting" shall have the meaning as set forth in Article 94.3;

"First Adjourned General Meeting" shall have the meaning as set forth in Article 95.6;

"Fully Diluted Basis", with respect to any share, security, note, option, warrant or instrument convertible into equity shares, shall mean the deemed conversion of such share, security or convertible instrument into Equity Shares in accordance with the provisions of applicable Law and the terms of issue of such share, security, note, option, warrant or instrument as of the relevant date. It is clarified that until such time that the Series A CCPS are converted into Equity Shares in accordance with the terms thereof, the Fully Diluted Basis shall be calculated assuming that the Subscription Securities held by the Investor had converted to Equity Shares in accordance with the terms of the Series A CCPS at such time;

"Fully Diluted Share Capital" shall mean the Share Capital calculated on a Fully Diluted Basis;

"General Meeting' shall mean either an EGM or an AGM;

"Governmental Approvals" shall mean any permission, approval, consent, license, permit, order, decree, authorization, registration, filing, notification, exemption or ruling to or from or with any Governmental Authority;

"Governmental Authority' shall mean any national, state, provincial, local or similar government, governmental, regulatory or administrative authority, branch, agency, any statutory body or commission or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law, or any court, tribunal, arbitral or judicial body, or any stock exchange of India or any other country, having jurisdiction over the relevant Shareholders;

"**Ind AS**" shall mean the Indian Accounting Standards (Ind AS), as notified under Section 133 of the Act

"INR" or "Rupees" or "Rs." shall mean Indian rupees, the currency and legal tender of the Republic of India;

"IPO" or "Initial Public Offering" shall mean an initial public offering comprising a fresh issuance of equity shares and/or an offer for sale by certain existing shareholders, undertaken by the Company in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Act;

"IRR" shall mean the pre-taxation internal rate of return of a specified percentage per annum, on the Investment Amount, calculated commencing on the Closing Date up to the date on which the binding offer pursuant to which an IRR computation is necessitated is received, using the Microsoft Excel 'XIRR' function (or if such program is no longer available, such other software program for calculating internal rate of return). It is clarified that all distributions or payments received by the Investor shall be factored in the computation of the IRR (other than indemnification payments made by the Company or the Promoters to the Investor);

"Investor" means Commelina Ltd, and, unless it be repugnant to the subject or context, includes its successors and permitted assigns;

"Investor Appointed Valuer" shall have the meaning as set forth in Schedule III;

"Investor Attendee" shall have the meaning as set forth in Article 93.11;

"Investor Director" shall have the meaning as set forth in Article 93.8 (ii);

"Investor Securities" shall mean the Securities held by the Investor at the relevant time, including the Subscription Securities and the Sale Shares;

"Investment Amount" shall mean such amount as has been paid by the Investor toward the subscription to the Subscription Securities and the purchase of 62,245 Equity Shares from the Promoter;

"Key Employee" shall mean the Managing Director and employees reporting directly to the Managing Director and / or the Board and that also includes the officials as defined under Section of 203 of the Act;

"Law" shall mean any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, Government Approval, directive, guideline, requirement or other governmental restriction having the force of law, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law, by any Governmental Authority having jurisdiction over the matter in question;

"Long Stop Date" shall mean the earlier of (a) the date of expiry of 12 months from the date of issuance of the final observations by SEBI in relation to the IPO or such other extended date as may be mutually agreed to amongst the Parties in writing or (b) the date on which the IPO is withdrawn by the Board of the Company or when the Company decides not to undertake the IPO pursuant to a resolution of the Board.

"Non-Selling Shareholder" shall have the meaning as set forth in Article 64,3.1;

"Offer Notice" shall have the meaning as set forth in Article 46.1;

"Offer Period" shall have the meaning as set forth in Article 46.2;

"Offer Shares" shall have the meaning as set forth in Article 46.1**;**

"Offer Terms" shall have the meaning as set forth in Article 46.1;

"Ordinary Course' means an action taken by or on behalf of a Person that is recurring in nature and is taken in the ordinary course, in a manner not contrary to applicable Law;

"Outstanding Offer Period" shall have the meaning as set forth in Article 46.3(a);

"Outstanding Offer Shares" shall have the meaning as set forth in Article 46.3;

"Permitted Transferees" shall have the meaning as set forth in Article 64.2.1;

"Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, Governmental Authority or any agency or political subdivision thereof or any other entity that may be treated as a legal person under applicable Law;

"Prohibited Transferees" shall mean: (i) any Person undertaking business which competes with or is similar to the Business which is carried on by the Company as on the Closing Date; or (ii) any Person specified in **Schedule IV**; or (iii) any Person (not being a Financial investor, unless otherwise listed in **Schedule IV**) who directly or indirectly Controls any such entity specified in (i) above or is an Affiliate of any such entity specified in (i) above;

"Promoter" means Dr. Dharminder Kumar Nagar, and, unless it be repugnant to the subject or context, includes his heirs, executors, administrators and permitted assigns;

"Promoter Directors" shall have the meaning as set forth in Article 93.8(i);

"Proposed Purchaser shall have the meaning as set forth in Article 64.4,1;

"Recognized Stock Exchange" shall mean the National Stock Exchange of India Limited (NSE), the Bombay Stock Exchange Limited (BSE) or any other national or international exchange that is approved by the Board in accordance with the terms of these Articles;

"Related Party" shall have the meaning ascribed to the term under Section 2(76) of the Act;

"Related Party Transactions" with respect to the Company, shall mean transactions between the Company and any Related Parties;

'Relatives" shall have the meaning as set forth in Section 2(77) of the Act;

"Relevant Representatives" shall have the meaning as set forth in Article 95.4**;**

"Reserved Matters" shall have the meaning ascribed to the term in Article 96;

"Restricted Persons" shall mean: (i) any entity engaged in the business of operating multi-specialty hospitals or single specialty hospitals specializing in cardiology, gastroenterology, neurology, oncology, gynecology and/or obstetrics, and / or mother and child centers, and which derives more than 50% (fifty per cent) of its Revenues (in the aggregate), directly or indirectly, from any one or more of Gurgaon, Patna, Darbhanga, Panchkula, East Delhi, Noida, Faridabad, Kanpur, Lucknow, Ranch] and / or Meerut (or any combination of these locations); or (ii) any Person who directly or indirectly Controls any such entity specified in (i) above;

"Revenues" shall mean, in relation to any Person, revenues determined from the fast-available audited financial statements of such Person;

"Right of First Offer" shall have the meaning as set forth in Article 64.3.1;

"ROFO Exercise Notice" shall have the meaning as set forth in Article 64.3.1(b);

"ROFO Exercise Securities" shall have the meaning as set forth in Article 64,3,1(b);

"ROFO Notice" shall have the meaning as set forth in Article 64.3.1(a);

"ROFO Period" shall have the meaning as set forth in Article 64.3.1(b);

"ROFO Price" shall have the meaning as set forth in Article 64.3.1(b);

"ROFO Sale Securities" shall have the meaning as set forth in Article 64.3.1;

"ROFO Terms" shall have the meaning as set forth in Article 64.3.1(b);

"Sale Response Notice" shall have the meaning as set forth in Article 64.4.2;

"SEBI" shall mean the Securities and Exchange Board of India;

"Second Adjourned Board Meeting" shall have the meaning as set forth in Article 94.4;

"Second Adjourned General Meeting" shall have the meaning as set forth in Article 95.6;

"Securities" shall mean Equity Shares, preference shares and other securities and instruments convertible into Equity Shares, issued by the Company from time to time in accordance with the Act and these Articles;

"Selling Shareholder" shall have the meaning as set forth in Article 64.3.1;

"Series A CCPS" shall mean compulsorily convertible preference shares having a face value of Rs.10 (Rupees Ten only) each, subscribed to by the Investor as issued in accordance with the terms of issuance as listed out in Schedule V;

"Series A Conversion Notice" shall have the meaning as set forth in Schedule V;

"Series A Conversion Ratio" shall have the meaning as set forth in Schedule V;

"Share Capital" shall mean the total issued, subscribed and fully paid-up share capital of the Company;

"Shareholder" shall mean any Person holding Securities of the Company;

"Subject Matter" shall have the meaning as set forth in Article 96.4;

"Subject Obligation" shall have the meaning as set forth in Article 3.2.13;

"Subscribing Party" shall have the meaning as set forth in Article 46.3(a);

"Subscription Securities" shall mean 10,22,182 Series A COS issued and allotted to the Investor by the Company in accordance with such terms and conditions as are agreed among the Promoter, the Company and the Investor;

"Tag Along Right" shall have the meaning as set forth in Article 64.4.2(a);

"Tag Along Securities" shall have the meaning as set forth in Article 64.4.4;

"Tax" shall mean all taxes (Indian and where applicable non-Indian) (including without limitation income tax, sales tax, customs duty, capital gains tax, goods and services tax, property tax, excise, service tax, professional tax, value added tax or transfer taxes, governmental charges, fees, levies or assessments o tither taxes, stamp duties, withholding obligations and similar charges of any jurisdiction payable to a Governmental Authority and shall include any interest, fines, and penalties related thereto;

"Third Party" shall mean any Person other than the Company, the Promoter and the Investor;

'Threshold Exit Price" means such price per Security which results in the Investor being entitled to receive a return equivalent to the higher of: (i) 2.5 (two point five) times the Investment Amount; or (ii) an IRR of 25% (twenty-five per cent) on the Investment Amount;

"Transaction" refers to the transactions of issuance of the Subscription Securities and sale and purchase of the Sale Shares in terms hereof;

"Transfer" (including with correlative meaning, the terms "Transferred by" and "Transferability") shall mean to transfer, sell, assign, place in trust (voting or otherwise), exchange, gift or transfer by operation of Law or in any other way, subject to any Encumbrance or dispose of, whether or not voluntarily and whether- directly or indirectly (pursuant to the transfer of an economic or other interest, the creation of a derivative security or otherwise);

"Transfer Notice" shall have the meaning as set forth in Article 64.4.1;

"Valuer" shall mean any one of the Big Five Accounting Firms other than the current statutory auditor of the Company and the statutory auditor of the Company at the time when a Valuer is appointed.

3.2 Interpretation

3.2.1 Headings, subheadings, titles, subtitles to articles, sub-articles and paragraphs and index are only for convenience and shall not form part of the operative provisions of these Articles, and shall be ignored for the purpose of interpretation;

3.2.2 Unless the context of these Articles otherwise requires:

a) Words using the singular or plural number also include the plural or singular number, respectively; and
b) Words of any gender are deemed to include the other gender;

3.2.3 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to these Articles as a whole or specified clause of these Articles, as the case may be;

3.2.4 The terms "Article", "Annexures", "Paragraphs", and "Schedule" refer to the specified article, clause, annexure, paragraph, preamble and schedule, respectively, of these Articles, all of which form part of these Articles;

3.2.5 Reference to any legislation or Law or to any provision thereof shall include references to any such Law as it may, from time to time, be amended, supplemented or reenacted, and any reference to statutory provision shall include any subordinate legislation made from time to time under that provision;

3.2.6 Reference to the word "include" shall be construed without limitation;

3.2.7 Any word or phrase defined in the body of these Articles as opposed to being defined in Article 3.1 shall have the meaning assigned to it in such definition throughout these Articles, unless the contrary is expressly stated or the contrary clearly appears from the context;

3.2.8 Unless otherwise specified, when any number of days is prescribed in these Articles, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a Business Day, in which case the last day shall be the next succeeding day which is a Business Day;

3.2.9 Time is of the essence in the performance of the Company's and Shareholders' respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence;

3.2.10 Except as otherwise provided in these Articles, any right of the Investor to purchase Securities under these Articles will include the right of the Investor to have such Securities purchased by an Affiliate, subject to the execution by such Affiliate of a Deed of Adherence;

3.2.11 Any requirement to (a) obtain the consent or approval of any Shareholder or the Company, and/or (b) for any of the Shareholders or the Company to mutually agree to any matter, under these Articles shall, unless otherwise agreed by the Shareholders and the Company in writing, refer to the prior written consent or approval of such Shareholder (or the Company, as the case may be), and the prior written agreement of the Shareholders (and / or the Company, as the case may be), respectively;

3.2.12 Any reference to a document in "Agreed Form" is to a document in a form agreed between the Shareholders and the Company (in each case with such amendments as may be agreed by or on behalf of the Shareholders and the Company);

3.2.13 Where any obligation of a Shareholder or the Company under these Articles ("Subject Obligation") requires consent (including from any Governmental Authority) in order for the Subject Obligation to be performed validly, then the Subject Obligation shall be deemed to include, unless otherwise required under applicable Law to be obtained by the other party, the obligation to apply for, obtain, maintain and comply with the terms of, all such consents and the time provided for the completion of the Subject Obligation shall be extended for the time required to obtain such Consent and the other parties shall extend their reasonable co-operation to obtain such consent in furtherance of a Subject Obligation;

3.2.14 No provisions shall be interpreted in favour of, or against, any Shareholder or against the Company by reason of the extent to which such Shareholder (or the Company) or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof.

3.2.15 If there is any conflict or inconsistency between a term in the body of these Articles and a term in any of the schedules or any other document referred to or otherwise incorporated in these Articles, the term in the body of these Articles shall take precedence.

3.2.16 Any reference to "writing" shall include printing, typing, lithography, electronic mails, transmissions by facsimile and other mean of reproducing words in visible form, but excluding the text messaging via mobiles or smart phone applications; and

3.2.17 All references to days, weeks, months and years under these articles shall mean days, weeks, months and years as per Gregorian calendar.

PUBLIC COMPANY

4. The Company is a public company as defined in Section 2(71) of the Act.

CAPITAL

5. The Authorized Share Capital of the Company shall be such amounts and be divided as may, from time to time, be provided in Clause V of the memorandum of association of the Company. The share capital shall be payable in the manner as may be determined by the Board, from time to time, The Board shall have the power to increase, reduce, subdivide repay or divide the share capital into several classes and to attach thereto any rights and to consolidate or subdivide or re-organize the shares, subject to the provisions of the Act, and to vary such rights as may be determined in accordance with the Articles of the Company.

6. Subject to the provisions of these Articles, the Company may issue such kinds of shares and other securities

as may be determined by the Board, in accordance with these Articles, the Act, the Rules and other applicable laws.

7. Subject to the provisions of the Act and these Articles, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act and these Articles.

8. Subject to the provisions of the Act and these Articles, the Company shall be entitled to purchase its own shares or other securities, subject to such limits, upon such terms and conditions and subject to such approvals as required under Sections 68 to 70 of the Act and other applicable rules made thereunder.

9.

(a) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to:

(i) Persons who, at the date of offer, are holders of equity shares of the Company, such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(ii) employees under any scheme of employees' stock option; or

(iii) Any person whether or not those persons include the persons referred to in (i) or (ii) above.

(b) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with these Articles, the Act and the Rules.

10. Except as required by law or ordered by a Court of competent jurisdiction no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any benami, equitable, contingent, future or partial interest in any share, or except only as by these regulations or by law otherwise provided any interest in any fractional part of a share) or any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.

11. The shares in the Company shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or numbered share shall continue to bear the number by which the same was originally distinguished.

12. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and subject to the provisions of the Act either at a premium or at par. The Directors may in accordance with the provisions of the Act and Rules made thereunder allot and issue shares in the Capital of the Company as payment or part payment for any property, goods or machinery supplied, sold or transferred or for services rendered to the Company.

13. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

14. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provision of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

15. Subject to the provisions of the Act, the Company may issue Bonus Shares to its Members out of i) its free reserves; (ii) the securities premium account; or (iii) any capital redemption reserve account, in any manner as the Board may deem fit.

16. Subject to the provisions of the Act, the Company may capitalise its profits or reserves for the purpose of issuing fully paid-up Bonus Shares.

SHARE CERTIFICATES

17. Every person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months after allotment or within one months after the application for the registration of transfer or transmission (or within such other period as the conditions of issue shall provide) -

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

18. Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid up thereon.

19. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

20. Issue of new certificate in place of one defaced, lost or destroyed:

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate or such other maximum permissible amount prescribed under applicable law, and as may be amended from time to time. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall mutatis mutandis apply to debentures (except where the Act otherwise requires) of the Company.

21. The provisions of above-mentioned Article shall mutatis mutandis apply to preference shares, debentures and any other securities of the Company.

LIEN

22.

(i) The Company shall, subject to applicable law, have a first and paramount lien upon every share / debenture (not being a fully paid share / debenture) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

(ii) The fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares

(iii) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

23. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made –

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

24. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii)The purchaser shall be registered as the holder of the shares in any such transfer.

(iii) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

(iv) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Upon any such sale as aforesaid, the existing certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate(s) in lieu thereof to the purchaser or purchasers concerned.

25. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

26. The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.

27. In exercising its lien, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless

required by applicable law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

CALLS ON SHARES

28. (i) The Board may, subject to the provisions of the Act and any other applicable laws, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times;
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting and as may be permitted by applicable law.

(ii)Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one (1) or more members as the Board may deem appropriate in any circumstances.

(iii) A call may be revoked or postponed at the discretion of the Board.

29. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments. If no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

30. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

31. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, or any such extension thereof as aforesaid, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine. Nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

32. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

33. The Board –

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing in this Article shall confer a right on the member any right to participate in profits or dividends. The Board may at any time repay the amount so advanced.

34. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

35. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

36. All calls shall be made on an uniform basis on all shares falling under the same class.

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

37. The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

FORFEITURE OF SHARES

38. If any Member fails to pay any call or installment of a call on the day appointed for the payment of the same, the Directors may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

39. The notice aforesaid shall – (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited

40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

41. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

42. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

43. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

44. The provisions of these Articles as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

45. The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures issued by the Company.

46. **ADDITIONAL CAPITAL**

46.1 In the event that the Company decides to issue any additional Equity Shares or Securities ("Additional Capital Shares") to any Person, such issue being approved in accordance with Article 96, the Company shall first offer to issue to each of the Promoter and the Investor, such part of the Additional Capital Shares as is equivalent to the proportion of the Equity Shares held by each of them in the Fully Diluted Share Capital the "Offer Shares"), on the same terms and conditions on which any Additional Capital Shares are offered to such other Person the "Offer Terms"), which terms and conditions shall be set out in a written notice issued by the Company to the Investor and the Promoter (the "Offer Notice"). For the avoidance of doubt, the shareholding of the Investor on a Fully Diluted Basis would be the aggregate of the Equity Shares held by the Investor and the Equity Shares that would be held by the Investor assuming that the Series A CCPS held by the Investor had converted to Equity Shares in accordance with these Articles and the terms of such Series A CCPS at such time. The term Additional Capital Shares, for the purposes of this Article 46, shall not include (i) proportionate Equity Shares issued in connection with any stock split, stock dividend, distribution, reclassification or recapitalization of the Company in accordance with these Articles, (ii) Equity Shares issued pursuant to an IPO; (iii) issuance of stock options or shares issued upon exercise of employee stock options which are approved by the Investor; (iv) shares issued pursuant to any mergers, acquisitions, restructurings, amalgamations and related actions, which has been approved by the investor in accordance with Article 96; and (v) conversion any of the Series A CCPS into Equity Shares.

46.2 The Promoter and the Investor shall have the right to accept the Offer Terms within a period of 21 (twenty one) Business Days from the date of issuance of the Offer Notice (the "Offer Period"), If the Promoter and/or the Investor agrees to subscribe to all or some of the Offer Shares within the Offer Period, such Person shall deliver a written notice stating its acceptance to subscribe to all or such number of the Offer Shares that it wishes to subscribe to (the "Acceptance Notice"). The Company shall complete the issuance and allotment of such number of the Offer Shares as are stated in the Acceptance Notice within a period of 40 (forty) Business Days from the date of the Acceptance Notice.

46.3 In the event that any of the Additional Capital Shares remains unsubscribed by either or both of the Promoter and / or the Investor at the expiry of the Offer Period ("Outstanding Offer Shares"), such Outstanding Offer Shares shall be allotted (on the Offer Terms) In the following manner:

(a) In the event either the Promoter or the Investor has subscribed to their portion of Offer Shares (the relevant Person being a "Subscribing Party"), the Company shall first offer the Outstanding Offer Shares to the Subscribing Party. The Subscribing Party shall have the right to subscribe to all or part of the Outstanding Offer Shares within 15 (fifteen) Business Days of the date of offer ("Outstanding Offer Period") on the Offer Terms;

(b) In the event that: (i) neither the Promoter nor the Investor has responded to the Offer Notice within the Offer Period; or (ii) both the Promoter and the Investor respond to the Offer Notice conveying their refusal to subscribe to the Offer Shares; or (iii) a Subscribing Party does not respond to an offer made by the Company in accordance with Article 46.3(a) above for subscribing to the Outstanding Offer Shares within the Outstanding Offer Period; or (iv) any Outstanding Offer Shares remain unsubscribed at the expiry of the Outstanding Offer Period due to partial subscription by a Subscribing Party or otherwise, then the Outstanding Offer Shares or any remainder thereof may be offered to a Third Party identified by the Company and / or the Promoter, on terms no more favorable than the Offer Terms. If the Outstanding Offer Shares are not subscribed to by a Third Party within 180 (one hundred eighty) days from the expiry of the Outstanding Offer Period, the Outstanding Offer Shares shall not be issued without following the procedure set out in this Article 46.

47. **ANTI DILUTION**

47.1 If the Company issues Securities to any person, other than the Investor and the price per Equity Share underlying the Securities paid by such person is less than the price at which the Subscription Securities are issued to the Investor, then the Investor shall be entitled to a broad-based weighted average anti-dilution protection in accordance with the terms and procedure described in Schedule II. The anti-dilution protection shall be effected by an adjustment to the Series A Conversion Ratio, or if such adjustment is not permitted by applicable Law, any other manner permitted under applicable Law as would have the same substantive effect. An illustration of the calculation for such broad-based weighted average anti-dilution protection is specified in Part B of Schedule II.

47.2 In the event that the Company proposes to undertake an issuance of Securities that would result in the anti-dilution provisions herein being effected, the Company shall notify the Investor of the extent of adjustment required (calculated in accordance with the terms and procedure in Schedule II).

47.3 The Company shall take all such actions and do all such things as may be required by the investor, including (i) obtaining any necessary Governmental Approvals, (ii) entering into any contractual arrangements, (iii) supporting all such decisions and actions, exercising their respective voting and other rights to ensure that all the necessary, required or requested resolutions are validly passed, to give effect to the provisions of this Article 47 and, in the event Equity Shares are issued to the investor pursuant to this Article 47, the Company shall make necessary statutory filings and update the statutory registers of the Company.

47.4 Nothing contained in this Article 47 shall apply in respect of any issuance of Securities undertaken pursuant to:

i. Any bonus issuance of securities of the Company;
ii. Any stock split, consolidation or other similar action in respect of the Share Capital;
iii. Any issuance of Securities of the Company pursuant to any restructuring of debt of the Company;
iv. Any issuance of Securities pursuant to an initial public offering.

TRANSFER AND TRANSMISSION OF SHARES

48. Subject to the provisions of the Act, and these Articles, no transfer of shares in, or debentures of, the Company shall be registered, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of

the transferee has been delivered to the Company along with the certificate relating to the shares or debentures or if no such certificate is in existence, along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the Register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

49. The instrument of transfer shall be in writing and all the provisions of section 56 of the Act and any statutory modification thereof applicable at the time of the transfer shall be duly complied with in respect of all transfers of shares and of the registration thereof.

50. The Board has the absolute discretion to decline to register or acknowledge any transfer of any shares in the Company in accordance with Section 58 of the Act. No transfer of share shall be made or registered without the previous sanction of the Directors.

51. No shares shall in any circumstances be allotted or transferred to any minor, insolvent or person of unsound mind.

52.

(a) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.

(b) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(c) For the purpose of paragraph (b) hereof, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

(d) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.

If the Company without sufficient cause refuses to register the transfer of securities within a period of thirty days from the date on which the instrument of transfer or the intimation of transmission, as the case may be, is delivered to the Company, the transferee may, within a period of sixty days of such refusal or where no intimation has been received from the Company, within ninety days of the delivery of the instrument of transfer or intimation of transmission, appeal to the Tribunal.

(e) Nothing in these Articles shall prejudice any power of the Company to register as a Member any person to whom the right to any shares of the Company has been transmitted by operation of law.

53. Every instrument of transfer duly executed and stamped shall be submitted at the office for registration

accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

54. All instruments of transfer, which are registered, shall be retained by the Company, but any instrument of transfer, which the Company declines to register, shall on demand be returned to the person depositing the same. The Company may cause to be destroyed all transfer deeds lying with the Company after such period as it may determine but not being less than six years.

55. The Company may after giving not less than seven days' previous notice by advertisement as required by Section 91 of the Act, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate, 45 (forty-five) days in each year, but not exceeding 30 (thirty) days at any one time.

56. Subject to the provisions of Section 72 of the Act, in case of death of a Member, the survivor or survivors where the Member was a joint holder and his legal representatives where he was sole holder, shall be the only persons whom the Company may recognize as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estates of a joint holder from any liability to the Company on shares held by him jointly with any other person.

57. Subject to the provisions of the Act and these Articles, the heir, executor or administrator of a deceased Member shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate or letters of administration or succession certificate.

58. Subject to the provisions of the Act and these Articles, any person becoming entitled to shares as a consequence of the death, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these presents, may upon producing such evidence as the Company thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him, registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify to the election by executing in favor of his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the shares.

59. The Company shall, subject to the provisions of these Articles, have the same right to refuse to register a person entitled by transmission to any share, or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

60. Every transmission of shares shall be verified in such manner as the Company may require and, if the Company so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be so verified or requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Company at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company to accept any indemnity.

61. A transfer of a share in the Company of a deceased Member made by his legal representative shall, although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer.

62. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by any apparent owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice

of such equitable right, title or interest or notice prohibiting registration of such transfer.

63. The person becoming entitled to a share by reason of the death or insolvency of the holders shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the shares and if notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the share until the requirements of the notice have been complied with.

64. **RESTRICTIONS ON TRANSFER OF SECURITIES**

64.1 Non-Disposal of Shareholding

Save and except to the extent provided under Article 64.2, the Promoter and his Affiliates shall not Transfer or Encumber in any manner, and shall continue to hold all his existing Equity Shares and those that might be allotted or Transferred to him in the future (by way of bonus, rights or otherwise).

64.2 Promoter's Permitted Transfers

64.2.1 Notwithstanding anything to the contrary contained in these Articles, the Promoter and his Affiliates shall be entitled to Transfer the Securities held by them, without the prior approval of the Investor, to the following Persons (the "Permitted Transferee"):

a) Subject to the execution by such Permitted Transferee of a Deed of Adherence agreeing to undertake all rights and obligations as are applicable to the Promoter, the Promoter and his Affiliates who hold Securities in the Company shall be entitled to Transfer the respective Securities held by them to their respective spouse and / or children, provided that no such Transfer shall result in the Promoter's resultant shareholding percentage in the Share Capital (held directly or through any entity which is Controlled by the Promoter) below 51% (fifty one per cent) of the Share Capital of the Company;

b) Subject to the execution by such Permitted Transferee of a Deed of Adherence, the Promoter and his Permitted Transferees and Affiliates who hold Securities in the Company shall be entitled to Transfer the respective Securities held by them to any (i) Persons which are solely Controlled by the Promoter or such Affiliates; or (ii) to any trusts to which the Promoter and / or such Affiliate and / or their respective spouse and / or children are sole beneficiaries; provided that, in the event such Person ceases to be Controlled by the Promoter, such Persons shall Transfer any Equity Shares held by them to the Promoter or to any other Person who is Controlled by the Promoter;

c) The Promoter and his Permitted Transferee and Affiliates who hold Securities in the Company shall be entitled to create Encumbrances on the Securities held by them in favour of any banks or financial institutions for the purpose of securing any loan facilities obtained or proposed to be obtained by or on behalf of the Company in accordance with the Annual Budget and / or the Business Plan.

and the Investor shall not have a Right of First Offer or a Tag Along Right with respect to any Transfers undertaken or Encumbrances made pursuant to this Article 64.2.1.

64.2.2 Notwithstanding anything to the contrary contained herein but except as otherwise specified in Article 64.2.1 above and subject to the execution of a Deed of Adherence, the Promoter and his Affiliates shall, with the prior written consent of the Investor, which consent shall not be unreasonably withheld, be entitled to Transfer the respective Securities held by them to any Person for the purposes of their personal Tax planning, restructuring or organization, and the Investor shall not have a Right of First Offer or a Tag Along Right with respect to any Transfers undertaken pursuant to this Article 64.2.2.

64.2.3 Notwithstanding anything to the contrary contained in these Articles but subject to the Investor's Right of First Offer in accordance with Article 64.3, the Promoter and his Affiliates shall, without the prior approval of the Investor, be entitled to Transfer any Securities held by them to up to an aggregate of 5% (five per cent) of the Share Capital of the Company (calculated on a Fully Diluted Basis), whether in a single tranche or pursuant to multiple transactions, to any Person or Persons identified by the Promoter, unless as otherwise specified in Articles 64.2.1 and 64.2.2 above. It is clarified that the Investor shall not have a Tag Along Right with respect to any Transfers undertaken pursuant to this Article 64.2.3.

64.3 Right of First Offer

64.3.1 Except as otherwise specified in Article 64.2 and 64.5.1 (ii) but subject to Articles 64.1 and 64.5, in the event that the Promoter or the Investor (such Person, a "Selling Shareholder") proposes to sell any of the Securities held by it ("ROFO Sale Securities") to any Person, such Selling Shareholder shall first offer the ROFO Sale Securities to the Promoter or the Investor (as relevant} who is not selling its Shares pursuant to the same transaction (hereinafter referred to as a "Non-Selling Shareholder" and the right to the Non-Selling Shareholder being hereinafter referred to as a "Right of First Offer"). The process to be followed for the exercise of the right of first offer is set out below;

a. The Selling Shareholder shall first give a written notice ("ROFO Notice") to the Non-Selling Shareholder indicating the Selling Shareholder's intention to Transfer the ROFO Sale Securities and stating the number of ROFO Sale Securities proposed to be Transferred.

b. The Non-Selling Shareholder shall be entitled to respond to the ROFO Notice by serving a written notice (the "ROFO Exercise Notice") on the Selling Shareholder prior to the expiry of 21 (twenty one) Business Days from the date of receipt of the ROFO Notice by the Non-Selling Shareholder (the "ROFO Period"), communicating to the Selling Shareholder: (I) its acceptance (either directly or through an Affiliate) to purchase all or part of the ROFO Sale Securities and specifying the number of ROFO Sale Securities that the Non-Selling Shareholder is willing to purchase ("ROFO Exercise Securities"), the per Security price ("ROFO Price") and the terms ("AOKI Terms") at which the Non-Selling Shareholder may purchase the ROFO Sale Securities; or (ii) its refusal to purchase the ROFO Sale Securities.

The delivery of the ROFO Exercise Notice by the Non-Selling Shareholder shall constitute a binding and irrevocable offer from the Non-Selling Shareholder to purchase the ROFO Exercise Securities at the ROFO Price and the ROFO Terms.

c. Within 15 (fifteen) Business Days of receipt by the Selling Shareholder of acceptance by the Non-Selling Shareholder pursuant to a ROFO Exercise Notice, the Selling Shareholder shall respond to the Non-Selling Shareholder indicating in writing its acceptance or refusal to sell the ROFO Exercise Securities at the ROFO Price and the ROFO Terms specified in the ROFO Exercise Notice. If the ROFO Price and the ROFO Terms (including the number of ROFO Exercise Securities) specified in the ROFO Response Notice are acceptable to the Selling Shareholder, the Transfer of the ROFO Exercise Securities to the Non-Selling Shareholder shall be completed at the ROFO Price and on the ROFO Terms within 40 (forty) Business Days from the date of receipt by the Selling Shareholder of the ROFO Exercise Notice.

d. In case a Non-Selling Shareholder has served a ROFO Exercise Notice and in the event the Selling Shareholder:

(i) does not issue a notice in accordance with Article 64.3.1(c) accepting the offer made by the Non-Selling Shareholder; or

(ii) indicates its refusal of the ROFO Price and the ROFO Terms specified in the ROFO Exercise Notice within the timelines specified in Article 64.3.1(c) above,

the Selling Shareholder shall, subject to Articles 64.4 or 64.5 below (as applicable to the Selling Shareholder), be entitled to sell all (but not less than all) the ROFO Sale Securities to any Third Party at a price higher than and on terms no more favourable to the third party than those specified in the ROFO Exercise Notice. Such sale to a Third Party shall be completed within a period of 180 (one hundred and eighty) days from the expiry of the ROFO Period failing which the ROM Sale Securities shall be only sold by following the procedure as set forth under this Article 64.3.

e. In the event the Non-Selling Shareholder:

(i) does not send a ROFO Exercise Notice within the ROFO Period; or

(ii) issues a ROFO Exercise Notice indicating its refusal to purchase any ROFO Sale Securities; or

(iii) issues a ROFO Exercise Notice indicating its acceptance to purchase any ROFO Sale Securities and the ROFO Price and the ROFO Terms specified in the ROFO Exercise Notice are accepted by the Selling Shareholder, but is unable or unwilling to complete such purchase within the timelines specified in Article 64.3.1(c) above,

then, subject to the Third Party executing a Deed of Adherence, the Selling Shareholder shall, subject to Articles 64.3.1(f) and 64.3.1(g), and Articles 64.4 or 64.5 below (as applicable to the Selling Shareholder), be entitled to sell all (but not less than all) the ROFO Sale Securities to any Third Party at such price and on such terms as are acceptable to the Selling Shareholder within a period of 180 (one hundred and eighty) days from the expiry of the ROFO Period failing which the ROFO Sale Securities shall be only sold by following the procedure as set forth under this Article 64.3.

f. In the event the Investor issues a ROFO Exercise Notice indicating its acceptance to purchase any ROFO Sale Securities and the ROFO Price and the ROFO Terms specified in the ROFO Exercise Notice are accepted by the Selling Shareholder, but is unable or unwilling to complete such purchase within the timelines specified in Article 64.3.1(c) above, then the Tag Along Right of the Investor specified in Article 64.4 below shall fall away with respect to the relevant ROFO Sale Securities in respect of which the Investor has failed to complete a purchase as above.

g. In the event the Selling Shareholder proposes to Transfer any ROFO Sale Securities to a Third Party in the manner specified in Article 64.3.1(e) above, the Selling Shareholder may, at its sole discretion and without the obligation to do so, provide the Non-Selling Shareholder prior written notice ("Third Party Sale Notice") of such proposed Transfer, specifying the identity of the proposed Third Party purchaser and the price and terms at which the ROFO Sale Securities are proposed to be sold. Within 7 (seven) Business Days of the receipt of the Third-Party Sale Notice, the Non-Selling Shareholder may, either directly or through his Affiliates, by written notice to the Selling Shareholder, offer to purchase all (but not less than all) the ROFO Sale Securities from the Selling Shareholder at a price and on terms no less favourable than those offered by the proposed Third-Party purchaser. It will be at the discretion of the Selling Shareholder to either:

(i) accept such offer, and upon such acceptance, Transfer the ROFO Sale Securities to the Non-Selling Shareholder within 45 (forty-five) Business Days of the Issuance of the Third-Party Sale Notice, at a price and on terms no less favourable to the Selling Shareholder than those offered by the proposed Third-Party purchaser; or

(ii) reject such offer, and upon such rejection, Transfer the ROFO Sale Securities to the Third-Party purchaser within 180 (one hundred and eighty) days from the expiry of the ROFO Period at the price and on terms specified in the Third-Party Sale Notice, subject to the Third-Party purchaser executing a Deed of Adherence.

64.3.2. In the event the Non-Selling Shareholder issues a ROFO Exercise Notice indicating its acceptance to purchase only part (and not all) of the ROFO Sale Securities, then, upon the completion of the sale and purchase of such ROFO Exercise Securities in accordance with Article 64.3.1(c) above, the Selling Shareholder shall be entitled to sell the remaining ROFO Sale Securities to any Third Party at such price and on such terms as may be acceptable to the Selling Shareholder, within 180 (one hundred and eighty) days from the expiry of the ROFO Period failing which such remaining ROFO Sale Securities shall be only sold by following the procedure as set forth under this Article 64.3.

64.4 Tag-Along Right

64.4.1 Subject to Articles 64.1 to 64.3 above, if the Promoter (being a Selling Shareholder) receives an offer for the purchase of the ROFO Sale Securities from a Third Party ("Proposed Purchaser") in accordance with Articles 64.3.1(d) and (e), the Promoter shall, subject to Article 64.3.1(f) above, deliver a notice in writing to the Investor (the "Transfer Notice") which shall specify:

(a) The number of ROFO Sale Securities proposed to be purchased by the Third Party;

(b) The price at which the Promoter intends to Transfer such ROFO Sale Securities, such price being higher than the ROFO Price offered by the Investor if it has served a ROFO Exercise Notice;

(c) The identity of the Proposed Purchaser;

(d) Other terms and conditions of the proposed Transfer; and

(e) A confirmation to the Investor that the Proposed Purchaser has been made aware of the rights of the Investor and the obligations of the Promoter under these Articles.

64.4.2 Within 21 (twenty-one) Business Days of its receipt of the Transfer Notice, the Investor shall deliver a written notice to the Promoter (the "Sale Response Notice") notifying the Promoter of its decision to either:

(a) Exercise its right to sell such number of the Investor Securities as permitted under this Article 64.4 ("Tag Along Right") alongside the sale of the ROFO Sale Securities to the Proposed Purchaser; or

(b) Decline to exercise its Tag Along Right.

64.4.3 In the event that the Investor declines to exercise its Tag Along Right, or does not serve a Sale Response Notice within 21 (twenty-one) Business Days of receipt of the Transfer Notice, the Promoter shall be entitled to Transfer the ROFO Sale Securities to the Proposed Purchaser at the price mentioned in the Transfer Notice.

64.4.4 In the event that the Investor issues a Sale Response Notice exercising its Tag Along Right, the Investor shall have the right to require the Promoter to ensure that the Proposed Purchaser purchases such number of Securities held by the Investor as may be specified in the Sale Response Notice computed in accordance with and to the extent permitted under Article 64.4.5 (the "Tag Along Securities"). The Proposed Purchaser shall simultaneously purchase the Tag Along Securities and the ROFO Sale Securities at the same price (including the cash equivalent of any non-cash component) and, except to the extent permitted under Article 64.4.8 below, on identical terms as specified in the Transfer Notice.

64.4.5 The maximum number of Tag Along Securities that the Investor is permitted to Transfer pursuant to its exercise of the Tag Along Right in terms of this Article 64.4 shall be determined by multiplying the number of Securities held by the Investor in the Fully Diluted Share Capital by a fraction, (x) the numerator of which shall be the number of Securities (on a Fully Diluted Basis) the Promoter proposes to Transfer and (y) the denominator of which shall be the total number of Securities then held by the Promoter in the Fully Diluted Share Capital, the resultant number representing the permitted number of Tag Along Securities. In the event that the Transfer of the ROFO Sale Securities will result in a Change in Control, the Investor shall have the right to require the Promoter to ensure that the Proposed Purchaser purchases up to all of the Securities held by the Investor as indicated by the Investor in the Sale Response Notice, provided that, in the event the Proposed Purchaser makes a binding offer signifying that the proposed Purchaser is willing to purchase all the Securities held by the Investor, at a price equal to or higher than the Threshold Exit Price and the Investor does not Transfer the Securities held by it to such Proposed Purchaser, the exit rights available to the Investor under these Articles shall fall away.

64.4.6 In the event the Investor delivers a Sale Response Notice exercising its Tag Along Right, the Transfer of Sale Securities and Tag Along Securities to the Proposed Purchaser by the Selling Promoter shall be completed within 180 (one hundred and eighty) days of the expiry of the ROFO Period or 60 (sixty) days from the date of delivery of such Sale Response Notice, whichever is later. in the event the Investor declines to exercise its Tag Along Right or fails to issue a Sale Response Notice within the timelines specified in Article 64.4.2 above, the Transfer of Securities by the Promoter shall be completed within a period of 180 (one hundred and eighty) days from the date of expiry of the ROFO Period. In the event that in either of the circumstances above, the Promoter does not conclude the Transfer within the timelines specified, the Promoter shall not Transfer the ROFO Sale Securities without again following the steps as set forth under Articles 64.3 and 64.4.

64.4.7 The Promoter shall also ensure that the Proposed Purchaser executes a Deed of Adherence simultaneously with the Transfer of the Sale Securities and the Tag Along Securities in the event that the Investor continues to hold any Securities in excess of the Fall-Away Threshold pursuant to the completion of the sale of the Tag Along Securities in accordance with Article 64.4.4.

64.4.8 The Investor shall not be required to provide to the Proposed Purchaser any representations, warranties or indemnities in relation to the business and operations of the Company.

64.4.9 Notwithstanding anything to the contrary in this Article 64.4, the Promoter shall not be entitled to Transfer any ROFO Sale Securities to any Proposed Purchaser, unless the Proposed Purchaser simultaneously purchases and pays for all of the Tag Along Securities on the terms of the Transfer Notice, if the Investor has exercised its Tag Along Right in accordance with this Article 64.4; provided that, in the event the Investor exercises its Tag Along Right but fails to Transfer any Tag Along Securities as a result of any actions or omissions of the Investor or its representatives, the Promoter shall not be restricted from Transferring the ROFO Sale Securities to the Proposed Purchaser.

64.4.10 Notwithstanding anything to the contrary contained herein, in the event the Investor exercises its Tag Along Right in accordance with this Article 64.4, the Investor shall be required to mandatorily convert such number of Series A CCPS into Equity Shares as correspond to the number of Tag Along Securities proposed to be Transferred in accordance with this Article 64.4, at least 7 (seven) days prior to the completion of such Transfer.

64.5 Transfers by Investor

64.5.1 (i) Subject to applicable Law and these Articles, including Articles 64.3 and 64.6.2, the Investor shall be entitled to freely Transfer the Securities held by it, provided that: (a) no Transfer shall be permitted by the Investor, directly or indirectly, to a Prohibited Transferee without the prior written consent of the Promoter except as otherwise provided in Article 64.5.2; and (b) any Person to whom the Investor Transfers Securities shall execute a Deed of Adherence.

(ii) It is clarified that the Promoter's Right of First Offer shall not apply to a Transfer by the investor of the Investor Securities to an Affiliate.

64.5.2 Subject to applicable Law and these Articles, the Investor shall be entitled to Transfer any Securities to a Prohibited Transferee after the completion of an IPO pursuant to an on-market transaction only if such Transfer is:

(a) A sale of Investor Securities on a stock exchange with the Investor having no knowledge of the identity of the purchaser;

(b) A sale made pursuant to the investor tendering Investor Securities in an open offer pursuant to the 5E81 (Substantial Acquisition of shares and Takeovers) Regulations, 2011 provided that such open offer has not been solicited or prompted or otherwise initiated by the Investor;

(c) A sale made to a Prohibited Transferee following any Transfer by the Promoter of its Securities to a Prohibited Transferee pursuant to a negotiated agreement or off-market arrangement.
It is clarified that no Transfer to a Prohibited Transferee shall be undertaken pursuant to an agreement or arrangement with such Prohibited Transferee in relation to the price and terms of such Transfer.

64.5.3 In the event the Investor Transfers any Investor Security to any Person who holds any investment (either directly or through its Affiliates) in an entity which competes with the Business, the Investor shall ensure that the transferee agrees to (a) confidentiality covenants with the Company to preserve confidentiality of any confidential information relating to the Company that such Person becomes privy to, and (b) prevent conflicts of interest between the Company and its other investment in a competing business, including by ensuring that common directors are not appointed and other 'Chinese Wall' methods as may be necessary.

64.6 Miscellaneous

64.6.1 The Company shall not register any Transfer of Securities in violation of the provisions of these Articles, and shall not recognize as a shareholder or owner of Securities, nor accord any rights (whether relating to payment of dividend or voting) to the purported transferee of any Securities in violation of the provisions of these Articles. Any Transfer of Securities in violation of the provisions of these Articles shall be void, shall not be binding on the Company and the Company shall not permit any such Transfer on its books.

64.6.2 **Exercise of Investor Rights**

(i) In the event the Investor continues to hold any Securities in excess of the Fall-Away Threshold pursuant to the consummation of any Transfer to a Third-Party purchaser in accordance with the term of these Articles, the Investor and the third party purchaser shall act as a single bloc for the purposes of exercising any rights in relation to the management and governance of the Company (including the right to appoint an Investor Director and fulfilling quorum requirements for meetings) and Reserved Matters.

(ii) The obligations of the Investor under these Articles shall apply mutatis mutandis to any such Third-Party purchaser.

(iii) Except as otherwise specified in Article 64.6.2(iv) below, in the event the shareholding of the Investor (calculated on a Fully Diluted Basis) falls below the Fall-Away Threshold pursuant to the consummation of any Transfer to a Third Party purchaser in accordance with the terms of these Articles, the Investor shall be entitled to assign its rights pursuant to a Transfer of Investor Securities to any Person who acquires the Investor Securities, provided that, upon such assignment, only such acquirer shall be entitled to exercise such rights, to the exclusion of the Investor.

(iv) Notwithstanding anything to the contrary specified herein, any rights in connection with exit, right of indemnification and anti-dilution rights available to the Investor shall be available to and exercisable only by Commelina Ltd and its Affiliates who hold Securities in the Company, in accordance with these Articles and cannot be assigned to any Third Party. It is clarified that any rights available to the Investor in connection with exit, indemnification and anti-dilution under these Articles shall, notwithstanding the Transfer of any Investor Securities to any Third Party, be exercisable only by Commelina Ltd and its Affiliates who hold Securities in the Company and shall survive until the achievement of the Fall-Away Threshold.

64.6.3 Pursuant to the consummation of any Transfer of Securities by the Promoter to a Third-Party purchaser in accordance with the terms of these Articles, the Promoter and the Third-Party purchaser shall act as a single bloc for the purposes of the exercise of the rights and obligations under these Articles.

64.6.4 Except as otherwise provided under these Articles, any Person acquiring Securities by way of a transfer permitted under these Articles shall execute a Deed of Adherence on or prior to such Transfer of Securities.

64.6.5 A copy of all notices required to be given under this Article 64 shall be delivered concurrently to the Company.

65. **SWEAT EQUITY**

Subject to the provisions of the Act and rules made there-under, Company may issue sweat equity shares.

ALTERATION OF CAPITAL

66. The Company may, from time to time, with the approval of the Board and by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

67. Subject to the provisions of Section 61 of the Act, the company may, by ordinary resolution:

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, subject, nevertheless, to the provisions of the Act; and

(d) Cancel any shares, which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

BORROWING POWERS

68. Subject to Section 73, 74, 179 and 180 of the Act, and Rules made thereunder and directions issued by the Reserve Bank of India, the Board may and shall have power, at any time and from time to time, to raise or borrow any sum or sums of money and may secure the repayment of such moneys in such manner and upon such terms and conditions, in all respects, as they may deem fit and, in particular, by the issue of the debentures or debenture stock or bonds or by making, drawing, accepting or endorsing promissory notes or bills of exchange, giving or issuing, if deemed necessary, any properties, assets, or revenues of the Company, present or future, including its uncalled capital, as security and may guarantee the whole or any part of the loan or debt raised or incurred or any interest payable thereon by means of mortgage or hypothecation of/or charge upon any such property, assets or revenues. However, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under Section 180 (1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a special resolution at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board.

69. Subject to these Articles, the payment or repayment of the moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by the issue of Debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being and Debentures, and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

70. If any uncalled capital of the Company is included in or charged by any mortgage or other security interest, the Directors may subject to the provisions of the Act and these presents, make calls on the Members in respect of such uncalled capital in trust for the person in whose favor such mortgage or security is executed.

71. The Company shall comply with all the provisions of the Act in respect of the mortgages or charges created by the Company and the registration thereof and the transfer of the Debentures of the Company and the register required to be kept in respect of such mortgages, charges and Debentures.

DIVIDEND AND RESERVE

72. Subject to these Articles, the Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

73. The Board may at its discretion, before recommending any dividend, set aside out of the profits of the Company such sums as it may think fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company) as the Board may, from time to time, thinks fit.

74. Subject to these Articles, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

75. The Board may also carry forward any profits, which it may think prudent not to divide, without setting them aside as a reserve.

76. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid of the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

77. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on share.

78. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, but if any share is issued on terms providing that it shall rank for the purposes of dividend entitlement as from a particular date such shares shall rank for dividend accordingly.

79. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

80. No dividend shall be payable except in cash provided that nothing in the foregoing shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on the shares held by the Members of the Company.

81. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

82. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the Company.

86. Unpaid or Unclaimed Dividend

(a) Where the Company has declared a dividend but which has not been paid or claimed within thirty days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Paras Healthcare Limited Unpaid Dividend Account"

(b) The Company shall, within a period of ninety days of making any transfer of an amount under (a) above to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

(c) If any default is made in transferring the total amount referred to in (a) above, or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(d) Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(e) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.

(f) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

87. A transfer of shares shall not pass the rights to any dividend declared therein before the registration of the transfer by the Company.

88. No dividend shall be paid in respect of any share except to the registered holder of such share or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of the registered

Members to make a separate application to the Company for the payment of the dividend.

89. Any General Meeting, may upon the recommendation of the Board resolve that any undivided profits of the Company, standing to the credit of the Reserves/ any Capital Redemption Reserve Account or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account, be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions or that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full any unissued shares, debentures or debenture-stock of the Company or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Account may, for the purposes of this provision, only be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

90. For the purpose of giving effect to any resolution under the preceding provision the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates. Where requisite, a proper contract shall be filed in accordance with the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

91. **INFORMATION AND INSPECTION RIGHTS**

91A.1 The Investor shall also be entitled to inspection and visitation rights in respect of the Company at reasonable times during business hours, without disrupting the business of the Company. The Company shall, upon receipt reasonable advance notice of not less than 7 (seven) days, give such access as may be reasonably requested, to the Investor and its authorized representatives (including the Investor Director, lawyers, accountants, auditors and other professional advisers) to visit and inspect the Company's properties, Assets, corporate, financial and other records, reports, books, Contracts and commitments of the Company, and to discuss the Business, action plans, budgets and finances with the Directors, statutory auditors and executive officers of the Company.

91A.2 All the Financial Statements delivered by the Company shall be prepared under Ind AS. All management reports shall include a comparison of financial results with the corresponding quarterly and annual budgets.

92. **ANNUAL BUSINESS PLAN AND BUDGET**

92B.1 The Annual Budget for every Financial Year shall be placed at meeting of the Board, for approval as a Reserved Matter, at least 15 (fifteen) days prior to the end of the preceding Financial Year.

92B.2 No later than 30 (thirty) days prior to the end of each Financial Year, the Company shall prepare and submit to the Investor the Annual Budget.

93. **BOARD OF DIRECTORS**

93.1

(a) Subject to applicable laws and unless otherwise determined by the General Meeting, the number of Directors shall not be less than three and not more than fifteen, and at least one director shall be resident of India in a previous year.
(b) The Directors shall not be required to hold any qualification shares in the Company.
(c) The first Directors of the Company shall be:

1. Mr. Sunil Kapur 2. Mr. Ashok Narang
3. Mrs. Veena Chandok 4. Mr. G.K.Sahni
5.Mr. Shailendra Chandok

93.2 (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

93.3 The Board may pay all expenses incurred in getting up and registering the company.

93.4 The company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

93.5 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

93.6 Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

93.7 (i) Subject to the provisions of Section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

93.8 Subject to applicable Law, the number of Directors comprising the Board shall not be less than three (3) and not more than fifteen (15) Directors. The Board shall be reconstituted in the following manner:

(i) The Promoter shall be entitled to nominate 3 (three) Directors (each such Director and any alternate to such Director, a "**Promoter Director**" and together, the "**Promoter Directors**");

(ii) Subject to Article 104, the Investor shall be entitled to nominate 1 (one) Director (such Director, and any alternate to such Director, the "**Investor Director**") and

(iii) The Board shall consist of such number of independent Directors as may be required under the applicable Law, who shall be appointed in a General Meeting.

Provided that, the composition of the Board shall, at all times, be in compliance with the corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

93.9. The Investor Director shall not be appointed on the board or any other governing body of a Restricted Person. In the event the Investor Director is appointed on the board or other equivalent governing body of a Person which becomes a Restricted Person after the Closing Date, the Investor shall ensure that the Investor Director shall resign from the Board or from the board of directors or governing body of such Restricted Person within a period of 10 (ten) Business Days from the date on which such Person becomes a Restricted Person. The

Investor Director shall not be a director on the board or equivalent governing body of any Prohibited Transferee. In the event the Investor Director is proposed to be appointed on the board or other equivalent governing body of a Prohibited Transferee, the Investor shall intimate the Company prior to such appointment and shall consult with the Company and the Promoter and undertake such actions as may be reasonably required pursuant to such consultation in connection with such appointment of the investor Director on the board or equivalent governing body of a Prohibited Transferee.

93.10. Subject to Article 93.8 above and compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Act and other applicable law, the Investor Director shall have the right to be appointed on any Committee that may be constituted by the Board.

93.11. Notwithstanding anything contained in this Article 93 but subject to Article 104, till such time as the Investor has a right to appoint an Investor Director and where a casual vacancy is created on the Board by virtue of the resignation or removal of the Investor Director, the Investor shall be entitled to nominate a Person to attend any meeting of the Board or any Committee thereof ("Investor Attendee") until such time as a new Investor Director is appointed to the Board, provided that the Investor shall appoint a new Investor Director as soon as practicable and in any event within 30 (thirty) days from the date of resignation or removal of an Investor Director from the Board, and the term of nomination of such Investor Attendee shall not exceed 30 (thirty) days. The Investor Attendee shall be entitled to receive all notices, minutes, consents, and other materials that the Company provides its Directors, at the same time and in the same manner as so provided, However, the Investor Attendee shall not have the right to participate in discussions or cast any votes at meetings of the Board and the Committees.

93.11. No Liability of the Investor Director

(a) Subject to applicable law, the Investor Director shall not be liable for any default or failure of the Company in complying with the provisions of any applicable Law, including defaults under the Act. Subject to applicable law, the Investor Director shall not be identified by the Company as an "officer in default" of the Company, or occupiers of any premises used by the Company or employers under applicable law.

(b) The Directors (including the Investor Director) shall be indemnified, out of the Assets, insurance and capital of the Company, against any liability incurred by any Director in defending any civil or criminal proceedings initiated against the Company by a third party in accordance with the instructions of the Board.

The above Article 93.11(b) shall stand deleted in its entirety, with effect from the effective date of the insurance policy as set out in the Article 102A (IPO Insurance Policy) hereinbelow.

94. **MEETINGS OF THE BOARD**

94.1. The Board shall hold regular meetings at the registered office of the Company or at such other place as is determined by the Board and communicated to the Investor Director at least once every quarter, and at least 4 (four) such meetings shall be held in every calendar year provided that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board. Unless otherwise agreed to in writing by the Investor Director, the notice, agenda, detailed notes and explanations to specific items on the agenda including draft resolutions to be discussed or voted, if any, for each meeting of the Board shall be sent to the Investor Director and all other Directors at least 7 (seven) Business Days prior to such meeting. No meeting of the Board shall be convened at a shorter notice period without the prior written consent of the Investor Director, provided that, the notice and the agenda for such Board meeting may be delivered to the Investor Director and all other Directors at least 1 (one) Business Day in advance. Other than with the prior written consent of the Investor Director, no matter other than the matters included in the agenda accompanying the notice provided to the Investor Director shall be subsequently included in the agenda in relation to, or considered in, any meeting of the Board. Notwithstanding the preceding, no meeting of the Board at which a Reserved Matter is proposed to be considered and / or discussed shall be held at shorter notice.

94.2. Subject to the provisions of the Act, the quorum for any meeting of the Board shall require the presence, in person or through video-conferencing or other audio-visual means, of the Investor Director and any one of the Promoter Directors unless the requirement of presence of such Directors is waived in writing by the Promoter or Investor, as relevant.

94.3. In the event that the quorum as set forth above is not achieved at any meeting of the Board within 1 (one) hour from the time appointed for the meeting, such meeting shall stand adjourned to the 7th (seventh) day following the day on which such meeting was adjourned, at the same time and venue (the "First Adjourned Board Meeting"), If such day is not a Business Day, then the First Adjourned Board meeting shall be held on the next Business Day immediately following such 7th (seventh) day. The First Adjourned Board Meeting shall consider the same matters as were on the agenda for the meeting that was adjourned.

94.4. In the event that the quorum as set forth above is not achieved at the First Adjourned Board Meeting, such meeting shall further stand adjourned to the 7th (seventh) day following the day on which the First Adjourned Board Meeting was to be held, at the same time and venue (the "Second Adjourned Board Meeting"). The Second Adjourned Board Meeting shall consider the same matters as were on the agenda for the Adjourned Board Meeting.

94.5. Subject to the provisions of the Act, the Directors present (including at least one Promoter Director) at the commencement of the Second Adjourned Board Meeting shall constitute valid quorum, and it shall not be necessary for the Investor Director to be present at such meeting to constitute quorum, and all matters as specified in the agenda shall be voted upon in such meeting, provided however, in the event the Investor Director is not present in the Second Adjourned Board Meeting, no Reserved Matter related items shall be taken up for discussion unless the Investor has provided its affirmative approval to approve relevant Reserved Matters in accordance with Article 96 prior to such Second Adjourned Meeting. It is clarified that decisions on Reserved Matters shall be only taken following the procedure set out in Article 96.

94.6. Subject to the provisions of Article 96, a decision shall be said to have been made and a resolution passed at a meeting of the Board only if passed at a validly constituted meeting in accordance with this Article 94, and such decision and resolution is approved of by a majority of the Directors, which, unless otherwise mandated by applicable Law, shall mean approval by a majority of the Directors present and voting at such meeting of the Board. The chairman of the Board meeting shall be appointed by the Promoter. In the event that the designated chairman is not present at a validly convened meeting, the persons present and voting may nominate any other Promoter Director as the chairman for the purposes of such meeting. The chairman of a meeting of the Board shall have a casting vote on any matter taken up by the Board in its meetings in case of equality of vote.

94.7. Subject to applicable Law, Directors or members of any Committee may participate in meetings of the Board or any Committee through video or telephonic conference or other audio-visual means permissible and recognized under applicable Law and such participation shall be counted for the purpose of quorum.

94.8. Subject to Article 96, a written resolution circulated to all Directors or members of committees, whether in India or overseas and signed by a majority of them as approved shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or of any committee, called and held in accordance with these Articles (provided that such written resolution has been circulated in draft form, together with the relevant papers, if any to all the Directors and has been approved by the Investor Director and a Promoter Director); provided however, that in the event such circular resolution includes any Reserved Matter, the affirmative approval of the Investor shall be required to be obtained in accordance with Article 96 for such resolution to be validly passed.

94.9. The Company shall reimburse reasonable expenses of the Investor Director for costs incurred in attending meetings of the Board and other meetings or events attended on behalf of or at the instance of the Company. The Company shall not pay any sitting fees to or reimburse any other expenses (except as set forth in this Article 90.9) incurred by the Investor Director.

95. **SHAREHOLDER MEETINGS**

95.1. The Company shall hold at least 1. (one) General Meeting in any given calendar year. All General Meetings shall be governed by the Act and the Articles.

95.2. The AGM shall be held in each calendar year, within 6 (six) months following the end of the previous Financial Year. The Board shall provide the audited Financial Statements of the Company's previous Financial Year to all Shareholders at least 30 (thirty) days before the AGM is held. All other General Meetings, other than the AGMs shall be EGMs.

95.3. Prior written notice of 21 (twenty-one) days for a General Meeting shall be given to all Shareholders, provided however that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act and subject to the prior written approval of the Investor. All notices for General Meetings shall be in writing and shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting.

95.4. The quorum for a General Meeting shall be the presence, in person or through proxy or authorised representation, of such number of shareholders as are required under the Act, provided that the presence of at least 1 (one) authorized representative of each of the Promoter and the Investor ("Relevant Representatives") shall be necessary to constitute the quorum (unless waived in writing by the Investor or the Promoter, as relevant).

95.5. In the event that the quorum as set forth above is not achieved at a General Meeting, such meeting shall stand adjourned to the 7th (seventh) day following the day on which such meeting was adjourned, at the same time and venue (the "First Adjourned General Meeting"). If such day is not a Business Day, then the First Adjourned General Meeting shall be held on the next Business Day immediately following such 7th (seventh) day. The First Adjourned General Meeting shall consider the same matters as were on the agenda for the meeting that was adjourned.

95.6. In the event that the quorum as set forth above is not achieved at the First Adjourned General Meeting, such meeting shall further stand adjourned to the 7th (seventh) day following the day on which the Adjourned General Meeting was to be held, at the same time and venue (the "Second Adjourned General Meeting"). Notice of the Second Adjourned General Meeting shall be given to all Shareholders by electronic mail and shall necessarily be followed by written notice by way of courier at least 5 (five) days prior to the date of such adjourned meeting. Subject to the provisions of the Act, the members present at a Second Adjourned General Meeting shall constitute quorum and may consider the same matters as were on the agenda for the General Meeting that was adjourned provided however, in the event an authorised representative of the Investor is not present in the Second Adjourned Board Meeting, no Reserved Matter related items shall be taken up for discussion unless Investor has provided its affirmative approval to approve relevant Reserved Matters in accordance with Article 96 prior to such Second Adjourned General Meeting. It is clarified that decisions on Reserved Matters shall be only taken following the procedure set out in Article 96.

95.7 Subject to the provisions of Article 96, all resolutions at a General Meeting shall be voted upon by way of a poll, and not by a show of hands and shall be decided by a simple majority or special majority as provided under the Act.

95.8. Subject to applicable Law, Shareholders may participate in General Meetings through video or telephonic conference or other audio-visual means permissible and recognized under applicable Law and such participation shall be counted for the purpose of quorum.

96. **RESERVED MATTERS**

96.1. Notwithstanding anything contained in these Articles, no obligation of the Company shall be entered into, no decision shall be made and no action shall be taken by or with respect to the Company, whether in meetings of the Board (including Committees) or General Meetings or otherwise, in relation to any of the matters set forth in Schedule I ("Reserved Matters") without following the procedure set forth in this Article 96,

96.2. If any matter, decision, action or resolution relating to a Reserved Matter is proposed to be considered or passed in respect of the Company:

(a) In a meeting of the Board or any Committee;

(b) By written circulation;

(c) In a General Meeting; or

(d) In any other manner,

then the Company shall, simultaneously with the issuance of the agenda for such meeting, notify the Investor of such proposal to consider or pass a Reserved Matter. In the event a Reserved Matter is proposed to be considered or passed through written circulation or in any other manner (other than at a meeting of the Board or Committee or at a General Meeting), the Company shall notify the Investor of such proposed resolution or action and shall provide the Investor at least 15 (fifteen) Business Days (or such shorter period as may be consented to by the investor in writing).

96.3. At a meeting of the Board where a Reserved Matter is tabled for discussion, the Investor Director shall either: (a) communicate to the Board the approval or dissent of the Investor to such Reserved Matter; or (b) require that such Reserved Matter be considered at a meeting of the Shareholders. In the event a Reserved Matter is required to be taken up at a meeting of the Shareholders at the request of the Investor Director, the Investor shall provide its approval or dissent to such Reserved Matter at such meeting. It is clarified that no meeting of the Board or of the Shareholders at which a Reserved Matter is proposed to be discussed shall be held at shorter notice.

96.4. A Reserved Matter shall be considered approved only if it has been approved (i) at a Board Meeting, by an affirmative vote cast by the Investor Director; or (ii) at a General Meeting, by a vote cast by the Relevant Representative of the Investor in such General Meeting, or (ii) by the prior written consent of the Investor within the timelines specified in Article 96.2 above. Where a Reserved Matter has not received the affirmative approval of the Investor Director or the Investor, no further action shall be taken in respect of such matter without complying with the procedure set out in this Article 96. In the event the approval of the Investor Director and / or the Investor has been obtained in relation to any matter (each such matter specifically, a "Subject Matter") pursuant to this Article 96 read with Schedule I at a meeting of the Board or otherwise, the approval of the Investor Director and / or the Investor shall not be required to be subsequently obtained in respect of the same Subject Matter.

96.5. Without prejudice to the requirements under this Article 96, in the event and for the time period that the Investor has not appointed an Investor Director on the Board, all Reserved Matters shall be referred to the

Shareholders for approval and transacted only at General Meetings following the process set out in this Article 96.

96.6. In the event any decision and/or resolution is effected without complying with the provisions of this Article 96, such decision or resolution shall be void and not valid or binding on any Person including the Company.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

97. Subject to relevant provisions of the Act, no Director of the Company shall be liable to the Company for:

(a) the act, receipts, neglects or defaults of any other Director or officer or employee;

(b) any loss, damages or expense incurred by the Company through the insufficiency or deficiency of title to any property acquired by the Company or for or on behalf of the Company;

(c) the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Company shall be placed out or invested;

(d) any loss or damage arising from bankruptcy, insolvency or tortuous act of any person including any person with whom any money securities or effects shall be lodged or deposited;

(e) any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Company; or

(f) any other loss damage or misfortune whatever which may happen in the execution of the duties of his respective office of trust or in relation thereto;

unless the same happens by or through his negligence, default, misfeasance, breach of duty, breach of trust of which he may be guilty in relation to the Company or his failure to exercise the power in good faith with a view to the best interests of the Company with care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

98. Nothing herein contained shall relieve a Director officer from the duty to act in accordance with the Act or relieve him from liability for a breach thereof. Subject to provisions of the Act, if any Director or officer of the Company is employed by or performs services for the Company otherwise than as a Director or officer or is a member of a firm or a shareholder, director or officer or officer of body corporate which is employed by or performs services for the Company, the fact of his being a Member, Director or officer of the Company shall not disentitle such Director or officer or such firm or body corporate, as the case may be from receiving proper remuneration for such services.

INDEMNITIES TO DIRECTORS AND OFFICERS

99. Subject to any applicable provisions of the Act, except in respect of any action by or on behalf of the Company to obtain a judgment in its favor, the Company shall indemnify a Director or officer of the Company, a former Director or officer of the Company against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in defending any proceedings whether civil or criminal to which he is made a party by the reason of being or having been a Director or officer of the Company, in which judgment is given in his favor or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted to him by court.

100. **EXIT**

100.1. Prior to the expiry of the Long Stop Date, the Company and the Promoter shall make best efforts to provide an exit to the Investor by undertaking an IPO in accordance with Article 102.

100.2. Without prejudice to Article 100.1, the Company and the Promoter shall make best efforts to provide the Investor an exit prior to the expiry of the Long Stop Date, by way of a Financial Investor Sale in accordance with Article 103.

100.3. All costs relating to the obligations of the Company under Article 103 shall be borne by the Company.

100.4. Fall Away of Exit Rights

100.4.1. Notwithstanding anything contained herein, in the event the investor has been offered a complete exit:

(i) by way of a sale of all the Investor Securities through a binding offer (including, without limitation, pursuant to the exercise by the Promoter of his Right of First Offer pursuant to Article 64.3, sale to a Proposed Purchaser pursuant to Article 64.4.5 or any sale to a Financial Investor pursuant to Article 103) which results in the Threshold Exit Price being achieved;

(ii) by any other mode of exit contemplated herein except by way of Consummation of the IPO which results in the Threshold Exit Price being achieved;

and if the Investor does not accept such offer or otherwise breaches its obligations to effect such offer and undertake actions necessary to give effect to such exit, the Investor's exit rights under these Articles shall fall away.

100.4.2. The preceding Article 100.4.1(i) shall not apply in the event the Investor does not accept an offer to sell its Securities to any Person (other than a Financial Investor) pursuant to Article 100.4.1(i) above after having conducted a due diligence on such Person and: (i) having identified such Person to have been convicted of any offences under applicable Anti-Money Laundering Laws or Anti-Corruption Laws or (ii) if the purchaser is a Person listed on the Specially Designated Nationals And Blocked Persons List published by the Office of Foreign Assets Control of the United States Department of Treasury.

101. **INITIAL PUBLIC OFFERING**

102.1 The decision to undertake an IPO (including any other decisions required to be taken in furtherance of the IPO) shall be made by the Company, in consultation with the book running lead managers, subject to the approval of the Shareholders, as may be required under applicable Law, having due regard to the prevailing market conditions and to the advice of the book running lead managers appointed by the Company.

102.2 An IPO may be either through a new issue of Equity Shares or subject to Article 102.3, through an offer for sale of the Equity Shares held by certain existing Shareholders of the Company, or a combination of both, as may be advised by the book running lead managers, which shall be in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and other applicable Law. It is clarified that the price in any IPO shall be subject to the book building process under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. Further, the price band and all the pricing and allocation related decisions, inter alia, including the allocation to anchor investors shall be taken by the Company, in consultation with the book running lead managers and in accordance with applicable Law.

102.3 In the event that an IPO undertaken by the Company under this Article 102, is through or includes an offer for sale of Equity Shares, the Investor will retain priority to transfer its Equity Shares in the IPO over other selling shareholders, subject to minimum subscription in the fresh issue component of the IPO, as required under applicable Law. The mechanism of such transfer shall be in accordance with the offer agreement to be executed in relation to the IPO. The Investor shall be entitled to offer for sale such maximum number of Equity Shares that is permitted under applicable Law.

102.4 The Promoter undertakes to exercise his voting rights (as a Director and Shareholder of the Company) and shall ensure that the Promoter Directors exercise their voting rights, subject to applicable Law, to give effect to this Article 102 and the Investor agrees to equivalently cooperate with any such action. In connection with making best efforts towards an IPO:

(a) The Company, the Investor and the Promoter shall not withhold approval and shall do all acts and deeds as may be required to effect the IPO including to facilitate the offer for sale of the Equity Shares proposed to be sold by the Investor pursuant to the IPO;
(b) The Company, the Investor and the Promoter shall provide all information and ensure compliance (to the extent applicable to such Party) with all applicable provisions under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the listing agreement(s) of the Recognized Stock Exchange and other applicable Law in force at the time of the IPO and subsequent to the listing of the Equity Shares for trading on a Recognized Stock Exchange;
(c) The Company shall indemnify the Investor from and against any Losses caused by (a) any untrue statement of a material fact, or (b) any omission to state therein a fact required to be stated therein or necessary to make the statements therein not misleading, and made by or on account of the Company and/or the Promoter contained in the statement or prospectus relating to such offering; and
(d) The Company shall prepare, and the Promoter shall procure, that the Company prepares and signs the relevant offer documents, conduct road shows, facilitate site visits and management meetings, enter into documents and provide all necessary information necessary for preparing the offer.

The Article 102.4 (c) shall stand deleted in its entirety, with effect from the effective date of the insurance policy as set out in the Article 102A (IPO Insurance Policy) below.

102.5 The Parties agree that the Investor is a financial investor in the Company and is not responsible for the day-to-day affairs of the Company. Subject to applicable Law, the Investor shall not be considered as a "promoter" of the Company for the purposes of the IPO and the Company shall endeavour to take all actions towards this end. If any Equity Shares are to be made subject to any lock-in as promoter shares in connection with the IPO, the Promoter shall offer his Equity Shares towards such lock-in. However, it is clarified that the Equity Shares held by the Investor (to the extent not transferred as part of the offer for sale in the IPO) shall be subjected to the lock-in requirements, as applicable under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

102.6 All costs and expenses relating to the IPO shall be borne in accordance with the offer agreement to be executed in relation to such IPO.

102.7 The Investor shall provide standard representations and warranties as may be customary to the investor selling shareholders in the IPO agreements and as may be mutually decided between the parties to such IPO agreements solely for the purposes of the IPO in connection with the proposed offer for sale of Equity Shares of the Investor and in accordance with requirements under applicable law.

102A. **IPO INSURANCE POLICY**

The Company shall, prior to the filing of the draft red herring prospectus with SEBI, procure an IPO insurance policy or public liability insurance policy or any other similar insurance by whatever name called with respect to the IPO from a credible and authorized insurance company covering liabilities with respect to all Directors and the selling shareholders in the IPO, on terms and for a period to the satisfaction of the Investor. Upon obtaining the insurance policy, the Company shall share a copy of such insurance policy with all the Directors and the selling shareholders in the IPO; and inform them of any changes, modifications or amendments to the insurance policy.

103. **FINANCIAL INVESTOR SALE**

103.1. Notwithstanding anything contained in Articles 101.1 read with Article 102, prior to the expiry of the Long Stop Date, the Company and the Promoter shall make best efforts to facilitate a complete exit by the Investor by sale of all of the Investor Securities to a Financial Investor pursuant to this Article 103 ("**Financial Investor Sale**"),

103.2. Without prejudice to the provisions of Article 101.5, upon receipt of a firm offer in writing by a Financial Investor, the Investor may elect, at its discretion to sell up to all of the Investor Securities to the said Financial Investor, subject to compliance with Article 64.5.

103.3. The Company and the Promoter shall render all assistance necessary to expeditiously complete the Financial Investor Sale on or prior to the expiry of the Long Stop Date, including without limitation, obtaining any Consents and Government Approvals required under applicable Law, and providing representations and warranties, covenants and indemnities customary to such transactions, subject to appropriate limitations of liability. The Investor shall not be required to provide any guarantees or be subject to any restrictive covenants relating to the operations of the Company pursuant to a Financial investor Sale but, shall provide representations and warranties, covenants and indemnities only in relation to authority, capacity and title to Securities being offered by the Investor. The Investor shall cooperate with the Company and the Promoter in their performance of any actions under this Article 103.

104. **FALL AWAY OF RIGHTS**

a. All rights of the Investor under these Articles other than the economic and voting rights attached to the Investor Securities shall terminate with respect to the Investor upon both of the following conditions being satisfied:

(a) the Investor's (including its Affiliates and nominees) holding in the Fully Diluted Share Capital falling below the Fall-Away Threshold; and

(b) the Investor having Transferred any of the Investor Securities as on the date on which the Fall-Away Threshold has breached.

b. Notwithstanding the preceding, all rights of the Investor under these Articles other than the economic rights attached to the Investor Securities shall cease to be applicable and shall fail away upon the Investor's shareholding in the Company falling below 5% (five per cent) of the Fully Diluted Share Capital.

c. Notwithstanding anything to the contrary contained herein, the exit rights available to the Investor pursuant to these Articles shall fall away in accordance with Article 101.5.

105. **NO OBJECTION**

(i) The Investor and/or its Affiliates shall be free to make any investment in, or finance, or enter into a collaboration with, any other company or Person, including any Person carrying on any business in the same, similar or allied field as the Business or the business being carried on by the Promoter or the respective Affiliates of the Company and Promoter, provided that, except as specifically permitted under this Article 105, for long as the Investor holds any Securities in the Company, the Investor shall riot, and shall ensure that its Affiliates shall not, directly or indirectly, make any investment in, or finance, or enter into a collaboration or any similar arrangement with any Restricted Person. Notwithstanding the preceding, the Investor shall be entitled to invest in the listed Equity Shares or other listed equity securities of an entity listed on a Recognized Stock Exchange through an on-market transaction, up to 5% (five per cent) of the issued, subscribed and paid-up share capital of such entity, provided that the said investment is a passive public market investment without the acquisition of any special rights or privileges not otherwise available to the

Investor under applicable Law as a shareholder of such entity, including special information rights, board seat, etc.

(ii) In the event the Investor and / or its Affiliates make or have made, directly or indirectly, any investment in, or finance, or enter into any collaboration or similar arrangement with any Person carrying on any business in the same as or similar to or allied field as the Business or the business being carried on by the Promoter or the respective Affiliates of the Company and Promoter, or any business carried by any of the Company, the Promoter, or their respective Affiliates on a future date, such Investor and / or Affiliate shall (a) preserve confidentiality of any confidential Information relating to the Company that such Investor and f or Affiliate becomes privy to, and (b) prevent conflicts of interest between the Company and such other investment arrangement, including by ensuring that common directors are not appointed and other 'Chinese Wall' methods as may be necessary (including usage of 'clean teams'), both physically and electronically.

106. **BOOKS AND DOCUMENTS**

106.1. The Board shall cause to be kept in accordance with Section 128 of the Act proper books of account with respect to:

(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
(b) all sales and purchases of goods by the Company;
(c) the assets and liabilities of the Company; and
(d) any other particulars as may be required by the Central Government or as may be prescribed under the Act and the Rules made thereunder.

106.2. The books of account shall be kept at the registered office or at such other place in India as the Board may decide and when the Board so decides, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

106.3. The books of account and other books shall be open to inspection during business hours by any Director, Registrar or other Officer of the Government authorized by the Central Government in this behalf.

106.4. The books of account of the Company together with the vouchers relevant to any entry in such books of account shall be preserved in good order for a period of not less than the period provided in the Act.

106.5. At every Annual Genera! Meeting the Board shall lay before the Company, the Financial Statements made up in accordance with the provisions of Section 129 of the Act and such Financial Statements shall comply with the requirements of the Act, Schedule Vi and the Rules made thereunder, so far as they are applicable to the Company but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

106.6. A copy of every Financial Statement, the Auditor's Report, the Report of the Board of Directors and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by Section 136 of the Act, not less than twenty-one days before the meetings, be sent to every such Member, every trustee for the holders of any Debenture issued by the Company, trustee and other person to whom the same is required to be sent as prescribed under the Act.

SECRECY

107. Every manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon their duties, sign a declaration pledging himself to observe strict secrecy respecting all bona fide transactions of the

Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by any General Meeting or by the law of the country and except so far as may be necessary in order to comply with any of the provisions in these presents and the provisions of the Act.

OPERATION OF BANK ACCOUNTS

108. The Directors or any other person authorized by the Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundis and bills or may authorize any other person or persons to exercise such powers.

WINDING UP

109. Subject to the provisions of the Act and Rules made there under, if the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by those Members respectively and if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively. But this Article is to be without prejudice to the rights of holders of shares issued upon special terms and conditions.

FINANCIAL STATEMENTS

110. The Financial Statements including the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and the accompanying Notes and Accounting Policies of the Company will be audited once in a year by a qualified auditor for certification of correctness as per the provisions of the Act.

AUDIT

111. The first auditors of the Company shall be appointed by the Board within one month after its incorporation who shall hold office till the conclusion of the first Annual General Meeting.

112. The Board may fill up any casual vacancy, except caused by resignation, in the office of the auditors.

113. The remuneration of the auditors shall be fixed by the Company in a General Meeting except that remuneration of the first or any auditors appointed by the Board may be fixed by the Board.

114. **DEMATERIALISATION OF SECURITIES**

(i) The Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, the Company may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the

Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable laws.

(ii) Dematerialisation/Re-materialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the regulations framed thereunder, if any, and other applicable law.

(iii) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(iv) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(v) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(vi) Register and index of beneficial owners

a) The Company shall cause to be kept a register and index of Members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a branch Register of Members, of Members resident in that state or country.

115. **POWER TO MERGE/AMALGAMATE/DEMERGE**

Subject to Reserved Matters Rights of Investor pursuant to Article 92 read with Schedule 1 of Articles of Association, to acquire or amalgamate with any other company or person, transfer one or more of its undertaking to one or more Company or person. To acquire and undertake the whole or any part of the business, good-will and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain or sell, mortgage or deal with any shares, debentures, debenture stock or securities so received.

SCHEDULE I
RESERVED MATTERS

1. Any issuance of or alteration in the Share Capital, whether by way of issue of shares, rights, convertibles, options, bonus, warrants to purchase capital stock (or other convertible securities), reduction of capital or otherwise, or any alteration in the nature and extent of rights of any class of capital;

2. Acquisition of shares, securities, bonds, debentures, of any other body corporate or entity, investments in any body corporate or entity, entering into joint ventures, partnerships and strategic or financial alliances, mergers, demergers, spin-offs, consolidations, creation of any subsidiaries), or acquisition or sale, lease or other disposal of substantially all of the Company's Assets, Business, customers;

3. The timing, pricing and place or exchange of an IPO, formulation of an IPO plan, amendments to the IPO plan, appointment of the merchant bankers and other advisors in relation thereto;

4. Initiation or settlement of any litigation, arbitration or claims or regulatory proceedings that restricts the ability to conduct its business, and involves an amount in excess of Rs. 10,000,000 (Rupees Ten Million only);

5. The adoption of any employee stock option scheme or employee stock purchase scheme or any amendments thereto;

6. Any transaction above Rs. 10,000,000 (Rupees Ten Million only) per transaction or above Rs. 50,000,000 (Rupees Fifty Million only) per annum in the aggregate with any officer, director, shareholder or other interested party, or any other party related directly or indirectly, to any of them, other than as agreed in the Annual Budget;

7. Any transaction or series of Related Party transactions of Company which is not in Ordinary Course of Business or approved in the Annual Budget;

8. Any incurrence of debt (including by way of issuance of preference shares that are not convertible into Equity Shares), in excess of 15% (fifteen per cent) of the limits specified in the Annual Budget.

9. Establishment / creation of any mortgage, pledge, hypothecation, escrow, security interest or lien over the Assets of the Company or provision of guarantees by the Company in excess of Rs. 10,000,000 (Rupees Ten Million only), which have not otherwise been expressly approved under paragraph 8 of this Schedule I.

10. Any banking or debt transaction involving the provision by the Company of any advance or loan or providing of any credit to any other Person, including a Related Party or any Affiliate of any of the Shareholders, in excess of Rs. 10,000,000 (Rupees Ten Million only);

11. Appointment of Key Employees

12. Any material changes in the accounting methods or policies (including any change in the Financial Year for preparation of annual Financial Statements) or any change in Tax policies, Tax elections, or Tax accounting, other than as required to comply with applicable Law;

13. Appointment of or change in the statutory or internal auditors, except in compliance with applicable Law;

14. Any change in the name of the Company;

15. Any change in the registered office of the Company;

16. The establishment or incorporation of a subsidiary, branch or Affiliate of the Company;

17. Making any political or charitable contribution, other than as required to be made for corporate social responsibility under applicable Law;

18. Any amendment, alteration, supplement, modification or restatement to the Charter Documents of the Company;

19. Commencement of liquidation, winding up, dissolution, of the Company;

20. Any declaration or payment of dividends, distribution of profits and/or any other distributions on the Equity Shares, whether by cash or otherwise;

21. Approval of Annual Budget and deviations (computed on a YID quarterly basis} in budgeted revenue, capital expenditure and/or EBITDA by more than 15% (fifteen per cent) from the Annual Budget;

22. Any disposal of the Company, or any Transfer of a substantial portion of the Assets of the Company;

23. Any new business initiatives that the Company wishes to undertake which does not fail within the scope of the Business or the Annual Budget;

24. Any agreement or commitment to give effect to any of the foregoing;

    It is clarified that any monetary limits stated in this Schedule I, unless specified otherwise, are indicated on an aggregate basis, and such limits shall apply to both a single transaction and a series of transactions carried out by the Company in a particular Financial Year.

SCHEDULE II
BROAD BASED WEIGHTED AVERAGE ANTI-DILUTION

CP2 = CP1 x [(A + BOA + c))

Where:

(i) "CP2" is the adjusted conversion price for the Series A CCPS consequent upon the anti-dilution event.

(ii) "CP1" is the existing conversion price for the Series A CCPS series before issuance of the Securities.

(iii) "A" is the number of Equity Shares outstanding on a Fully Diluted Basis (assuming full conversion of all Series A CCPS and exercise of all stock options, if any) before issuance of the Securities.

(iv) "B" is the aggregate consideration to be received by the Company with respect to the Securities divided by CP1 (in other words it is the number of Equity Shares that would have been allotted had the Securities been issued at CP1).

(v) C is the number of Equity Shares actually issued as part of the Security issuance.

(vi) In performing the foregoing calculations, the following provisions shall be applicable:

(a) In the case of the issuance of Securities for cash, the aggregate consideration shall be deemed to be the amount of cash paid thereof before deducting therefrom any discounts, commissions or placement fees payable by the Company to any underwriter or placement agent in connection with the issuance and sale thereof.

(b) In the case of the issuance of Securities for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the Fair Market Value thereof,

(c) The aggregate maximum number of Equity Shares deliverable upon conversion, exchange or exercise (assuming the satisfaction of any conditions to convertibility, exchangeability or exercisability, including, without limitation, the passage of time, but without taking into account potential anti-dilution adjustments) of any Security and subsequent conversion, exchange or exercise thereof shall be deemed to have been issued at the time such securities were issued or such Security were issued and for a consideration equal to the consideration, if any, received by the Company for any such Security, plus the minimum additional consideration, if any, to be received by the Company (without taking into account potential anti-dilution adjustments) upon the conversion, exchange or exercise of any Securities.

(d) In the event of any change in the number of Equity Shares deliverable or in the consideration payable to the Company upon conversion, exchange or exercise of any Securities, other than a change resulting from the anti-dilution provisions thereof, the applicable conversion prices, to the extent in any way affected by or computed using such Securities, shall be recomputed to reflect such change, but no further adjustment shall be made for the actual issuance of Equity Shares or any payment of such consideration upon the conversion, exchange or exercise of such Securities.

(e) Upon the termination or expiration of the convertibility, exchangeability or exercisability of any Securities, the applicable conversion price, to the extent in any way affected by or computed using such Securities, shall be recomputed to reflect the issuance of only the number of Equity Shares (and Securities that remain convertible, exchangeable or exercisable) actually issued upon the conversion, exchange or exercise of such Securities.

(f) Notwithstanding any other provisions of these Articles, except to the limited extent provided for in paragraphs (vi) (d) or (e) of this Schedule II, no adjustment of the applicable conversion price pursuant to this Schedule II shall have the effect of decreasing the conversion ratio (i.e. reducing the number of Equity Shares issuable upon conversion of the applicable Preference Share) below the conversion ratio in effect immediately prior to such adjustment.

(g) All calculations of the conversion price shall be made to the nearest one one-hundredth of an Indian Rupees. The Company shall not issue any fractional Equity Shares, but shall round up to the nearest whole Equity Share.

An illustration of the working of the broad based weighted average adjustment is provided below:

Initial position	
Equity outstanding	1,000
Warrants	50
Share price	100
Pre-money Equity valuation	**100,000**
Investment round - Investor 1	
CCPS issued	200
Share price	100
Total investment	20,000
Post money Equity valuation (Round 1)	**120,000**
Investment round - Investor 2	
CCPS issued	100
Share price	90
Total investment	9,000
Post money Equity valuation (Round 2)	**129,000**
Total equity outstanding after (Round 2)	**1,300**
Conversion price for Investor 1 through Broad Based Weighted Average	
CP2 = CP1 x ((A + B)/(A + C), where	
CP1: Investor 1 investment price	100
A: Total Outstanding equity (diluted) after Round 1)	1,250
B: CCPS shares issued in round 2 if it were based on round 1 price	90
C: Actual total round 2 CCPS shares issued	100
CP2 =	99.26
Adjusted no of CCPS shares outstanding for Investor 1=	**201.5**

SCHEDULE III
DETERMINATION OF FAIR MARKET VALUE

For the determination of Fair Market Value of the Securities, the following process shall be followed:

(a) The Investor, and the Company and the Promoter collectively, shall each appoint a Valuer (Investor Appointed Valuer" and "Company Appointed Valuer", respectively). Each of the Investor Appointed Valuer and the Company Appointed Valuer shall independently conduct a valuation of the Company on the basis of internationally accepted pricing methodologies.

(b) The average of the valuation arrived at by the Investor Appointed Valuer and the valuation arrived at by the Company Appointed Valuer shall be computed and the price arrived at will be considered the Fair Market Value of the shares of the Company.

(c) If the difference between the valuation arrived at by the Investor Appointed Valuer and the valuation arrived at by the Company Appointed Valuer exceeds 10% (ten per cent), then the Investor Appointed Valuer and the Company Appointed Valuer shall, by agreement, appoint a neutral third-party Valuer, who shall conduct an independent valuation of the shares of the Company, and whose decision shall be final and binding on the Shareholders.

(d) The cost of the Investor Appointed Valuer and the Company Appointed Valuer shall be borne by the Investor and the Company or Promoter, respectively. The cost of any neutral third Valuer appointed shall be borne equally by Investor and the Company.

SCHEDULE IV
PROHIBITED TRANSFEREES

1. Quadria Capital, and its Affiliates;

2. Khazanah Nasionai Berhad, and its Affiliates;

3. Persons (including Financial Investors) ("Controlling Investor") who, directly or indirectly, whether solely or as a bloc with any other Person, hold or control more than 50% (fifty per cent) of the voting rights exercisable at shareholder meetings or the equivalent) of or has the right to appoint and/or remove all or the majority of the members of the board or other equivalent governing body of, or the power to control the management or policies of any of the following Persons (whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights through Contract or otherwise):

(a) Entity which operates under the brand name 'Medanta — the Medicity', and any Affiliates thereof; and

(b) Fortis Healthcare Limited, and any Affiliates thereat and affiliates of such controlling investor.

SCHEDULE V
Terms of Issuance of Series A CCPS

1. Face Value

Each Series A CCPS shall have a face value of Rs. 10 (Rupees Ten only).

2. Term

Unless converted in accordance with the terms of the Articles and applicable Law, the term of the Series A CCPS shall be a maximum of 19 (nineteen) years from their date of issuance.

3. Distributions

3.1 If the Board proposes to declare any dividend on any Securities, the holders of the Series A CCPS shall be paid, out of the dividend proposed to be declared, a cumulative dividend equal to 0.01% (zero point zero one per cent), in preference and priority to the payment of dividend in respect of all other Securities, present or future.

3.2 Until such time as there remain any unconverted Series A CCPS in the Share Capital, the Company shall not declare any dividend on any Equity Shares which would result in the holders of the Series A CCPS (who would have been entitled to participate in such dividend if the Series A CCPS had previously converted into Equity Shares) receiving dividends higher than that permitted by applicable Law.

3.3 Upon conversion of the Series A CCPS into Equity Shares, the holders of the Series A CCPS shall be entitled to participate in the dividend on the Equity Shares, on a *pari passu* basis with the holders of all other Equity Shares.

4. Voting

4.1 Notwithstanding anything contained in Section 47 of the Act, from and after the Closing Date, the voting rights of every holder of Series A CCPS, on every resolution placed before the Company shall, to the extent permissible under Law, be in proportion to the share in the Share Capital that the Equity Shares held by such shareholder represents. The Series A CCPS shall carry the same voting rights as are attached to the Equity Shares issuable to the holders of the Series A CCPS upon the conversion of such Series A CCPS and therefore, the holders of the Series A CCPS shall have the right to vote on an as if converted basis on all resolutions on which the holders of the Equity Shares are entitled to vote upon. it is clarified that Section 47 of the Act shall not apply to the Company.

4.2 From the date of conversion of the Series A CCPS, the voting percentage of all the shareholders in the Company shall be in proportion to their shareholding in the Company.

4.3 Without prejudice to the rights of the investor under these Articles, the Promoter and the Company agree that if (i) the Company is converted into a public limited company, and/or (ii) there is an amendment, supplement or re-enactment of any applicable Law which prevent the investor from exercising its voting rights on the Series A CCPS held by it, the Promoter shall, to the extent permitted under Law, vote his shares in such manner as to facilitate the exercise by the Investor of voting rights corresponding with such portion of the total voting capital as represented by the Series A CCPS on an as if converted basis.

5. Conversion

5.1 The Series A CCPS will convertible into Equity Shares after April 1, 2018, Initially the Series A CCPS shall be convertible into Equity Shares at a conversion ratio of 1:1 which shall be subject to adjustment as agreed between the Investor, the Promoter and the Company and, if required, with Article 47 (the "Series A Conversion Ratio"), without the holders of the Series A CCPS being required to pay any amount for such conversion.

5.2 Subject to the adjustment as per Paragraph 5.1 above, the Series A CCPS shall be convertible into Equity Shares at the option of the holders of the Series A CCPS after March 31, 2018 in accordance with paragraph 5.45.3 below. Any Series A CCPS that have not been converted into Equity Shares shall, if required under applicable Law, compulsorily convert into Equity Shares upon the earlier of:

(i) In connection with an IRO, immediately prior to the filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable Law at the relevant time; and

(ii) The date which is 19 (nineteen) years from the date of issuance of the Series A CCPS,

in either case, in accordance with these Articles.

5.3 Notwithstanding anything to the contrary contained herein, in the event the Investor exercises its Tag Along Right in accordance with Article 64.4.2(a), the Investor shall be required to mandatorily convert such number of Series A CCPS into Equity Shares as correspond to the number of Tag Along Securities proposed to be Transferred in accordance with Article 64.4.2(a), at least 7 (seven) days prior to the completion of such Transfer.

6. Optional Conversion

(i) After April 1, 2018, the holders of the Series A CCPS shall have the right, at any time and from time to time after the Closing Date, to require the Company, by written notice (the "Series A Conversion Notice"), to convert all or a portion of the Series A CCPS into Equity Shares.

(ii) The Series A Conversion Notice shall be dated and shall set forth:

(a) The number of Series A CCPS in respect of which the holder of the Series A CCPS is exercising its right to conversion in accordance with this paragraph 5; and

(b) The number of Equity Shares that such Series A CCPS shall convert into, determined in accordance with paragraph 6.1.

(iii) Upon receipt of the Series A Conversion Notice, the Company shall forthwith and no later than 5 (five) Business, Days from such receipt.

(a) Convene a meeting of the Board, in which meeting the Company shall approve the following:

(A) The conversion of such number of the Series A CCPS as are mentioned in the Series A Conversion Notice;
(B) The cancellation of the share certificates representing such number of the Series A CCPS; and
(C) The issuance and allotment of such number of Equity Shares as determined by the Series A Conversion ratio on the date of the Series A Conversion Notice,

in each case, as are mentioned in the Series A Conversion Notice;

(b) issue Equity Shares to the Investor in dematerialized form; and

(c) Update its register of members to reflect the holders of the Series A CCPS as the owners of the Equity Shares issued pursuant to the conversion of such number of the Series A CCPS as are determined in accordance with paragraph 6.1 based on the Series A Conversion Ratio and mentioned in the Series A Conversion Notice.

7. Transferability

The Series A CCPS shall be Transferable in accordance with the terms of the Articles.

8. Other Rights

The Series A CCPS shall have other rights that are set out in the Articles and under applicable Laws.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts, which have been entered or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available on the website of our Company at https://www.parashospitals.com/investors from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for the CRISIL Report which is available from the date of this Draft Red Herring Prospectus).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated July 31, 2024 between our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated July 31, 2024 between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

4. Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank, Public Offer Bank and the Refund Bank(s).

5. Share Escrow Agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent.

6. Syndicate Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.

7. Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the MoA and AoA of our Company, as amended from time to time.

2. Certificate of incorporation dated December 21, 1987, issued by the RoC, and subsequent endorsement by the RoC for deemed conversion into a public company on July 1, 1993 and re-conversion into a private company on June 16, 2003.

3. Fresh certificate of incorporation consequent to the change in the name of our Company, issued by the RoC on July 21, 2003.

4. Fresh certificate of incorporation consequent to the conversion to public limited company and subsequent change in the name of our Company, issued by the RoC on July 18, 2024.

5. Resolution of our Board dated July 22, 2024, approving the Offer and the resolution of the Shareholders dated July 25, 2024 approving the Offer.

6. Resolution of our Board dated July 30, 2024, taking on record the consent and authorisation of each of the Selling Shareholders to participate in the Offer for Sale.

7. Resolution of our Board dated July 30, 2024, approving this Draft Red Herring Prospectus.

8. Resolution of the IPO Committee dated July 31, 2024, approving this Draft Red Herring Prospectus.

9. Board resolution dated July 22, 2024 and Shareholders' resolution dated July 25, 2024 in relation to the remuneration and terms of employment of our Managing Director.

10. Board resolution dated July 22, 2024 and Shareholders' resolution dated July 25, 2024 in relation to the remuneration and terms of employment of our Whole-time Director.

11. Employment agreement dated July 11, 2017 between our Promoter and our Company, as amended on October 20, 2021.

12. Employment agreement dated July 20, 2017 between Dr. Kapil Garg and our Company, read with the appraisal letter dated July 31, 2023.

13. Copies of the annual reports of our Company for the Fiscals 2024, 2023 and 2022.

14. The examination report dated July 22, 2024 of the Statutory Auditors, on the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.

15. The statement of possible special tax benefits dated July 31, 2024 issued by the Statutory Auditor.

16. Consent of our Directors, our Company Secretary and Compliance Officer, the BRLMs, the Syndicate Members, Legal Counsel to our Company, as to Indian law, Registrar to the Offer, Monitoring Agency, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s), Sponsor Bank, Bankers to our Company, as referred to in their specific capacities.

17. Certificate dated July 31, 2024 issued by Suri & Sudhir, Chartered Accountants certifying the KPIs of the Company.

18. Resolution dated July 29, 2024 passed by the Audit Committee approving the KPIs for disclosure.

19. Consent dated July 31, 2024 from Walker Chandiok & Co LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated July 22, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated July 31, 2024 on the statement of tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

20. Consent dated July 28, 2024 from Suri & Sudhir, Chartered Accountants, to include its name as an independent chartered accountant as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

21. Consent dated July 22, 2024 from Faraaz Shamsi & Associates, to include their name as the independent practicing company secretary as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

22. Consent letter from CRISIL MI&A dated July 31, 2024 for the CRISIL Report.

23. The report titled "*Assessment of Healthcare delivery sector India with a focus on North India*" dated July, 2024 prepared by CRISIL MI&A, which has been commissioned by and paid for by our Company pursuant to an engagement letter with CRISIL MI&A exclusively for the purposes of the Offer.

24. Engagement Letter with CRISIL MI&A dated April 8, 2024.

25. Consent letters from the Selling Shareholders authorising their participation in the Offer.

26. Corporate authorization dated July 12, 2024 from the Investor Selling Shareholder authorizing its participation in the Offer for Sale.

27. Investment and Share Purchase Agreement dated July 6, 2017 entered into amongst our Company, Dr. Dharminder Kumar Nagar and Commelina Ltd as amended by the addendum dated July 13, 2017 entered into amongst them, read with the Waiver Letter dated March 28, 2024.

28. Waiver Cum Amendment Agreement dated July 25, 2024 entered into amongst our Company, Dr. Dharminder Kumar Nagar and Commelina Ltd.

29. Share Purchase Agreement dated June 29, 2022 entered into amongst our Company, Satendra Pal Singh Chhabra, Mahendra Pal Singh Chahbra, Amarjeet Kaur Chhabra, Amandeep Singh Chhabra, Jagdeep Singh, Nisha Mundra, Navneet Estate Private Limited and Plus Medicare Hospitals Private Limited.

30. The valuation report dated October, 2022 by Sapient Services Private Limited, Chartered Accountants issued in relation to the SPA.

31. Concession agreement dated January 16, 2018 entered into amongst our Company, Heavy Engineering Corporation Limited and Paras Healthcare (Ranchi) Private Limited.

32. Due diligence certificate dated July 31, 2024, addressed to SEBI from the BRLMs.

33. In – principal approvals dated [●] and [●] issued by BSE and NSE, respectively.

34. Tripartite agreement dated July 10, 2024 between our Company, NSDL and the Registrar to the Company.

35. Tripartite agreement dated July 9, 2024 between our Company, CDSL and the Registrar to the Company.

36. SEBI observation letter bearing reference number [●] and dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Saurabh Sood
Chairman and Non-Executive Director

Place: Mumbai

Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dr. Dharminder Kumar Nagar
Managing Director

Place: Gurugram

Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dr. Kapil Garg
Whole-time Director

Place: Gurugram

Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Kabir Thakur
Non-Executive Director

Place: Mumbai, India

Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Nakul Anand
Independent Director

Place: New Delhi

Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Upendra Prasad Singh
Independent Director

Place: Copenhagen, Denmark

Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Usha Rajeev
Independent Director

Place: Gurugram
Date: July 31, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE GROUP CHIEF FINANCIAL OFFICER OF OUR COMPANY

Dilip Bidani
Group Chief Financial Officer

Place: Gurugram
Date: July 31, 2024

DECLARATION

I, Dr. Dharminder Kumar Nagar, in my capacity as a Selling Shareholder, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to me, as the Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY DR. DHARMINDER KUMAR NAGAR

Dr. Dharminder Kumar Nagar

Place: Gurugram
Date: July 31, 2024

DECLARATION

We, Commelina Ltd, in our capacity as a Selling Shareholder, hereby confirm and declare that all statements, and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to us, as the Investor Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Signed by and on behalf of Commelina Ltd

Authorised Signatory: Varsha Okil
Designation: Director

Place: Ebene, Mauritius
Date: July 31, 2024